1-1-2012

A Preliminary Investigation of the Impact of Union Micofinanza on Coffee Producers in La Union, Honduras

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Keywords
microfinance, Honduras, coffee growers, farming, social impact

Disciplines
Business

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A Preliminary Investigation of the Impact of Unión Microfinanza on Coffee Producers in La Unión, Honduras

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January 2013
I. Abstract

Union Microfinanza (UMF) provides microfinance services to local farmers, runs agricultural training programs and community development projects, and purchases locally produced coffee beans for export to the United States. To preliminarily assess the impact of the organization on coffee producing clients, three investigations were carried out. First, a comparison was made between UMF coffee purchasing prices and the market valuation of Honduran coffee on the New York commodity market (C market) to determine whether UMF was in fact offering its farmers higher prices than the industry standard. Next, 6 qualitative interviews were conducted with coffee producers whom had sold coffee to UMF in order to determine changes in their lifestyles or mentalities after selling to the organization. Finally, coffee production levels of veteran clients were compared with those of incoming clients. Results showed that, while UMF prices were not consistently higher than the industry standard, they were much more stable. In addition, interviews showed that UMF had played a role in shifting the emphasis in the coffee market from quantity of coffee sold to the quality of coffee sold, while also impacting aspects of the lives of producers in various ways. It also appears that UMF’s veteran clients may have experienced higher than average growth in coffee production, although the ability to extrapolate this to the overall population of UMF microloan clients was limited by a significant lack of data about other potentially confounding factors, such as the size of loans taken by each producer, reasons for program dropouts, and selection biases.
II. Introduction

Coffee production in Honduras began at the end of the nineteenth century, and quickly grew to become one of the country’s most important agricultural exports. Between 2011 and 2012, the Honduran Coffee Institute estimated that the country exported over 727 million pounds of coffee, resulting in a national export income of $1.5 billion. Honduras’s total gross domestic product in 2011 was $17.43 billion according to the World Bank, meaning coffee exports alone accounted for 12 percent of the country’s income. The country’s coffee industry is also of great importance globally, as it is the largest producer of coffee in Central America and the third largest exporter of coffee in the world, second only to Brazil and Vietnam.

Coffee is especially important in La Unión, a small rural region located in the department of Lempira, one of Honduras’s most impoverished regions. There, coffee is the main cash crop grown by farmers, the great majority of whom produce some combination of just three crops: coffee, corn, and beans. For this reason, the La Unión farming community places huge emphasis on its ability to produce and sell coffee beans in order to bring their families beyond subsistence farming.

One organization struggling to help improve the coffee industry in La Unión is Unión Microfinanza (UMF). UMF is a young, 501(c)(3) nonprofit organization that was officially launched in 2009. It provides microfinance services to local farmers, runs agricultural training programs and community development projects, and purchases locally produced coffee beans for export to the United States. As of 2012, Unión Microfinanza was active in 21 villages in the La Unión area, and had distributed over $12,000 in microloans in the form of agricultural supplies, such as fertilizer and processing equipment. Beyond that, the organization purchased over 38,000 pounds of coffee from La Unión farmers between 2011 and 2012, and sold all of it to various specialty coffee distributors and consumers in the United States. The organization hopes to eventually build a self sustainable business model by funneling one hundred percent of the profits from these coffee sales directly back into the organization’s Honduras operations.

However, the biggest question for not just Unión Microfinanza, but all social impact organizations, remains how to best measure the impact they are imparting upon their clients. This study therefore attempts to begin to measure the impact of Unión Microfinanza upon its La Unión clients, focusing on the effects on its coffee-producing clients.

The project was narrowed to three specific targets:

1. Comparing UMF’s purchasing prices for La Unión coffee to the New York commodity market value of Honduran coffee
2. Determining concrete changes in the lifestyles and mentalities of coffee producers from whom UMF purchases coffee
3. Investigating growth in coffee production levels among UMF’s microloan clients

The results of these investigations mostly showed support for a mixture of quantitative and qualitative benefits imparted upon UMF clients, but were limited in many ways by a lack of detailed data about various confounding factors. Both the results and their limitations will be discussed in further detail in the Results and Conclusions and Future Research sections.
III. Methodology

Determining how exactly to measure this impact upon coffee farmers was challenging, as no standard methodology exists in the microfinance community. In fact, different organizations tend to each have their own individualized practices. The Grameen Foundation, for example, evaluates the proportion of its clients that have risen above the extreme poverty line through the use of ten indicators, which include items such as, “All children in the family over six years of age are all going to school or finished primary school,” and “Family uses sanitary latrine.” Many other organizations seek to evaluate their impact through the use of comparisons between clients and non-clients, as outlined in the AIMS-SEEP impact assessment tools developed by USAID. But because data is often not available on non-clients, microfinance organizations often replace them with new incoming clients, who are assumed to bear many of the same qualities as veteran clients, such as the same “entrepreneurial spirit,” but have not yet benefited from services offered by the organization.

We decided to create an organization-specific model by which to investigate UMF’s impact on coffee producers, focusing on investigating the two major ways in which UMF aims to provide benefit to its clients: coffee purchasing and export and microloans. We used a mixture of currently popular as well as specially tailored standards by which to evaluate UMF’s effect on coffee producers. A mixture of quantitative and qualitative methods was used to collect and analyze data.

Data Collection

Coffee Futures Prices on New York Commodity (C) Market
The prices of coffee futures sold in the New York Commodity Market were used to represent the value of coffee in the United States soft commodity market at different time periods. Historical data for the years 2011 and 2012 were retrieved from Investing.com, an online source for financial data related to currencies, indices and stocks, futures and options, commodities, and rates and bonds. One key fact to note is that all coffee prices on the C market are listed in terms of green coffee prices. As seen in Figure 1, “green coffee” refers to a coffee bean that has had its entire outer shell, called the “cherry,” and layers of protective skin, called the “parchment,” removed. By comparison, “parchment coffee” still has its outer layer of protective skin intact, and therefore weighs more than green coffee. Additionally, Honduran coffee is priced at “basis” with the C market, meaning it is sold at the baseline, stated C market price. Countries that have coffee that is especially high or low quality is said to be priced at a “differential,” and is therefore priced correspondingly higher or lower than the basis price. Honduran coffee is not sold at a differential however, and therefore the original dataset obtained from Investing.com can be used as is.

UMF Coffee Purchasing Prices
The prices at which UMF purchased coffee from local coffee producers was collected from UMF accounting records. Records for 2012 listed the exact US Dollar amount that was paid to each farmer per pound of both green coffee and parchment coffee. However, 2011 purchasing price
records had prices listed only in pounds of parchment coffee. This raised issues, as parchment coffee prices cannot be fairly compared to the green coffee prices listed on the C market, given the difference in value per pound. A conversion factor was therefore calculated from 2012 data to estimate the average ratio of parchment coffee prices to green coffee prices, and this ratio was then used to transform 2011’s parchment prices into green coffee prices. This transformation is valid under the assumption that the ratio of the weight of parchment coffee to green coffee is equal to the ratio of the price of parchment coffee to green coffee.

**Coffee Production Levels of Microloan Clients**

Data about the production levels of UMF microloan clients was collected from UMF loan applications from 2010, 2011, and 2012. Although the structure of the loan applications has been somewhat modified since UMF’s first year of loans, applications from all three years required applicants to provide information about the types of crops they produced in the previous year, as well as the exact quantity they produced. This information was thus manually collected from the paper loans and digitized, yielding crop production information for the years 2009, 2010, and 2011. Information about new, or “incoming,” clients was therefore limited to their 2011 production levels. In general, production information from the year each client applied for his first loan was taken to represent a control group, as at that point, clients had not yet worked with UMF.

**Data Processing**

All data processing was done through SPSS Statistics Desktop 21.0.0 and Microsoft Excel 2008.

**Comparing UMF Coffee Purchasing Prices with NY Commodity Market**

In order to determine whether there is a significant difference in the prices that UMF offered to its coffee suppliers and the market valuation of coffee on the New York commodity market, several basic statistical models were used. First, Excel was used to generate a time series graph of UMF and C market prices over the course of January 2011 - April 2012, the end of the UMF purchasing cycle that year. Afterwards, in order to get a deeper look at the data, the monthly percentage change in both UMF and C market prices were individually calculated and compared, as well as the monthly median difference between UMF and C market prices. Finally, the percentage change in price from one month to the next was plotted for both UMF and C market prices to demonstrate the volatility of each.

**Analysis of Microloan Clients’ Coffee Production Levels**

Designing the methodology for this half of the analysis was most challenging, as data collected from the loan applications was fragmented in many regards, and clients often worked with the organization off and on in nonconsecutive years, as well as produced different crops in different years, making analysis difficult. The method utilized therefore focused on first identifying “veteran” coffee producing clients, or microloan clients that had both worked with UMF for 3 years and had been producing coffee for all 3 of those years. The production level data was taken for those clients that fell into this category, and was then separated into 3 bins (low, medium, and high) according to volume of coffee produced. This was done to help control for external factors such as preexisting wealth, greater entrepreneurial skill, and location, which might have affected the amount of coffee that a farmer produced. The median production level within each bin was then calculated for each of the 3 years, and the changes were plotted.

Next, the median percent increase in production for each bin was calculated and compared to the overall percent growth of coffee production in Honduras between 2009-2011. This comparison
can be made based upon the assumption that UMF’s influence extends only as far as the small geographical region of La Unión, where its clients are located, and its presence will have a negligible impact on the overall agricultural growth of the country.

Finally, the median production levels for the 3 bins of veteran clients in 2011 were compared with equivalent bins of the new applicants in 2011 in order to get a preliminary look at the differences between the production levels of UMF clients and similar locals who had not yet worked with UMF.

**Qualitative Interviews with Coffee Farmers:**
Qualitative interviews were conducted only with farmers from whom UMF purchased coffee in 2011 or 2012. These interviews had the goal of delving into deeper conversation with these coffee producers to better understand any changes they may have experienced in their lives after working with UMF. This includes changes in financial standing, plans for their businesses and farms, as well as emotional or mental shifts in attitudes about saving, coffee production, etc. Many questions were left open ended to promote unbiased responses. See *Appendix A* for the interview template.

In total, 6 out of UMF’s 31 coffee producers were selected for an interview through convenience sampling, as a limited time frame restricted our ability to travel to the surrounding villages. As a result, 5 of the 6 interviewees lived in the central town of La Unión, where UMF was headquartered, while just one was from a nearby village, or “aldea,” called Las Peñas. Issues that may have arisen from this sampling method will be discussed in the *Conclusions and Future Research* section.
IV. Results and Discussion

A. Comparison of UMF Purchasing Prices and NY Commodity Market Prices

UMF claims to offer a significantly higher price point to its coffee producers than local intermediaries, as it purchases only “high quality” coffee for resale in the specialty coffee market in the United States. To test the accuracy of this claim, UMF purchasing prices and the New York commodity market prices for Honduran coffee were plotted on a time series graph, which can be seen in Graph 1, and two main points can be noted from reading this graph. First, although in 2011 it appears as though UMF prices and C market prices are on par with each other, UMF prices seem to be substantially higher than C market prices in 2012. Secondly, although C market prices dropped significantly between September 2011 and April 2012, UMF prices seem to have dropped to a much lesser degree, indicating that they were less volatile than market prices.

These trends were supported by the results of a series of subsequent analyses. The first analysis consisted of calculating and plotting the median monthly UMF and C market prices against date by month in order to block out noise created by outliers in the daily price data. Results can be seen in Graph 2. This visual also supports the possibility that UMF prices did indeed stay high in 2012 even though C market prices dropped, thereby giving rise to a substantial difference in prices. Graph 3 shows the % difference in the median monthly prices of UMF and the C market in 2011 and 2012, and indicates that in 2011, the difference was small: below 5%. But in 2012, the percent difference jumped as high as 35% in favor of UMF prices.
Graph 2: A time series graph plotting the median monthly UMF purchasing prices against the median monthly C market prices. Generated in Microsoft Excel 2008.

Graph 3: A time series graph plotting the percent difference between median UMF purchasing prices and C market prices each month. These numbers were calculated as: \( \frac{(\text{UMF Median Monthly Price} - \text{Median C Market Price})}{\text{Median C Market Price}} \). Gap in data exists in those months where UMF did not purchase coffee. Generated in Microsoft Excel 2008.

Also helpful to look at are the percent changes in price from month to month for both UMF purchasing prices and the C market. Graph 4 visualizes these trends, and demonstrate that over the past two years, UMF has never experienced percent changes in price from one month to the
next greater than 5%. The C market however, fluctuates consistently by more than 10% every month, indicating much higher levels of volatility.

**Percent Changes in Price From Month to Month**

![Graph 4: Percent changes in price from one month to the next. Compare C market price volatility with UMF purchasing price volatility.](image)

Taken together, this statistical evidence supports that, although UMF has not paid a price to its coffee farmers consistently higher than the current market valuation of coffee, it does offer its clients a stability in pricing that is not available elsewhere. This buffer from the rise and fall of coffee prices on the C market is highly beneficial, as the unpredictable fluctuations in the coffee commodity market are typically a cause for severe concern among producers. This desirable pricing scheme also provides producers with a special incentive to produce higher quality coffee, which will ultimately contribute to Honduran coffee’s rising reputation of quality and place upward pressure on the value of Honduran coffee on the C market. Further benefits that UMF’s more stable pricing scheme provides to farmers will be discussed in the Qualitative Interviews section.

**B. Qualitative Interviews with UMF Coffee Producers**

These interviews, meant to supplement the quantitative results of the first part of this study, provided much insight about the actual benefits that UMF’s more stable coffee purchasing prices impart upon UMF coffee suppliers. Interviewees cited very positive experiences working with UMF, and described a variety of ways in which their lifestyles, goals, and mentalities have changed since they began working with and selling to the organization. Overall, it is clear that the benefits of UMF’s pricing scheme are diverse, affecting many dimensions of its clients’ lives by creating massive shifts in the coffee industry and improving the home life of clients and their
families. While each interview case was unique (for reference, full transcripts of 2 interviews can be found in Appendix B, and a full listing of interviewees can be found in Appendix C), the majority did include significant mention of 3 main points. Firstly, the most important change in their mentalities towards the coffee industry was that they realized growing better quality coffee beans would result in higher selling prices. Secondly, as a result of that, all interviewees had plans for improving their harvests not simply by increasing the quantity of production, but by improving the quality of their beans. And thirdly, interviewees used the extra money obtained from higher prices in 2012 largely to invest in transportation and new farming equipment, which in turn set off chain reactions of additional positive events.

The first point is highly significant. Historically, Honduran coffee producers have focused solely upon increasing the volume of coffee grown as a way to increase revenues. Alternatives might have been to cut the wages of workers hired to help harvest the coffee beans or hire fewer workers, but these options were not always realistic. As a result, farmers with the capital to purchase larger plots of land were generally wealthier, while those that could not afford to purchase much or any land at all became trapped in a vicious cycle of poverty. UMF’s new pricing scheme has begun to change this. Farmers that have only a small amount of land but produce high quality coffee can now earn the same amount of income as a larger producer of low quality coffee. All six interviewees mentioned that this shift was a great benefit and source of hope for La Unión farmers. One interviewee, Antonio Castellaños, said, “If I improve the quality of my coffee, it will not matter whether there is already a huge amount of coffee on the market. If I have quality coffee, I won’t have problems. So that’s my goal. [Translation from Spanish.]” Castellaños also explained that allowing farmers to keep production levels low would be beneficial for not just individual families, but for the country overall. “The country is not ready for a grand [increase in the] production of coffee. Intermediaries are not prepared to receive such large quantities. Better to have a smaller, better-maintained farm that one family can harvest. It serves no one to have a large farm with a lot of coffee, and then to have to harvest all of it when it is not yet ripe.”

Almost all interviewees also mentioned that, as a result, they were seeking to improve the quality of their coffee in the coming year instead of simply seeking to produce a larger volume of produce by planting more. Many mentioned similar tactics that they planned to implement, such as providing extra shade to their coffee plants, post processing the beans in cleaner, more careful ways, using higher tech solar dryers to dry their beans instead of simply laying them out on patios, fertilizing their fields more often, and reducing the amount of chemicals in their fertilizer. These developments will be highly beneficial for the farmers as long as they can continue to find buyers willing to pay more for their higher quality coffee. However, as aforementioned, producing higher quality coffee should create a self reinforcing cycle of increasing demand for Honduran coffee globally, and therefore bring in new, interested clients to keep the demand growing, as long as consumers are still interested in specialty coffee.

Finally, the profits earned from the higher prices offered by UMF in 2012 allowed farmers to invest in badly needed equipment, such as transportation vehicles (pickup trucks and motorbikes), new processing equipment (solar dryers), and extra fertilizer. Two farmers also had plans to construct beneficios, or coffee bean processing units, on their farms. All of these are very positive developments, as it means that clients are reinvesting this extra revenue back into their businesses, thus promoting even greater growth in the future. Other investments unrelated
to business development included buying new houses or repairing parts of old ones, opening bank accounts, and building latrines for homes, indicating that extra profits gained from UMF’s pricing scheme is impacting not only businesses, but also the immediate standards of living for clients and their families. One interviewee, Bernardo Ponce Moreno, also explained that the purchase of his first motorbike allowed him to drive his daughter to the bilingual school in town, where she can get a much better education than at the elementary school in their village, Las Peñas.\textsuperscript{12}

C. Analysis of Coffee-Producing Microloan Clients

Creation of Production Bins
Beginning with veteran production level data, low production, medium production, and high production bins were created according to apparent jumps in production level between clusters of data points. Graph 5 shows a plot of Average Veteran Production Levels between 2009 and 2011; the low bin includes average production levels below 2000 lbs, the medium bin includes average production levels between 2000 lbs and 6000 lbs, and the high bin is comprised of all average production levels above 6000 lbs. Using these production levels as a standard, the incoming clients were similarly separated into low, medium, and high bins as well (Graph 6).

Investigation of the Coffee Production Levels of Veteran Microloan Clients
Median production levels for each of the three production bins were calculated in the years 2009, 2010, and 2011. These median production levels were then plotted for each bin in a time series graph, which can be seen in Graph 7, from which several interesting observations can be made. First, out of the three production bins, it appears that coffee producers that produce a high volume of coffee have experienced the most growth between 2009 and 2011. In 2009, before these clients began to work with UMF, the production gaps between the three bins were
relatively smaller, but grew much larger as the years passed, particularly for high volume farmers. Secondly, it appears as though the low volume farmers have experienced very little growth during their two years of work with UMF.

These events could be caused by many different factors. One explanation is that high volume farmers are generally financially better off to begin with, and obtaining a microloan could be a way of freeing up more wealth for long term investments and business growth. In contrast, lower volume farmers may have been just barely managing to buy the supplies necessary for running their coffee farms, and a microloan may have been merely a way to help keep them afloat; even with the loans, they still may not have had the resources to invest extra income into expanding their businesses. It is also possible that higher volume farmers are taking out much larger loans than low volume farmers, allowing them to expand at faster rates. It is impossible, however, to draw concrete conclusions without more data about other variables affecting these farmers and a control group with which these farmers can be compared.

![Graph 7: Median veteran production levels for each production bin have been plotted against corresponding years. This allows for the observation of relative growth of each of the bins over time.](image)

What can be made, however, is a comparison between the percentage growth of these veteran coffee producers and Honduras’s national annual percentage growth of its coffee sector; the results can be seen in Table 3, and the differences are huge. UMF veteran coffee producers have experienced growth as high as 83.71%, while national coffee production growth has stayed around 11%. Also notable is the fact that growth of production levels among UMF clients outstripped national growth even further in 2011 than in 2010, as national growth increased by less than 2%, while UMF clients’ growth increased on average by more than 50%. This could imply that more years in the program could lead to a snowball effect of greater cumulative growth overall.
<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low Bin % Growth</td>
<td>-20.00%</td>
<td>62.50%</td>
</tr>
<tr>
<td>Med Bin % Growth</td>
<td>22.50%</td>
<td>70.61%</td>
</tr>
<tr>
<td>High Bin % Growth</td>
<td>63.30%</td>
<td>83.71%</td>
</tr>
<tr>
<td>Average Bin % Growth</td>
<td>21.93%</td>
<td>72.27%</td>
</tr>
<tr>
<td>National Annual % Growth</td>
<td>10.08%</td>
<td>11.97%</td>
</tr>
</tbody>
</table>

Table 3: Comparison of the percentage growth rates of the production bins of UMF microloan clients versus the national annual percentage growth of coffee production in Honduras.

However, it is possible to argue that La Union itself may simply have been experiencing an explosion of growth relative to the rest of the country. So in order to explore that possibility, the 2011 production levels of veteran microloan clients were compared with the production levels of incoming clients in 2011, whom had not yet received benefits from working with UMF. Graph 8 shows that the veterans of UMF’s microloan program do indeed have higher levels of coffee production than incoming clients. In this case as well, it is the high volume producers that appear to have gotten the most out of the program, as the difference in production levels is highest by far in that production bin; high volume UMF producers have an advantage of about 5000 lbs, as opposed to low and medium volume producers, who experience advantages below 1000 lbs.

![Veteran v. Incoming Coffee Production Levels 2011](image)

Graph 8: Side by side comparisons of the 2011 production levels of UMF veteran microloan clients and incoming clients, grouped by production bins.

V. Conclusions and Future Research

Taken together, these results begin to formulate a preliminary picture of Union Microfinanza’s impact on its coffee producing clients, and depict successes and shortcomings in several departments. It has been seen that, although UMF has not in fact been offering premium prices to coffee farmers in both years of coffee purchasing, its business model of purchasing only high quality coffee at prices more stable than the commodity market has had multiple positive repercussions. First, the organization provides a buffer to its clients against the rapidly
fluctuating market value of coffee on the global stage, which will allow them to feel a greater
sense of security while making plans for their livelihoods and families. Secondly, this business
model has wrought various changes in the way the coffee farmers think about the coffee industry
and the worth of their land. Farmers with small plots of land can escape the poverty cycle by
tending to their plants with great care, which can cultivate a sense of self worth and possibility.
Historically, only larger volumes of coffee could beget higher annual incomes, but this new
emphasis of quality over quantity has led to a shift in the industry towards the use of new
technologies and more complex methods of care so as to allow for more finessed produce of
greater value.

Drawing conclusions about UMF’s impact on its coffee producing microloan clients is more
difficult, as there were many more flaws in the original dataset used for analysis. However, it can
be said that the volume of coffee production of UMF’s microloan clients has indeed experienced
substantial growth in the last 3 years. High volume producers seem to be increasing production at
a rate exponentially faster than medium or low volume producers however, potentially indicating
that UMF’s microloan program is not benefiting the poorest of its clients so much as it is
enabling its already well-to-do clients to produce even more. However, in terms of percentage
growth, with exception of the low bin in 2010, all veteran clients experienced growth rates much
higher than the national average. Production levels for clients in all 3 bins were higher for
veteran clients than incoming clients, lending support to the hypothesis that UMF’s program is
benefiting its clients’ ability to produce more coffee.

However, it is extremely important to note the limitations of these conclusions and the need for
future research. With regards to the coffee purchasing program, it must be noted that
interviewees were not selected in an entirely random way, and therefore biases could exist there.
Farmers that live in La Union are generally wealthier, and therefore fall into the “high volume”
bin which seems to have consistently benefited most from UMF programs. They are also
generally better educated, as well as come into closer contact with the organization on a daily
basis, which could affect the way they think about its impact. If possible, further interviews
should be done with other coffee producers, including those from other aldeas and those from
whom UMF has not purchased coffee.

In addition, there are only two years of coffee purchasing data, and therefore it is difficult to
draw any reliable conclusions about the long term effects UMF will have upon its clients, as it
may find the relative high, stable prices that it pays to its farmers unsustainable and discontinue
the practice. These tests should be repeated in several years’ time when there is a greater wealth
of data available.

Conclusions drawn about UMF’s microloan program must also be further investigated, as there
are a myriad of other factors that could be playing an important role in the success of UMF
clients. These include but are not limited to the size of loan that each client takes each year, the
location in which the farmer lives or his fields are situated, the growth of the coffee industry in
La Union in general, and any other government or nonprofit organizations that may be affecting
the coffee producers. There is therefore a boundless possibility for future research on this topic;
what has been put forth in this paper is simply a preliminary look at the development of UMF
clients over the last 3 years. More detailed studies can be done concerning the aforementioned
factors and how they interact with coffee production, as well as income levels of the coffee farmers, and prices offered by the local intermediaries.

In addition, a study by Dean S. Karlan also suggests that client dropout and biased selection processes of veteran clients can impact the accuracy of conclusions drawn by comparing veteran and incoming clients. Further investigation should therefore be done to determine why certain clients drop out of the program when they do, and how this tendency differentiates these drop out clients from veteran clients. It is possible that the current methodology is overestimating or underestimating UMF’s true impact by discounting these dropouts. In terms of selection bias, there is a question of whether incoming applicants were rejected for loans through peer selection processes, and if so, why? In addition, questions need to be answered regarding why participants join the program when they do, and if there are certain age ranges or points in life when locals are more likely to join the program.

If these questions can be answered, a much clearer picture of how the various forces at work in La Union, Honduras interact with one another and come together to create the coffee producing environment that exists there today. Nonetheless, it is clear that UMF has, at the very least, had a short-term impact upon its clients, and has played a substantial part in reshaping the La Union coffee industry, while also improving the lives of some of its producers and their families.
VI. Appendix

A. Coffee Farmer Interview Template

Coffee Related Questions

- Finca Name?
- Finca Location?
- Finca Size?
- QQ purchased by UMF?
- Total Coffee produced?
- Selling price for coffee sold elsewhere?
- Finca Altitude?
- Coffee Varietal?
- Coffee processing?
- Coffee drying?
- Were you affected by the hailstorm? How?
- Did you do anything different this year in preparing coffee?
- How long have you owned your farm?
- Did your family (parents, grandparents) also grow coffee?
- How many people work on your finca?
- Are you experimenting with any new varietals?
- Any changes/progress on the farm? Such as building a beneficio, solar dryers, etc?
- Have you noticed any big changes in the weather and resulting changes to your harvest? Any challenges for the harvest this year?
- How would you like to see your finca expand? Do you see UMF playing a role in this?

UMF Related Questions

- How long have you worked with UMF/what has been your involvement with UMF?
- What has your experience been like?
- How have the training sessions affected you?
- How has life changed for you since you started working with UMF?
  Examples:
  - Opening a savings account?
  - Purchasing more processing equipment?
  - Being able to properly fertilize?
  - Making changes to your business plans?
  - Have you experienced a change in mentality? Change in how you perceive yourself in relation to the rest of the world or community?

Personal Questions:

- Family? Wife, kids, etc.
- Where are you from?
- If you moved, why?
- How long have you lived in the community you now live in?
Entrevistado: Jose Filadelfo “Fito” Juarez
Entrevistadores: Morgan Fett y Lennie Zhu
Aldea: La Unión
Fecha: 5 Agosto, 2012

UMF: ¿Como se llama Ud.?
FJ: Me llamo José Filadelfo Juárez, me dice “Fito.”
UMF: Fito.
FJ: Empezó como un nombre muy grande, y entonces se hizo pequeñito.
UMF: Ja ja, si, es cierto, un nombrito. ¿Es de la Unión?
FJ: Si, soy de La Unión.
UMF: ¿Y tiene hijos?
FJ: Si, dos.
UMF: Muy bien, ¡y aquí están, con nosotros! Y Ud. tiene finca- ¿donde está su finca?
FJ: El Tanto.
UMF: ¿Y cuántas manzanas tiene?
FJ: En el Tanto solo son manzana y media ahorita, pero estamos sembrando.
UMF: ¿Están sembrando! ¿Y cuántas va a sembrar?
FJ: Cuatro.
UMF: ¿Qué variedad de café es?
FJ: Solo catuai.
FJ: Mezclado. Porque el único por único es muy débil. Si llueve mucho en una semana, la siguiente semana está en el suelo. Esa raja, si se entra agua, se chupa y se cae. Pero el rojo es mas fuerte.
UMF: ¿Y estaba lloviendo mucho este ano?
FJ: No.
UMF: ¿Pero habia problemas con el clima este ano?
FJ: No.
FJ: Sí. La granizada.

UMF: ¿Afectó su finca?

FJ: Sí, toda destruida. [a su pequeño hijo] ¿Cómo fue la finca con los granizos?

Hijo: Se quebró.

FJ: [a su hijo] ¿Cómo se quedó? ¿Destruida, verdad?

Hijo: Destruida.

FJ: Pero ellos nos ayudaron, y estamos limpiando, y está recuperando.

UMF: Ah, que lástima.

FJ: Pero este año, todo está bien.

UMF: No hay otra opción verdad? Hay que ser bien.

FJ: Sí, exacto.

UMF: ¿La altura de su finca?

FJ: Hay una que tiene como 1.4 mil metros.

UMF: ¿Y a quien vende su café Ud.?

FJ: Una parte, que está dentro de la lindera, a Uds., y otra parte que siempre se daña- que no es madura, o que no fue cortado a un buen tiempo, vendemos a un intermediario. Tengo dos fincas- la con la lindera es para Uds.

UMF: ¿Y me puede platicar sobre la diferencia entre vender a nosotros y a vender a un intermediario? ¿Hay algún diferencia en precio?

FJ: Si. La diferencia es económica. Nosotros a una vivienda acá el año pasado vendimos como 4.8 mil y Uds. 6.5 mil. Por eso es económica pago por cada una. ¿En que otro aspecto a mi me parece…?

UMF: Digo, en los valores que nosotros tenemos, o lo que buscamos en un café, y lo que un intermediario busque.

FJ: Lo que un intermediario busque es café diario- malo, sucio, con cancha, fermentado.

UMF: Y Ud. como productor de café, ¿qué valora Ud.?

FJ: Que tenga calidad. La misión de todos los productores y de mi familia es tener café de buena calidad. Con buena calidad viene más bueno precios. Le dije que estamos

FJ: Yes, the hailstorm.

UMF: Did it affect your farm?

FJ: Yes, it was completely destroyed. [to his son] What was the farm like after the hailstorm?

Hijo: It broke.

FJ: [to his son] How was it left? Destroyed, right?

Hijo: Destroyed.

FJ: But they helped us, and we’re cleaning up, recovering.

UMF: What a shame.

FJ: But this year, everything’s fine.

UMF: There’s no other option right? It has to go well.

FJ: Yes, exactly.

UMF: So what is the altitude of your farm?

FJ: Around 1400 meters.

UMF: And who do you sell your coffee to?

FJ: One part, which is inside the fence, to you guys, and other part that always gets harmed, which isn’t ripe or wasn’t harvested on time, we sell to an intermediary. I have two farms- the one with the fence is for you guys.

UMF: And can you tell me a little bit about the difference between working with us and selling to an intermediary? Is there a difference in price?

FJ: Yes, the difference is financial. We sold to a house here for about 4800 L and to you guys for 6500 L. So it’s financial. What other aspects were you asking about?

UMF: I mean, in the values that we have or what we look for in coffee and what an intermediary looks for?

FJ: What an intermediary looks for is everyday coffee- bad quality, dirty, with “cancha,” and fermented.

UMF: And you, as a coffee producer, what do you value?

FJ: That it is of good quality. The mission of all producers and my family is to have good quality coffee. With good quality comes better prices. I told you that we are planning 4 manzanas. We saw that in El Tanto there are 15 manzanas of land. And the weather is perfect for coffee. We see that it’s good quality. So we’re going to
sembrando 4 manzanas. Vimos que en el Tanto, la finca, que hay 15 manzanas de tierra. Estamos viendo de que el clima, la altura, es perfecto para café. Y vimos que tiene calidad. Vamos a invertir allí, y da para que vender a Uds., a Japoneses, da a cualquiera persona quiere comprar.

UMF: Y como productor de café, que busca de la persona que va a comprar su café? Por ejemplo, alguien quien le da un buen precio, alguien quien le importa calidad, alguien que preponga algunas metas, o…?

FJ: Como productores, alguien quien valora nuestra café. Uds. valen nuestra café. ¡Siempre decimos allá andan los gringos comprando café! Yo le dije a un muchacho de mi finca, hay mucha gente quienes quieren vender café a ellos pero ellos no saben como prepara el café bien. Porque usualmente todo el mundo tiene un montón de café, pero Uds. siempre compran poquito, como cuatro, cinco, seis, y cuando vimos que esta moviendo bien el café, y que nos esta valorando, y que en los Estados nos están valorando, entonces vieron que Uds. le encantan la calidad de café, verdad, y el café de no solo La Unión, pero Honduras a alcanzado al 20 puesto en el mundo para su café.

UMF: Sí, me gusta que el mundo va a reconocer Honduras pero eso.

FJ: ¡Y para el futbol! ¡Que acabamos de ganar contra España!

UMF: Sí! Café, futbol, tienen todo. Ah, otra pregunta, ¿Ud. ha notado un cambio en mente personalmente o también en la comunidad un cambio en mentalidad cuando uno compra café de calidad, como nuestra organización. ¿Ha notado un cambio en mentalidad después de hemos estado aquí?

FJ: Sí, mucho. Por ejemplo, yo siempre le di a ella, ella me dijo no, pero cuando Uds. llegaron, yo di a ella de le una muestra del café a Patrick [UMF] para que ver la calidad de café que tiene. Ella de le una muestra a Uds. y Patrick hace un excelente café. Y ella, antes del ano anterior, había su propio café. Pues, yo había sido ensenado que el café tiene que ser bien preparado. Porque es un alimento- para mi no es algo que- es un alimento por mas, por el seres humano. Siempre me dice gente, “Sale mas” para que puedes vender mas, pero yo dije, no voy a preparar bien mi café. Y un día voy a recibir mi recompensa.” Y empecé el ano pasado cuando empecé a vender a Uds. en 2011, vende como 8.9 mil, pero a un precio bienísimo. El ano pasado fue poquito. Este ano vamos a estar porque tengo 10 quintales, 15 quintales, bien arreglado. La finca al lado de yo no le vendió a Uds. porque no tiene mucha calidades. Entonces si, ha notado la invest there, and sell to you guys, to the Japanese, to anyone that wants to buy it.

UMF: And as a coffee producer, what do you look for in someone that wants to buy your coffee? For example, someone that gives you a good price, someone that cares about quality, someone that proposes goals, or…?

FJ: As producers, we want someone that values our coffee. You guys value coffee. We always say, “There go the gringos buying coffee! I told a boy on my farm, there are a lot of people that want to sell coffee to you guys but they dont know know to prepare it well. Because usually everyone has a ton of coffee, but you guys only want a little bit, like four, five, or six (QQ) and when we see that the coffee is moving well, and that is it valued in the States, then we see that you guys love good quality coffee. And not just La Union coffee, but Honduran coffee in general. Honduras has risen to the 20th spot in the world for coffee.

UMF: Yes, I like that the world is going to recognize Honduras for that.

FJ: And for soccer! We just beat Spain!

UMF: Yes! Coffee, soccer, you’ve got everything. Oh another question: Have you noticed a change in your mind or in your community when someone buys high quality coffee like us? Have you noted any change in mentality since we’ve been here?

FJ: Yes, a lot. For example, I always told her, but she told me no, but when you guys arrives, I told her to give a sample to Patrick to see if it was good quality. She gave a sample to you guys and Patrick made an excellent coffee. And she, the year before, had her own coffee. Well, I had been taught that coffee needs to be well prepared. Because it’s food- for me it’s not something that- it’s food for the human race. People always tell me, “so that you can sell more, but I say, no I’m going to prepare my coffee well. And one day I’m going to relieve my reward. And it started last year when I stated to sell to you guys in 2011. I sold about 8.9 thousand, but at a really good price. Last year it was very little. This year we are going to have 1000, 1500 lbs, well cared for. The farm next to me didn’t sell to you guys because they have poor quality. So yes, people have noticed. They know that they need to have good quality.
gente, buen notado. Saben que si tienen buen calidad de café, podemos…

UMF: Mhmm, lo que yo he visto es que algunos que han empezado en pensar en como procesar su café mejor para sacar mejor calidad. ¿Y Ud. puede contarme si ha notado en una diferencia en que ha ganado en los años pasados y como ha invertido ese dinero?

FJ: Pues, sí, hemos notado una diferencia. Yo he hecho comparaciones. El café corriente que vende en Honduras, casi gano como doble cuando vendo a Uds. Uds. me pagan como 6 mil, otro me paga como 3.8 mil por carga, por eso vemos que económicamente nos andamos bien verdad? Y en que hemos invertido? Hemos invertido en construir más fincas.

UMF: A si es cierto?

FJ: Sí, estamos invirtiendo en cuidar las fincas y comprar nuevas maquinas, nuevo motor, nueva maquina de pulpar…

UMF: ¿Ud. ha comprado todo eso con el dinero del café?

FJ: Sí, con el dinero del café. El motor este año, estamos invirtiendo en la parcela más grande.

UMF: Y en el futuro sacar mas o producir más café.

FJ: Si mas, y para una casa mejor que esta.

UMF: Muy bien! Pues, su casa es muy bonita, muy bonita.

FJ: La casa o tener un carro nuevo.

UMF: ¿Y Ud. tiene planes o metas para mejorar su finca en los próximos, como, cinco años?

FJ: Sí, sí. Allí estoy pensando en cinco años. Estamos sembrando ahorita cuatro [manzanas] verdad? Así queremos empezar, con cuatro le dije. Lo que queremos es construir una vivienda allá, un beneficio allá, porque en la finca no hay un beneficio como la que tiene en la aldea, de agua, y luego, preparar mas- mejor, el café. Y a veces viviendo allá, temperadamente.

UMF: ¿Porque Ud. tiene otro trabajo verdad?

FJ: Sí, soy maestro. Pero estamos con los estados trabajando, no estamos con niños. Estamos con todo el municipio viendo quien necesita maestros, donde necesita maestros.

UMF: Ah, muy bien, administración de la educación. Entonces durante tu tiempo de vacaciones, va a estar

UMF: Mhm, what I’ve seen is that some have started to think about processing the coffee better to have better quality. Can you tell me a bit about whether you’ve noticed a difference in what you earned in the past years and how you’ve invested that money?

FJ: Well yes, we’ve noticed a difference. I’ve made comparisons. The running price for coffee in Honduras, I make almost trice that selling to you guys. You paid me 6000, the other Orly 3800 per carga, so we see that financially we’re better off right? And what have we investid in? We’ve investid in constructing more fincas.

UMF: Ah, really?

FJ: Yes, we’ve invested in caring for the fincas and buying new machines, a new motor, new depulpers…

UMF: You’ve bought all this with money from coffee?

FJ: Yes, with coffee money. The motor for this year, we’re investing in a bigger one.

UMF: And in the future to harvest more coffee.

FJ: Yes, and a better house than this one.

UMF: Well your house now is beautiful!

FJ: The house or a new car.

UMF: You already have goals or plans to improve your farm in the next five years?

FJ: Yes yes. We’re planning for 5 years. We’re seeding four manzanas, right? We want to start there, with four. We want to construct a house there, a beneficio, because the farm doesn’t have one like that of the aldea, for water, so we want to prepare more coffee and live there once in a while, temporarily.

UMF: Because you have another job right?

FJ: Yes, I’m a teacher. But we’re not with the kids right now, we’re meeting with the whole municipality seeing where needs teachers.

UMF: How good- like education administration. The during your vacations, you’re going be doing coffee.
trabajando en café.

FJ: Sí.

UMF: Entonces trabaja todo el año.


UMF: Y por cuanto tiempo ha tenido su finca?


UMF: ¿Y compró su finca o era propiedad de su familia…?

FJ: No, yo lo compré.

UMF: en serio? Que hizo antes de tener su finca?

FJ: Trabajar como maestro.

UMF: ¿Y su familia que hacía?


UMF: Ay, el café esta en su sangre.

FJ: Sí, así es.

UMF: Hmm.. ¿Cuanta gente emplea más o menos para cortar el café o trabajar en el beneficio?

FJ: …en el beneficio solo una persona más. [Durante el corte de café] pero trabajadores temporales, por semana como veinte.

UMF: ¿Y todos van en su carro a las cuatro de la mañana? Ay ay ay. ¿Cuanto tiempo toma para llegar a su finca?

FJ: Mm…media hora.

UMF: Ah, muy bien.

FJ: De la aldea cuando yo estoy, como 40.

UMF: Ok. ¿Y su esposa? ¿De dónde es?

FJ: De Las Peñas.

UMF: Pues, creo que eso es todas las preguntas que tenemos.

Fin
Entrevistado: Bernardo Ponce
Entrevistadores: Morgan Fett y Lennie Zhu
Aldea: Las Peñas
Fecha: 3 Agosto, 2012

UMF: Vamos a empezar con algunos preguntas sobre el café. ¿Por ejemplo, como se llama usted?

B: Bernardo Ponce Moreno. Ese es mi nombre.

UMF: ¡Muy bien! Y tiene finca

B: Sí tengo.

UMF: ¿Cómo se llama la finca?

B: Finca El Cerro.

UMF: ¿Y donde está la finca?

B: Las Peñas.

UMF: He ido a las Peñas. Y que es el tamaño de su finca. ¿Cuantas manzanas tiene?

B: Son manzana y media.

UMF: Es pequeño el finca pero produce café-

B: ¡-bastante! Y tengo mas allá al centro de la comunidad pero es mas poca

UMF: Ahh yo he ido a esa finca mas cerca de la comunidad, la mas pequeña creo, mas cerca de su casa. ¿Cuál es la altura de su finca?

B: La altura…parece que es…ah es que no ando mi Biblia allí donde yo lo escribí, pero son mil doscientos setenta metros.

UMF: ¿La variedad de café?

B: Tres variedades: Catuai y lempira y nance

UMF: ¡Nance es mi favorito! Amarillo.

B: Se recuerda del café que fue mezclado con rojo y amarillo?

UMF: Ah sí! ¿Y tiene beneficio en su finca?

B: No.

UMF: ¿Como procesa su café entonces?

B: pues yo lo traje acá donde ustedes para procesar por maquina. (UMF Beneficio)
UMF: Proceso todo su café en nuestro beneficio?
B: No una parte. Lo demás yo proceso en mi casa.
UMF: Y como seco su café? En patio?
B: No, en manteado. Hasta este año ahorita queremos ponerlo en secadora solar para allá tener mejor calidad de café.
UMF: Y la granizada le afecto?
B: Si me afecto en la finca el cerro. Bajo un poquito la cosecha de café.
UMF: Y usted hizo algo diferente este año en preparar su café? En el ultimo febrero, el café que acabamos de comprar?
B: Si es algo diferente, algo que no he habia hecho en años pasados. Porque otros años solo vendía café en galón, y lavado pero este ano mantenerlos nuevitos para procesarlo y tener una calidad mejor. Pero este ano, esta cosecha, la meta es usar la secadora solar, que ya la tengo.
UMF: Ah! Sola tiene que construirla para usarla!
B: Si! Ya estoy preparando para tener la secadora solar. [Hacia Patricio ya..]
UMF: Felicitaciones! Pues, por cuantos años ha tenido su finca?
B: Hace cinco años.
UMF: Nada mas hace cinco años?
B: Si, cinco años.
UMF: Pensé que ha tenido café antes de eso!
B: No no, gracias a mi Dios, Dios me ha ayudado llevando de lo poquito a mas, de lo poquito a mas.
UMF: Y Ud. entonces compro la finca o…
B: No, compre la tierra, y entonces empezamos a cultivar
UMF: No compro la tierra de su papa? Sus papas eran agricultores de café?
B: Si, eran agricultores, pero ellos solo lo que tenían lo que cubrían en lugar de la casa.

UMF: You processed all your coffee in our beneficio?
B: No, one part. The rest I processed in my house.
UMF: And how did you dry the coffee? On your patio?
B: No, by “manteado.” Until this year, we have wanted to use a solar dryer to have better quality coffee though.
UMF: And did the hailstorm affect you?
B: Yes, it affected Finca El Cerro. My coffee harvest decreased a bit.
UMF: And did you do something different this year to prepare your coffee? For last February, the coffee that we just bought from you.
B: Yes, something different, something that I hadn’t done in the years past. Because in other years I only sold coffee by gallon and by washed gallon. This year I kept them new to process them and have better quality. But this year, this harvest, the goal was to use a solar dryer, which I have now!
UMF: Ah, you just need to construct it to use it!
B: Yes! I’m already preparing to have the solar dryer.
UMF: Congratulations! Well, for how many years have you had your farm?
B: 5 years.
UMF: Just five years?
B: Yes, five years.
UMF: I thought you had coffee for longer than that!
B: No no, Thank God for helping me bring little to much more, little to more.
UMF: So you bought the farm or…?
B: No, I bought the land, and then we planted it.
UMF: You didn’t buy the land from your father? Your parents were farmers?
B: Yes, they were farmers, but they only had that which was around the area of the house.
UMF: Muy bien. Entonces Ud. tiene la meta que ya va a cumplir de tener una secadora solar. ¿Y tiene algunas metas para el largo plazo? En los próximos cinco años tienes algunas metas para su finca?

B: Sí… de las metas que tengo yo es en los próximos años, una es [una receta de sulpo por medio?]

UMF: Muy bien. Pues, cuántos años ha trabajado con Patricio y UMF? (UMF)

B: Tres años.

UMF: Tres años! Del principio. Pues, como ha sido su experiencia con Unión Microfinanza?

B: Pues mi experiencia con Unión Microfinanza yo creo que es la única, una y única experiencia que yo tengo es única única en La Unión. Siempre que trabajado con otras organizaciones, las relaciones no formalizaron. Siempre pa allá uno, pa allá el otro, pero miramos que en UMF hay responsabilidad, eso mas que todo. Una gran responsabilidad y también seriedad. Cuando se hable de unas responsabilidades que son serios, o sea, no le van a hablar una cosa por otro, sino lo que promete, lo cumple. Eso lo único y la mejor experiencia que yo tengo.

UMF: Entonces, que ha aprendido o mejorado de tu cosecha después de trabajar con Unión Microfinanza?

B: Mire, yo tengo dos experiencias grandes de Unión Microfinanza. Uno, que ellos han enseñado como ahorrar. Entonces yo jamás en mi vida se metía la semilla de ahorrar, pero gracias a Dios yo este año ahorre, abrí mi cuenta en el banco, y Gracias a Dios para mi ese fue un éxito, de que Patricio siempre le encargo a decir, miren, ahorrren, ahorrren por la mañana, [a hoy] para que yo ahorra. El ahorro que yo he hecho es para el éxito que mi hija esta estudiando en los Estados. Y ese ahorro que yo tengo me sirve para lograr todo que hacer aquí. Entonces toda la vida yo nunca podia ahorrar nada.

UMF: Entonces, que ha aprendido o mejorado de tu cosecha después de trabajar con Unión Microfinanza?

B: Si fíjese que allí a lo menos yo, mi primer sorpresa fue

UMF: Great. So you had a goal, which you’re already going to complete, of having a solar dryer. Do you have any goals for the long term? In the next five years, do you have any plans for your farm?

B: Yes, of the goals that I have for the next years, one is a

UMF: That’s great. And how many years have you been working with Patrick and UMF?

B: Three years.

UMF: Three years! Since the beginning. Well, how has your experience with UMF been?

B: Well my experience with UMF has been extremely unique. I have always worked with other organizations, but the relationship was never formalized. They were always here and there, but we saw that UMF was responsible, more than any other. It is extremely responsible and serious. When they say they are going to do something, they do it. This has been a very unique and great experience.

UMF: Then what have you learned or how have you improved your harvest since working with UMF?

B: Yes, I have had two great experiences with UMF. One is that they taught me how to save. I had never had the seed of saving planted in my life, but this year, Thank God, I began to save, I opened a bank account, and Thank God, for me it was a success. Patrick always said, Look, save, save for tomorrow, so I save. The savings that I have are used to put my daughter in school, thanks to UMF and her unknown patron, and the sale of my coffee in the United States. And these savings allow me to do all that I have to do here. Before this, I never saved, throughout my entire life.

UMF: So what you save is going to your family.

B: Yes, my family. To my house. I had never been able to fix up my house before this, but Thank God I have fixed it up- well except for the fence, haha!

UMF: Can you tell me a bit about the changes that you’ve noticed in the quality of your coffee? Or the experience that you have had working with UMF instead of an intermediary?

B: Yes, know that my first surprise was when I started to
cuando yo empecé a vender los primeros 9 quintales de café a UMF. Ese fue la primera experiencia porque yo los vendía por en mayor precio. Donde yo todo de la vida vender poquito de café por galón a intermediario, nos ponía un aguno a bastante precio, a bastante impuesto. Y ahora gracias a Dios a lo menos yo no vendo mi café a un intermediario, sino yo le doy todo mi café, lo almaceno, lo preparo para allá venderlo a Unión Microfinanzia.

UMF: Entonces Ud. vende todo su café a Unión Microfinanzia?

B: Si, si, yo este ano, pues, no tenía la secadora solar, yo me dia una galón de café pero ya ahorita la quiero instalar para mejor la calidad del café porque yo me di cuenta o me estoy dando cuenta que entre mejor calidad de café tengo, mejor precio tengo. Entre mayor me fuerce mejor calidad, mejores provechos sean, verdad?

Una mejor preparación, una mejor calidad. Y esa ha sido un éxito de nosotros vender café a UMF porque tenemos calidad que no teníamos el poder de lograr porque no sabíamos como prepararla. Per por medio de UMF nos habían ensenado como prepararlo, y esa es el éxito mas grande para nosotros, que nos están enseñando como trabajar, verdad, es un logro para nosotros.

UMF: Muchas veces preguntamos si hay un cambio en la mentalidad de un productor de café después de trabajar con nosotros o organizaciones así.

B: Si, en caso de mi, si. Porque mi persona en mi comunidad en mi barrio de te que yo entre a negociar café a UMF, mi vida cambio, la vida de mi familia cambio. Porque a gente se pregunta que yo no tengo la capacidad de tener los cepotes (hijos) en la escuela bilingüe. Yo le digo “yo no tengo capacidad” pero gracias a Dios y UMF que esta financiándolo, y los de donde en los Estados yo no sabía, pero yo los conocí porque estuvo en mi casa. Yo creo que Ud. estuvo!

UMF: Ah si, estuve! Ah eso fuera muy lindo.

B: Entonces ya lo conozco quien es patrocinador. Y han visto el cambio en mi vida, en la forma de pensar, la forma de estar viviendo allá en el hogar. Gracias a Dios y a UMF, pero primero a Dios.

UMF: Jaja, si! Entonces, le puedo preguntar: Con el dinero extra que ganó, vendiendo su café a UMF en vez de un intermediario, lo invirtió en qué?

B: Una parte lo invertía en mi familia, otra parte lo invertía en el arreglo de mi casa- en la cerca del hogar que era un sueño que tenía, que gracias a Dios logré. Siempre yo he necesitaba toda la vida un medio de transporte, como un carro para jalar el café o un moto para conducir.
ya lo tengo.

UMF: ¡Ya tiene carro!

B: No, una moto.

UMF: ¡Una moto!

B: ¡Ya me tengo! Yo me conduzco de lado a lado en el. Eso es un logro que yo tengo en mi vida que yo no había sonado.

UMF: Y la compro con el dinero del café?

B: Si, con el dinero del café que yo vendían a UMF. Me dio Patricio y yo me fui donde venden motos en Masesa y la compre. Para mí fue un éxito muy grande.

UMF: ¿Y cuando paso eso?

B: ¡Es ahorita, el 17 de abril!

UMF: ¡Ay! ¿Porque ya me había ido entonces no lo sabía! Y también invirtió en la finca o…

B: Sí, invertí en [apoda], en arreglo, y en abono (fertilizante). Invertí también.

UMF: ¡Bueno! Y entonces las preguntas sobre su familia. ¿Cuántos hijos tiene?

B: ¡Pues allí me da pena que decir porque son nueve!

UMF: ¡Y el más grande? ¿Cuántos años tiene?

B: Tiene 23.

UMF: ¿Qué hace?


UMF: Que lindo! Y de donde es Ud.?

B: de Las Penas.

UMF: Y su esposa?

B: De las Penas también. Estamos aquí!

UMF: Y por cuanto tiempo han estado juntos?

B: Mi esposa….17 años. Los hijos, 3 de ellos son de la primera compañera que tuve. Pues 2. Tuve tres pero uno no está conmigo. Pero la primera y la tercera ya están
C: Full Listing of Interviewees and Respective Hometowns

<table>
<thead>
<tr>
<th><strong>Coffee Producer</strong></th>
<th><strong>Hometown</strong></th>
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<tbody>
<tr>
<td>Bernardo Ponce Moreno</td>
<td>Las Peñas</td>
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<tr>
<td>Antonio “Toñito” Castellaños</td>
<td>La Unión</td>
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<tr>
<td>Sara Juarez</td>
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<td>Jose Emerito Barrientos</td>
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<td>Olvin Tejada</td>
<td>La Unión</td>
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<td>Jose Filadelfo “Fito” Juarez</td>
<td>La Unión</td>
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my first companion, well two of them. I had three but one was not mine. The first and third were mine. With my wife, I had 5 sons and a daughter, who is in the bilingual school. She’s the only one.

UMF: The youngest! She is a princess.

B: Haha, yes.

UMF: Do you have any other job besides being a coffee farmer?

B: Yes, I grow beans and corn. And I preach the word of God. I’ve been a pastor for 13 years.

UMF: 13 years…Excellent. Well, I think that is all!

[end]
References


11 Castellaños, Antonio. Personal Interview. 05 Aug 2012.

12 Ponce Moreno, Bernardo. Personal Interview. 03 Aug 2012.


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