Productive Poverty and the Coffee Aid Complex:

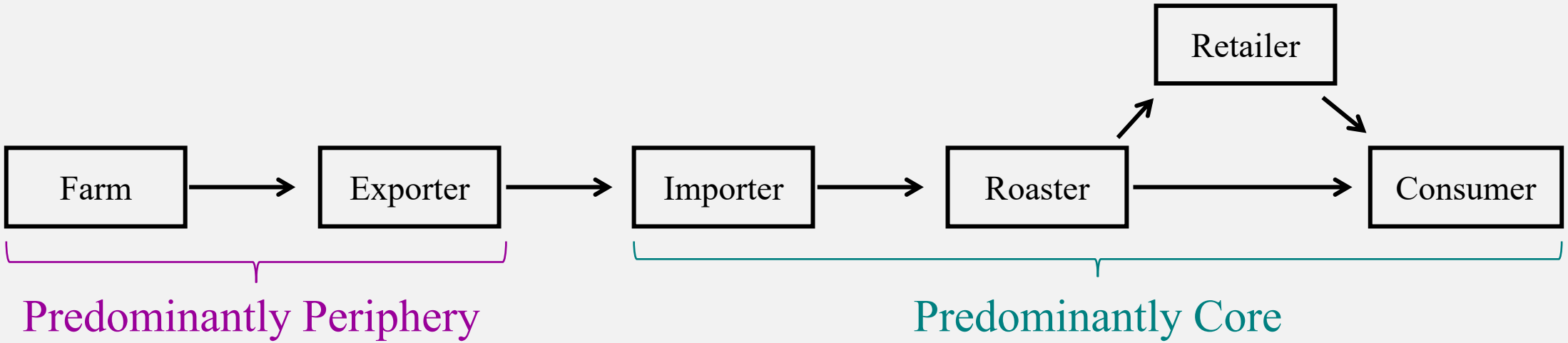
Accumulation, Reproduction, and Unequal Trade*

Karl Wienhold
Luís F. Goulão
Luís Silveira Santos

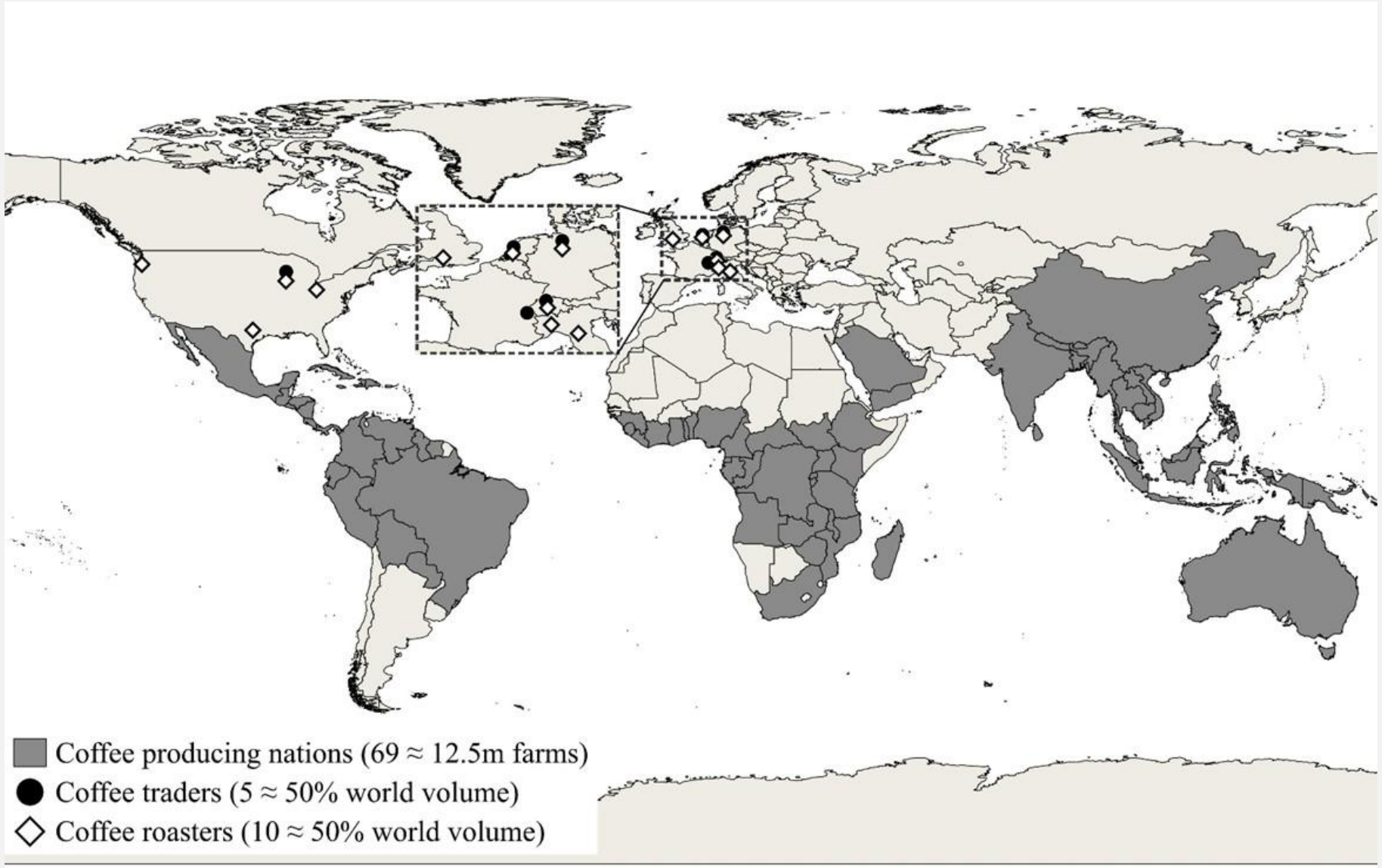
Why care about coffee?



Commodity chain structure



World System division of labour & capital concentration



Types of coffee

Mild coffee: washed Arabica



Predominantly petty producers in the Periphery

Non-mild coffee: unwashed Arabica & Robusta



Less predominantly petty producers;
more semi-Periphery

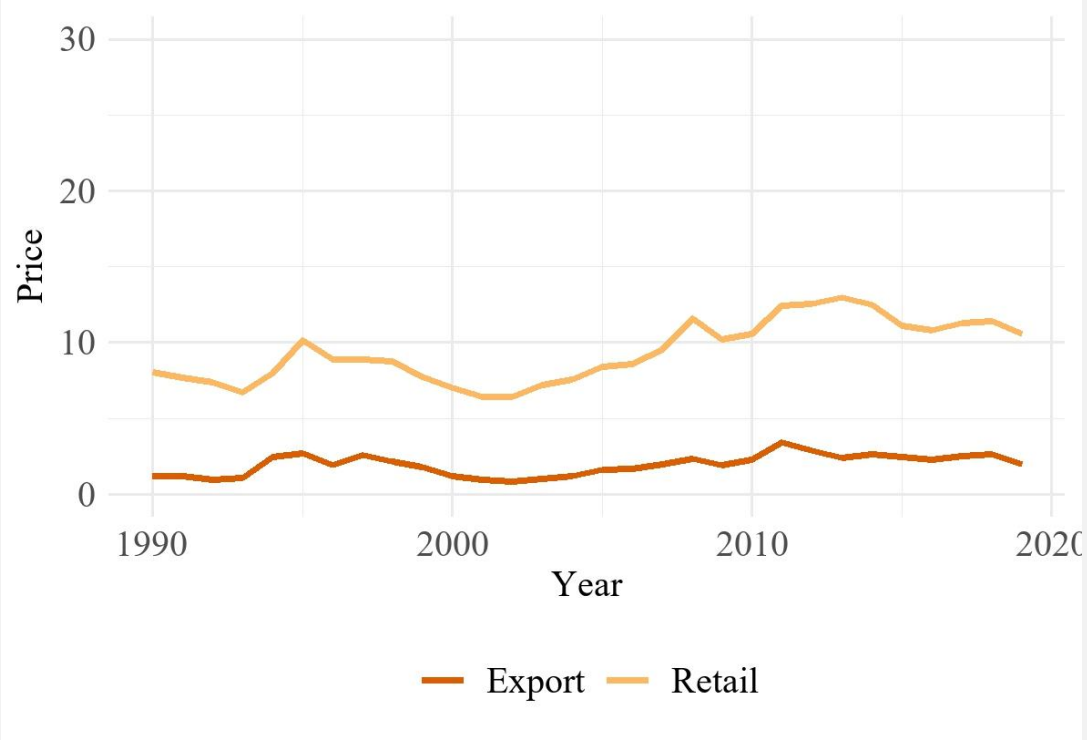
Price levels of 2 types of coffee

Mild coffee



Predominantly petty producers in the Periphery

Non-mild coffee



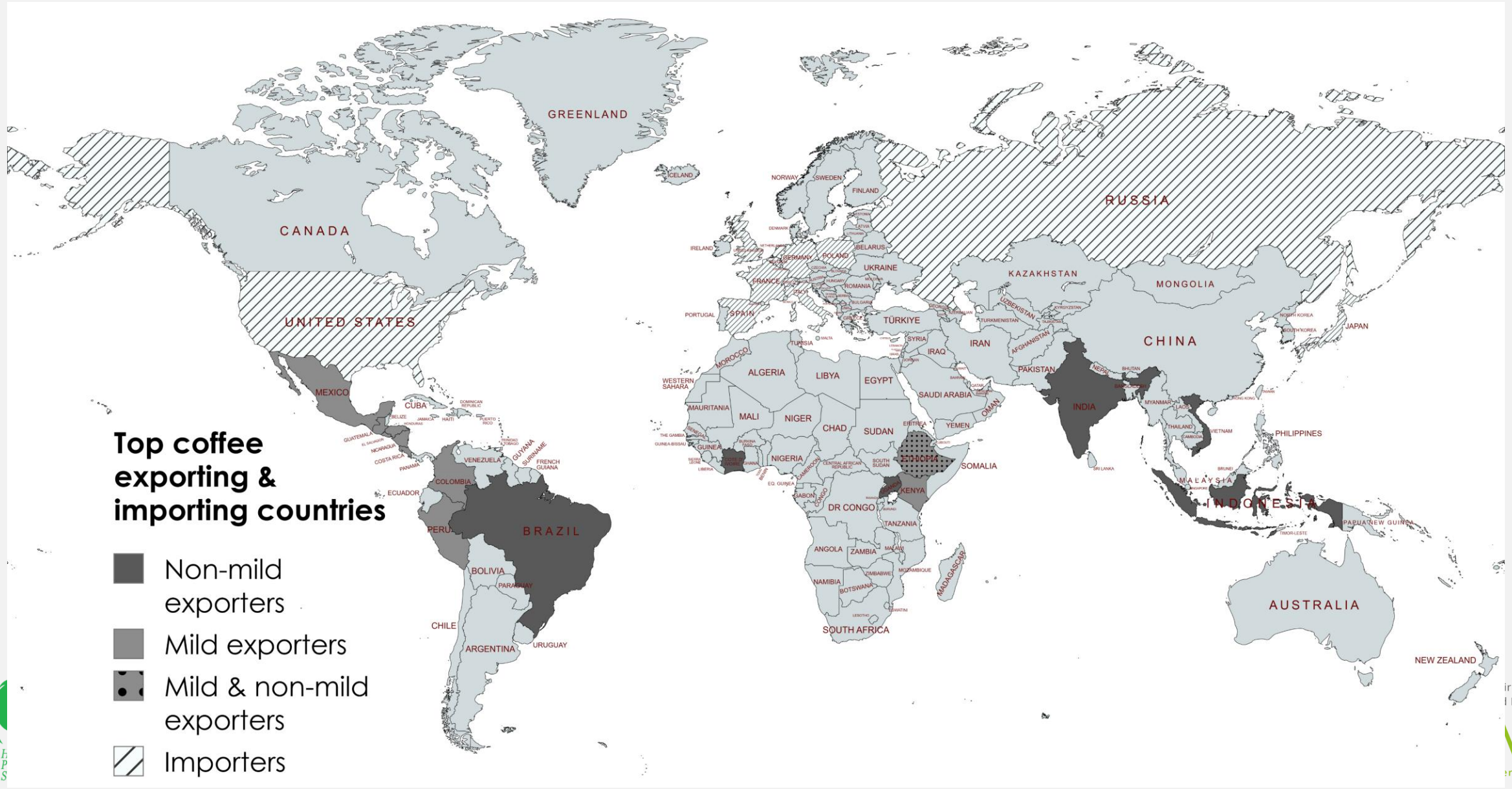
Less predominantly petty producers;
more semi-Periphery

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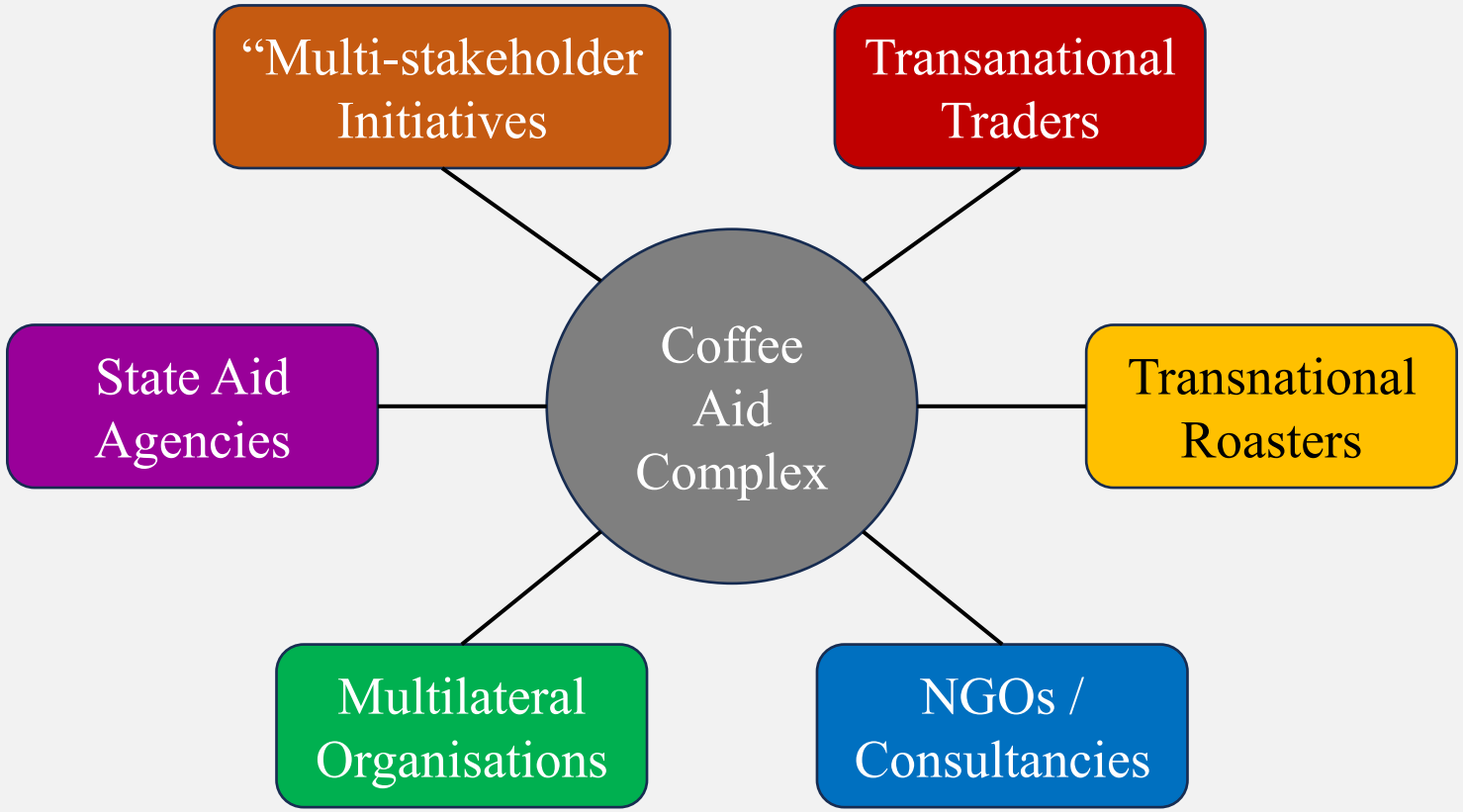
Wienhold, K., Santos, L. S., & Goulao, L. F. (2026). Capitalist Development or Super-exploitation? Exploring Divergent Patterns of Surplus Appropriation along Coffee Commodity Chains. *Development and Change*, *57*(1), 130–161. https://doi.org/10.1111/dech.70041

Linking Landscape Environment Agriculture and Food
LEAF Research Center

Two types of coffee



The Coffee Aid Complex



Why do states “aid” coffee farmers?

USAID:

“ensure a steady supply of quality coffee to the United States”...

Access raw material

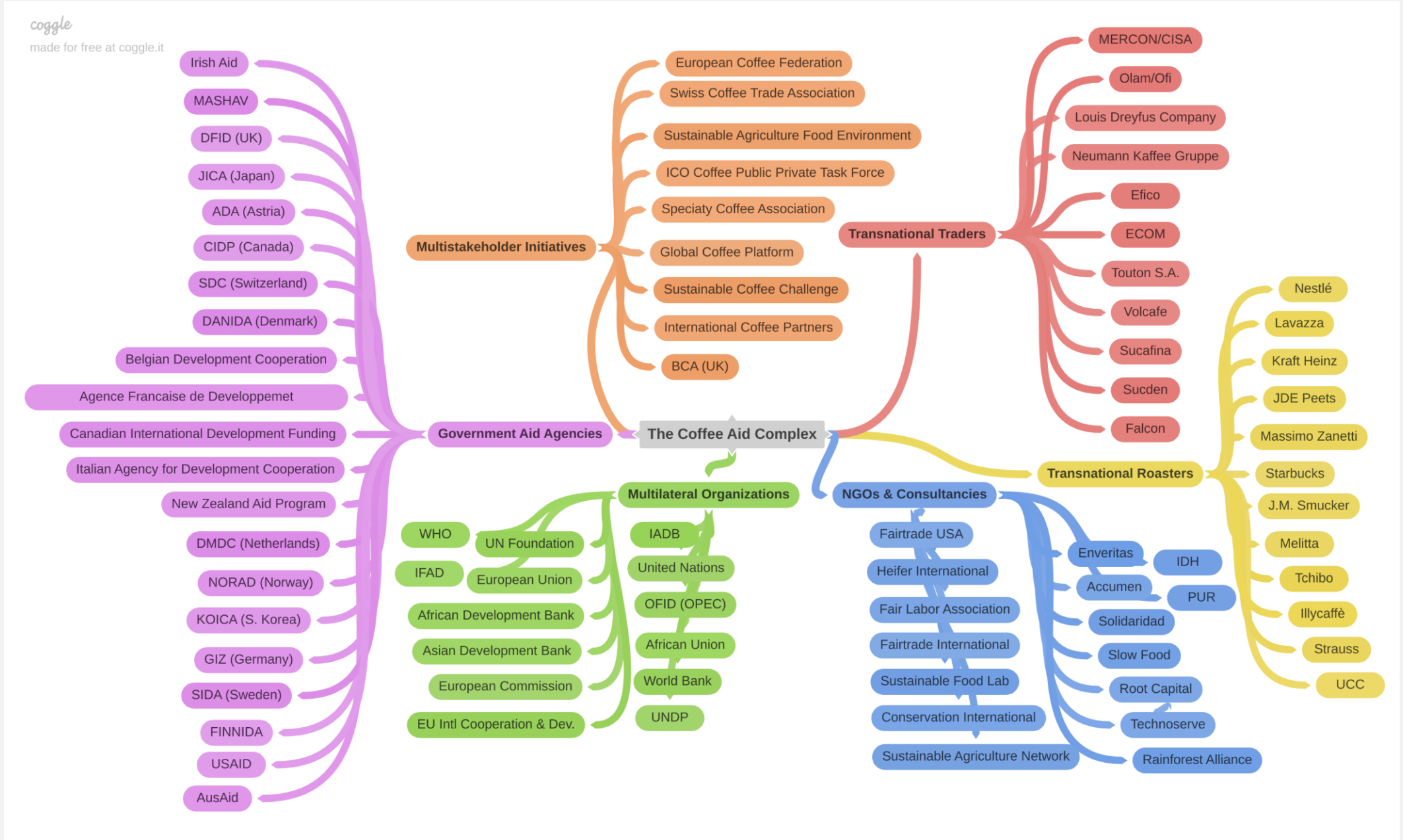
“mitigating some of the root causes driving migration” ...

Sustain a docile peasantry

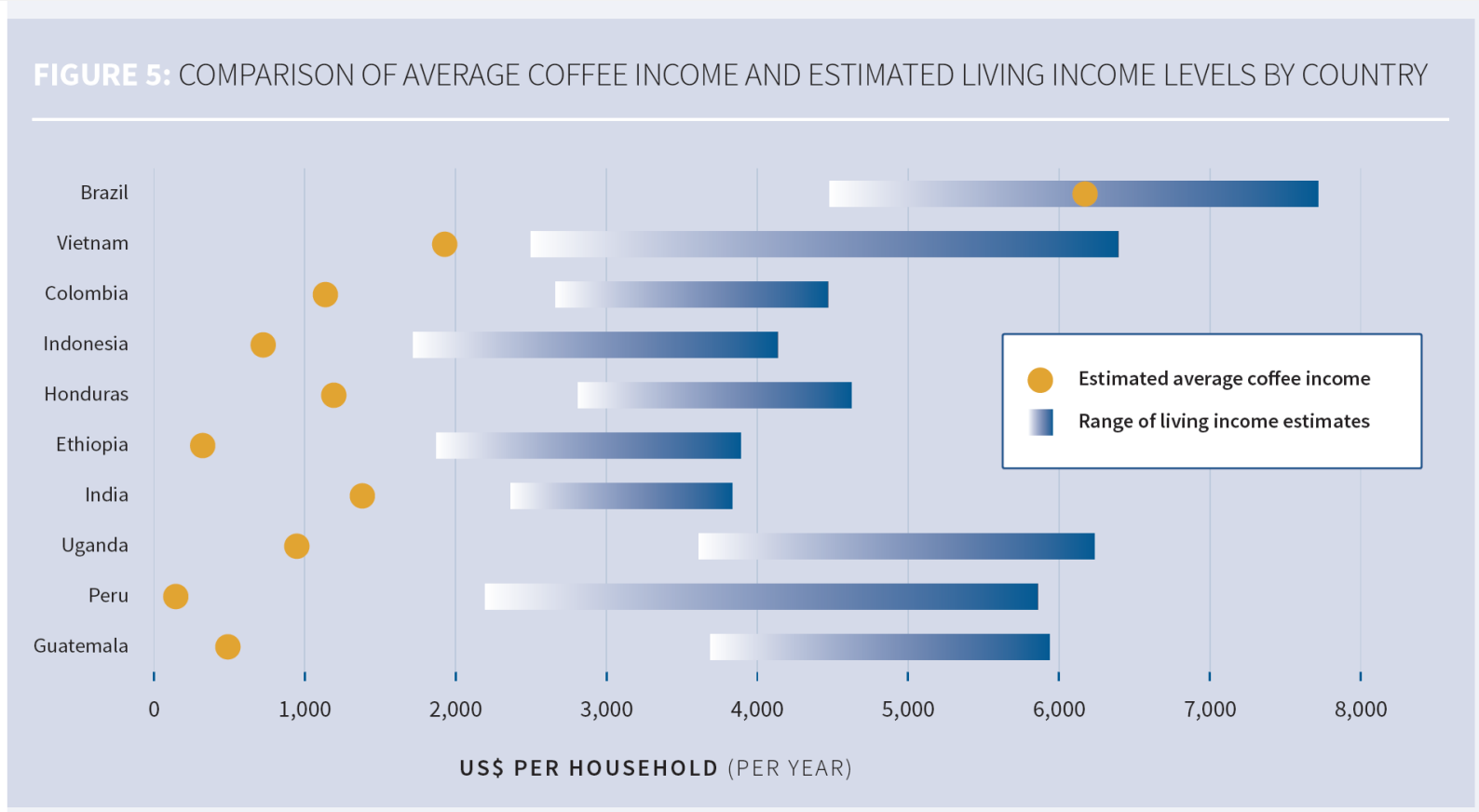
“in pursuit of U.S. national security goals and national values.”

Discipline; surveillance; “national values”?

Why give charity to your own suppliers?



Because farmer income doesn't cover subsistence.



Cordes, K., Sagan, M., & Kennedy, S. (2021). Responsible Coffee Sourcing: Towards a Living Income for Producers. *SSRN Electronic Journal*. https://doi.org/10.2139/ssrn.3894124

Why do producers keep farming under subsistence deficit?

- Path-dependent labour division
- Semi-proletariat class position
  - They didn’t plant it for profit
  - Most inherited it as a subsistence activity (and debt).



Why keep producing? Class positions.



Capitalist

- Allocates capital to accumulate more capital
- Only does it when profitable at the general rate
- Subsumes labor that depends on it
- Appropriates surplus value (exploitation)



Proletariat

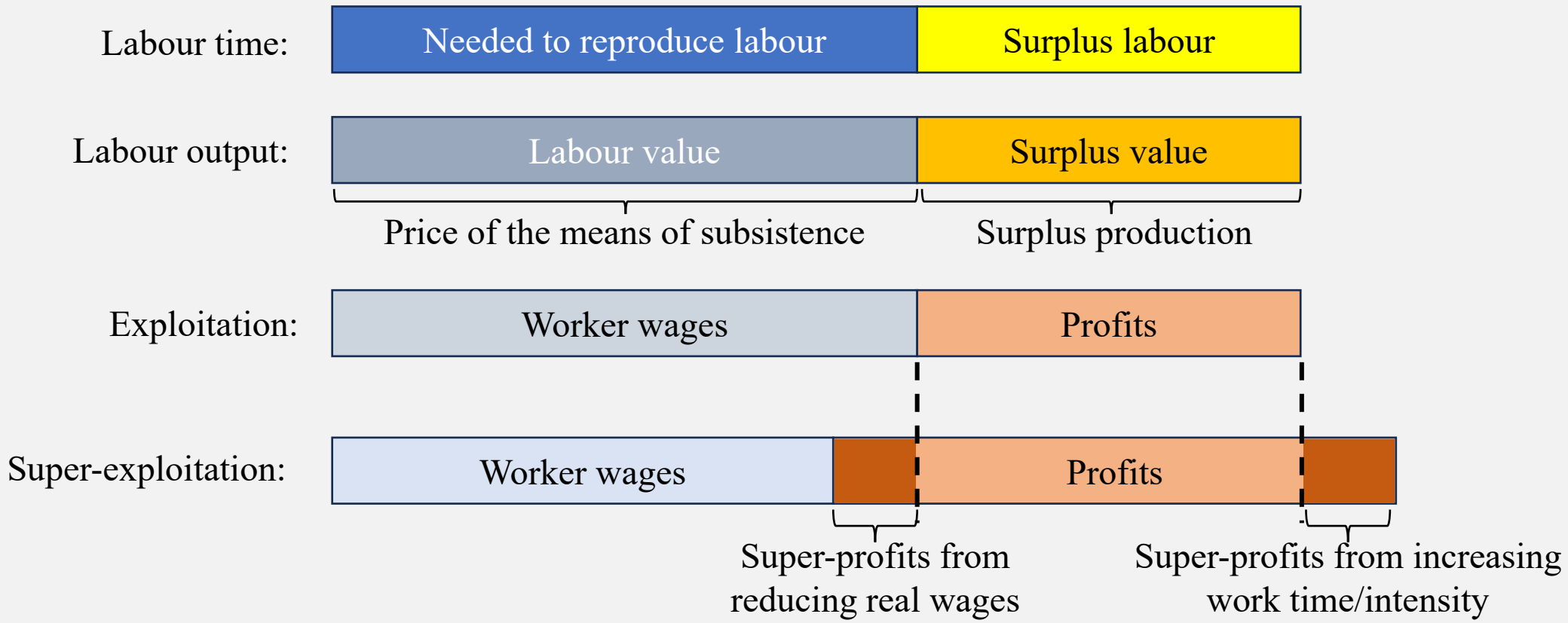
- Sell labour power for money to buy subsistence goods
- Must do it constantly to survive, as long as wages >= subsistence
- Subsumed by capital; dependent on it for subsistence
- Cannot appropriate surplus value produced (exploitation)



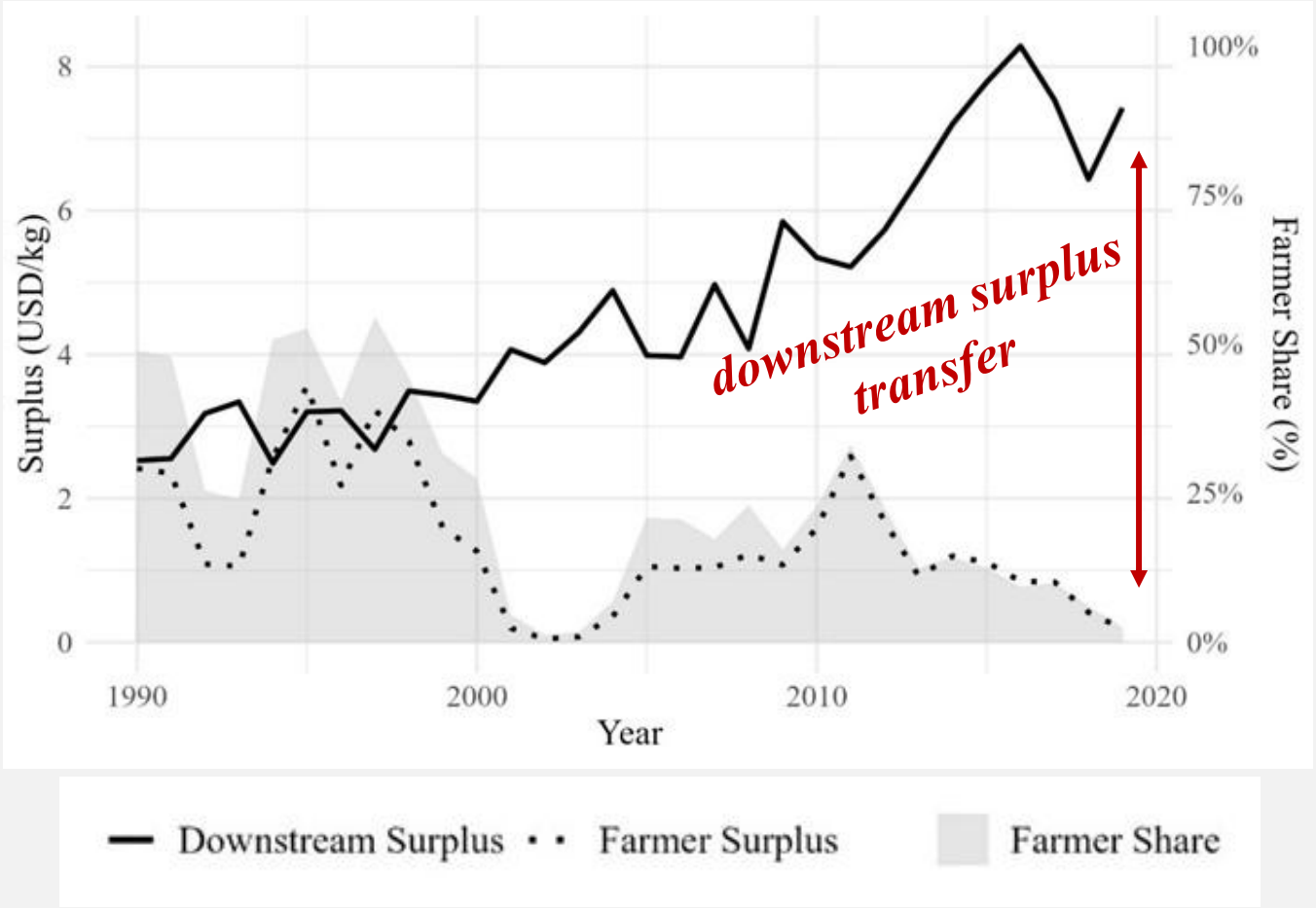
Petty Commodity Producer

- Allocates capital and labour power to produce for markets
- Does it constantly to get money for subsistence goods (semi-proletariat)
- May accept prices < subsistence
- May release surplus value & labour value **(super-exploitation)**

Why do coffee farmers need charity to produce?
They are super-exploited.

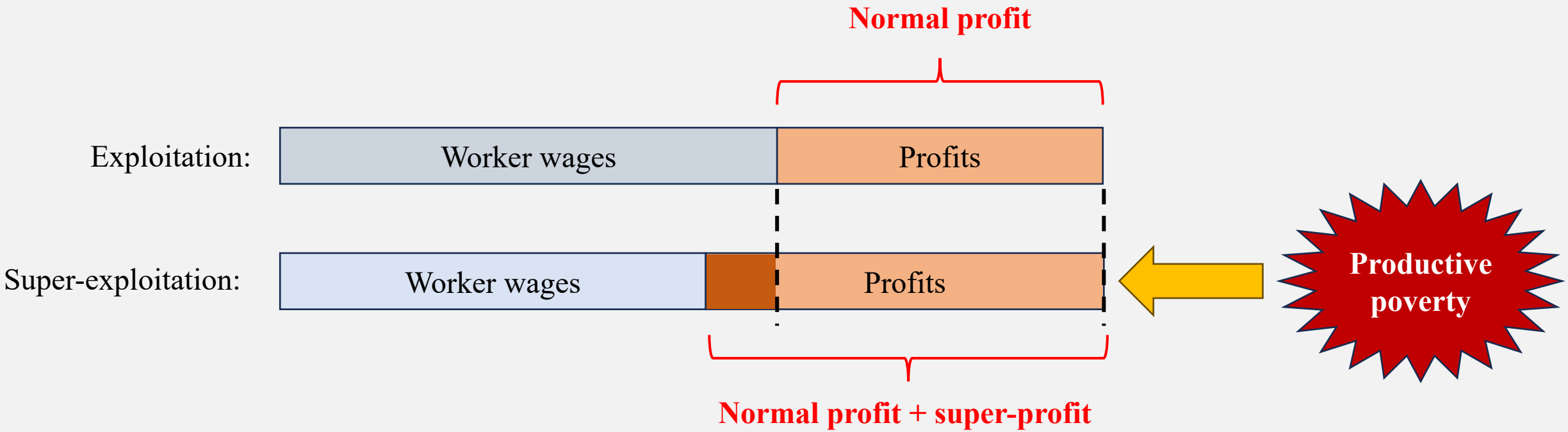


Why do coffee farmers need charity to produce?
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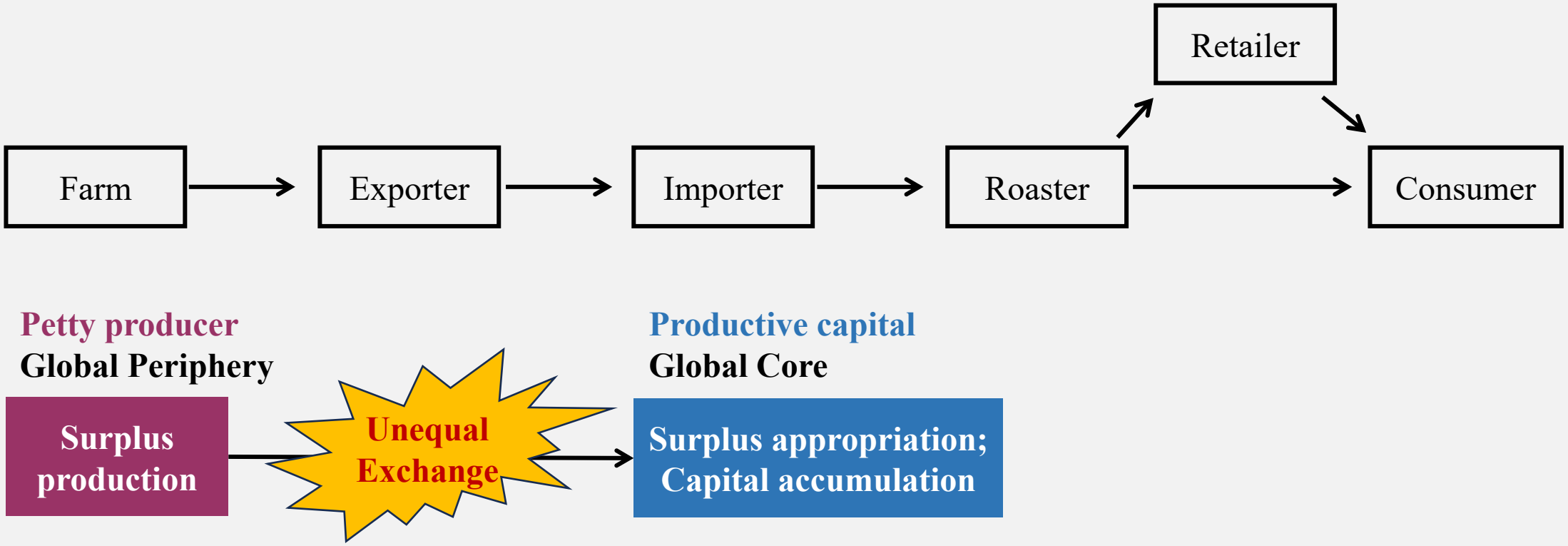


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Why not let them sort it out?
The sweet super-profits.



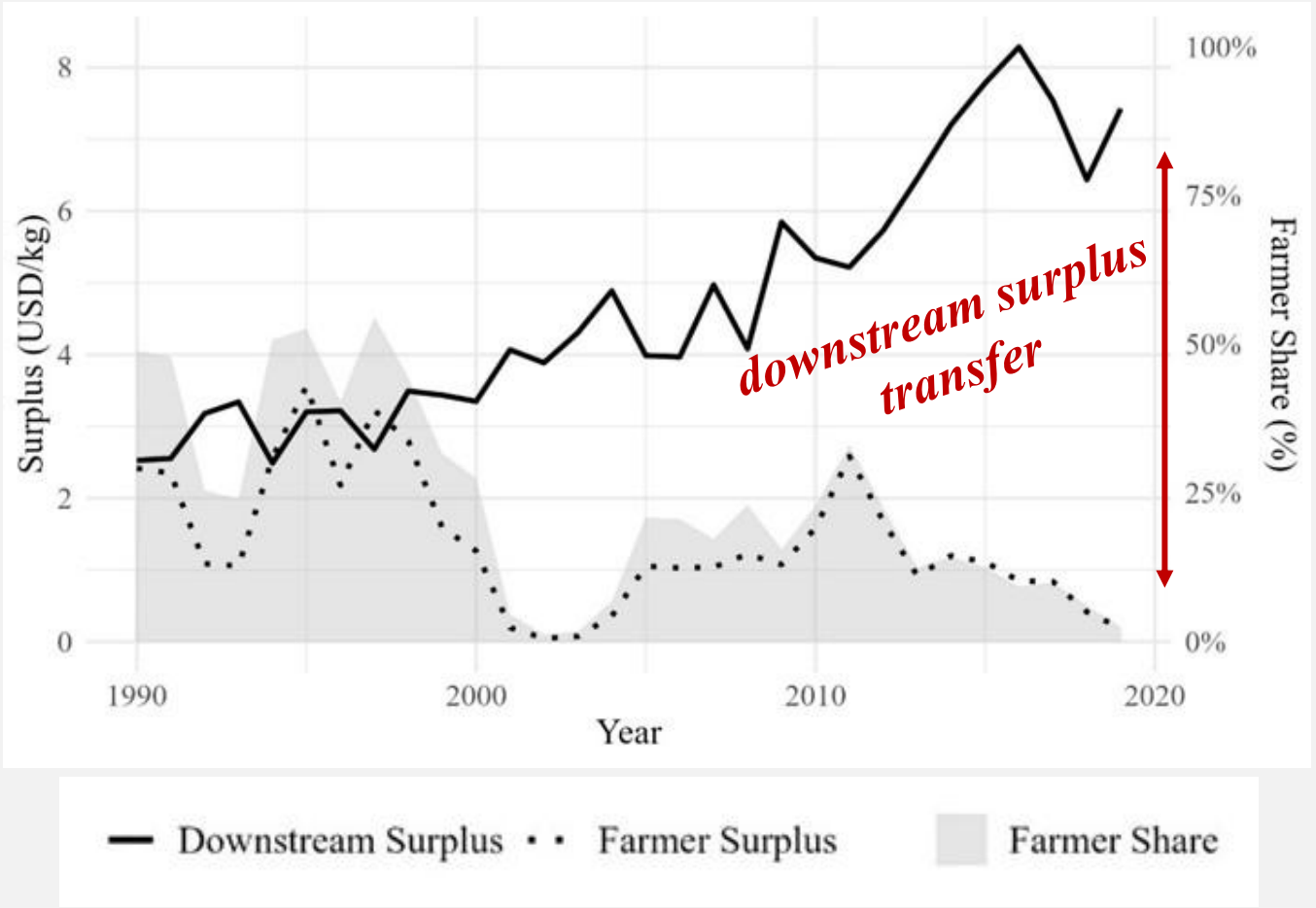
Super-exploitation through trade: unequal exchange



Why do farmers need charity?

Narrative: backwardness; unproductivity

Evidence: increasing super-exploitation



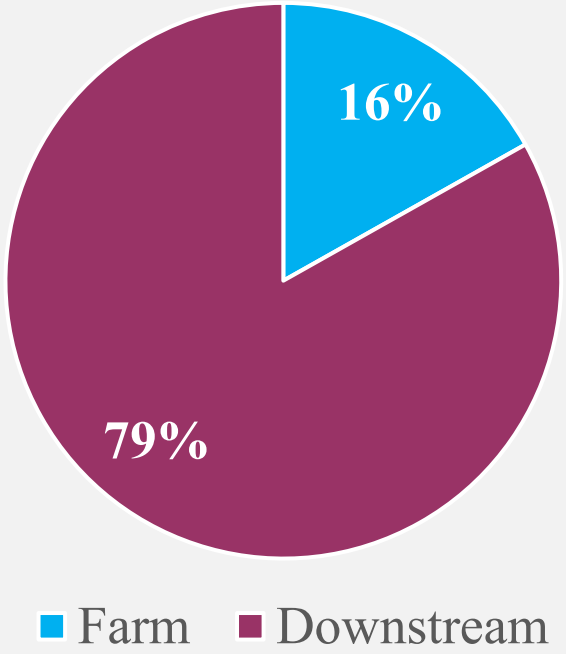
Quality upgrading: “teach a man to fish”

Narrative: quality deficiency → self-help





Specialty coffee price premium



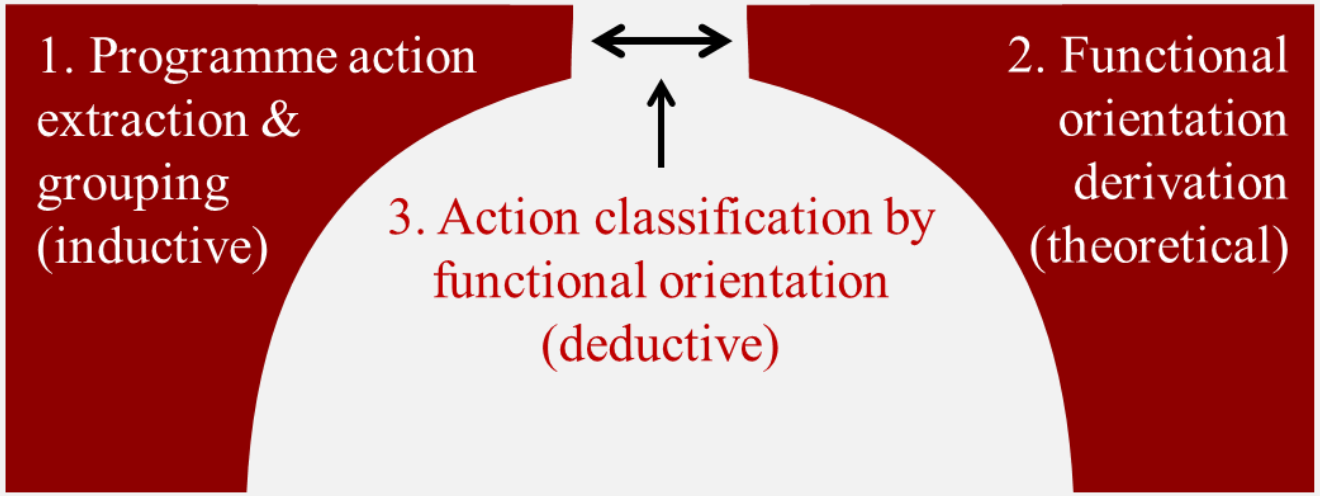
Why take it, just to give it back?

- Goes back “in-kind”
- Ideological work
- Shared cost: “the aid complex”



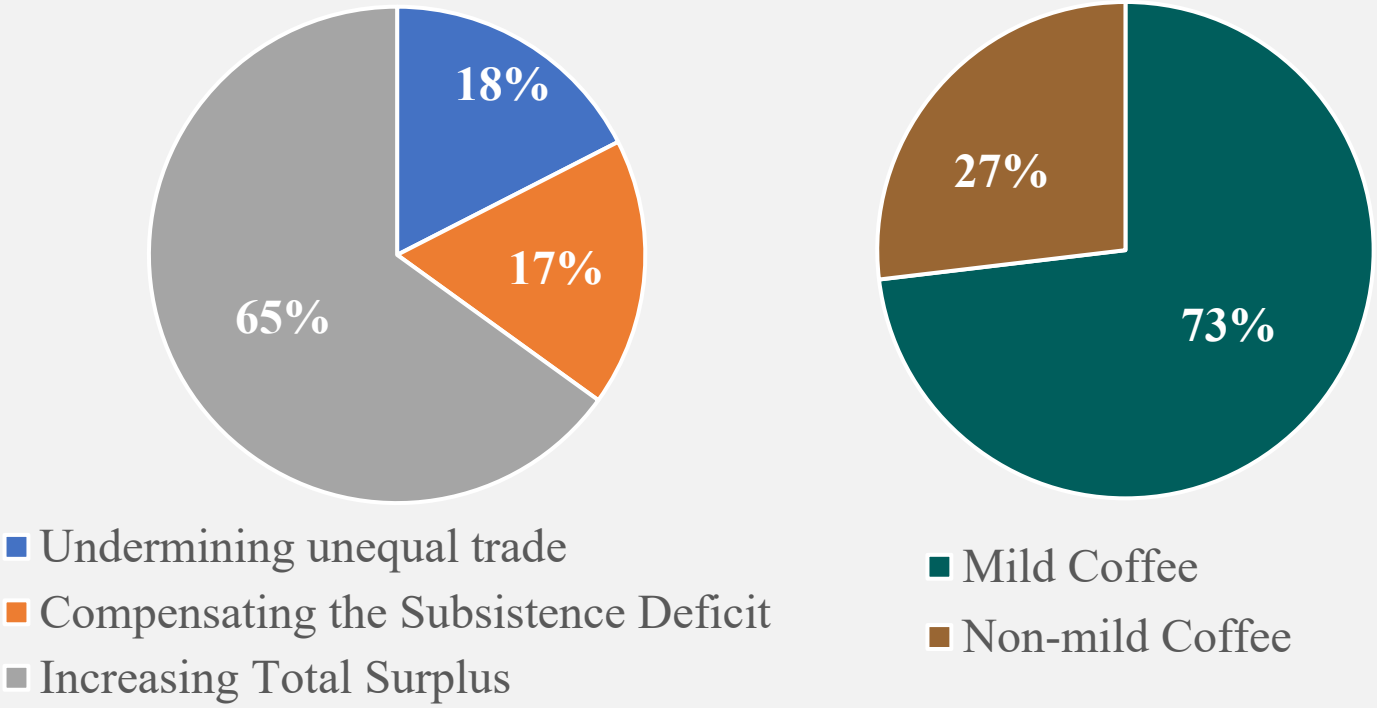
Functional orientations of intervention programs
What do they actually do?

- **Systematic content analysis**: 589 actions, 37 countries
- **Classification**: functional orientation
- **Categorise**: challenge, mitigate, or reinforce unequal trade?



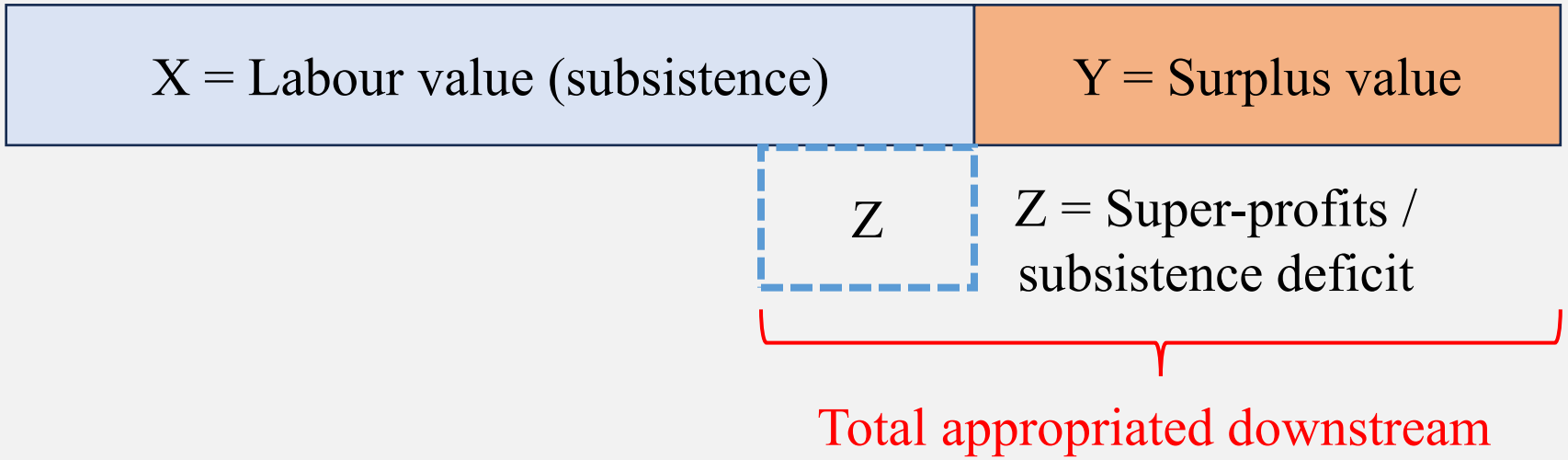
1. Undermining Unequal Trade
2. Compensating the Subsistence Deficit
3. Increasing Total Surplus

Functional orientations



- Convergence on productivity & short-term stabilisation
- Avoid addressing relations & institution of unequal trade
- Concentration on petty producers

Aid transfers support regime of accumulation necessitating aid; preserves super-profits

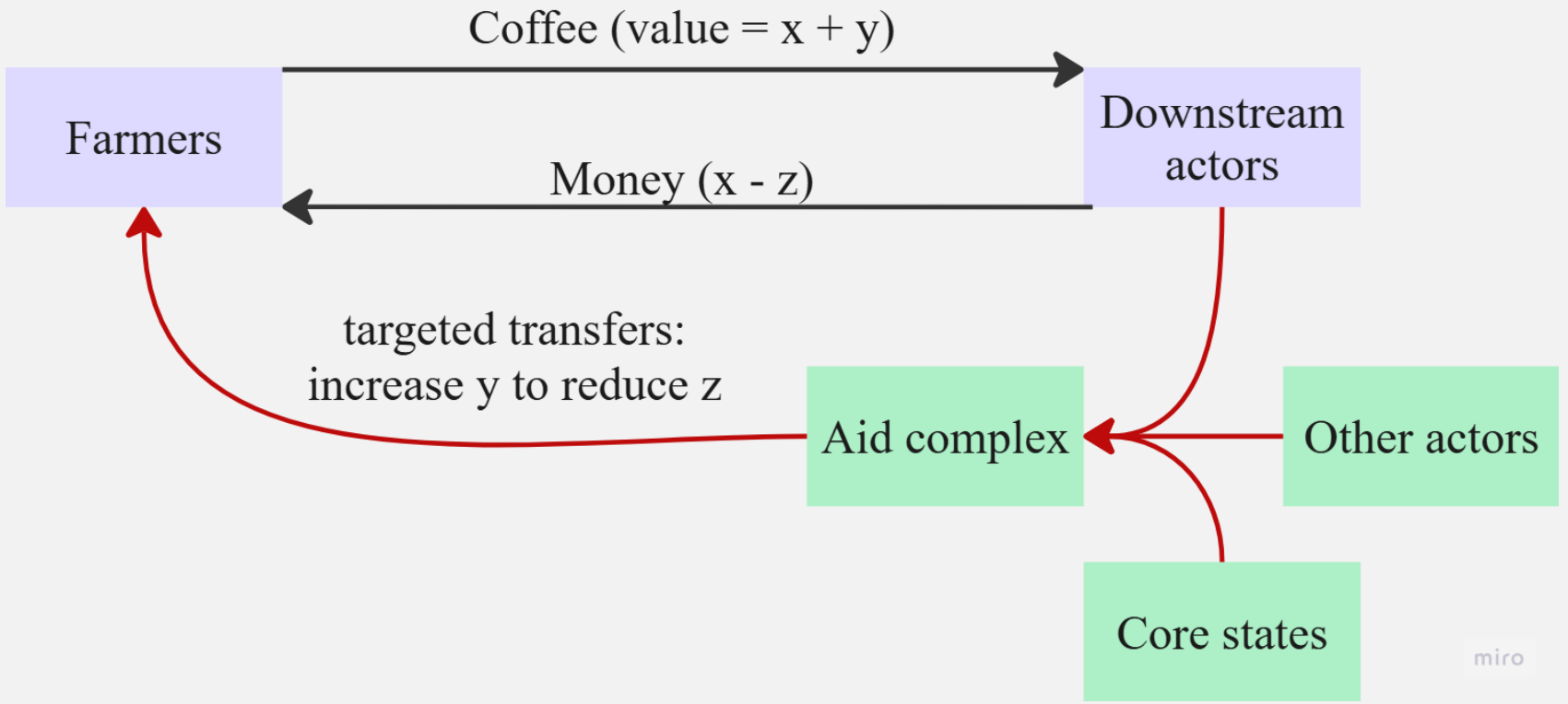


Aid transfers support regime of accumulation necessitating aid; preserves super-profits

x = labour value (subsistence)

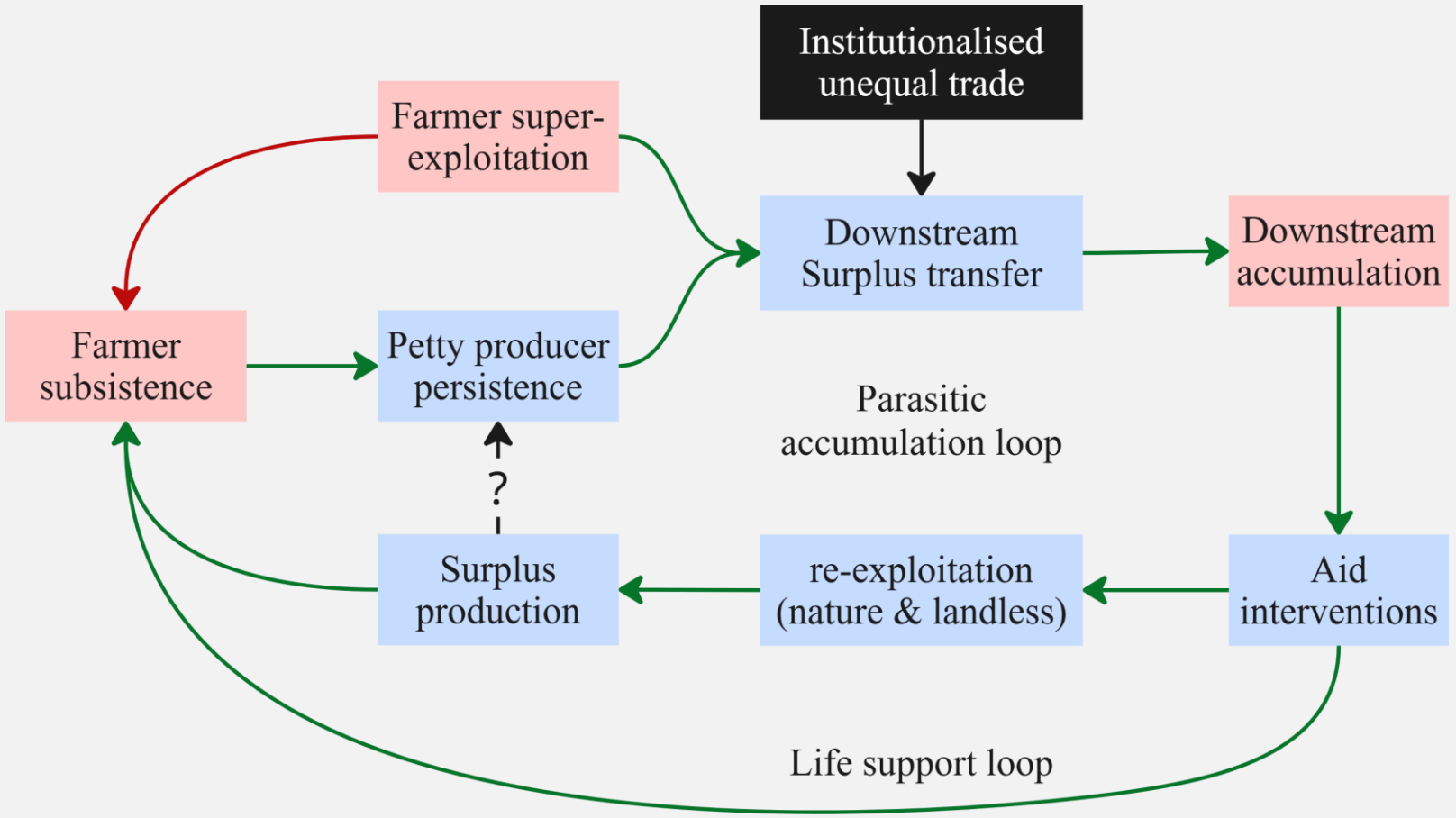
y = surplus value

z = super-profits / subsistence deficit



Aid can represent a parasitic alternative to capital accumulation

Raise productivity → protect peasantry → protect downstream accumulation



Conclusion

The transnational coffee aid complex converges around an orientation toward reproducing conditions of productive poverty among coffee farmers while sustaining the prevailing regime of downstream accumulation.

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