

## Coffee Employs 8.4 Million People in Brazil

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Brazilian President Luiz Inácio Lula da Silva pointed out that 70% of the coffee harvested around the world comes from properties with less than 10 hectares and engages over 25 million people in 60 countries.

In Brazil, coffee is responsible for annual revenues of US\$ 2 billion and employs 8.4 million people. Coffee plantations, divided among 300,000 growers in 14 states, cover 2.7 million hectares.

According to Lula, the government has already made US\$ 555 million (R\$ 1.259 billion) available in 2005 to pay for the financing, operating costs, and commercialization of coffee, and he guaranteed that this support will continue next year.

"So that coffee growers will not be at the mercy of contingencies, the ups and downs of commodity exchanges, thus being able to sell their product at fairer prices," Lula underscored during his remarks, Saturday, September 24, at the Second World Coffee Conference, in Salvador, Bahia.

He recalled that Brazil is the world biggest coffee producer and is on its way to becoming the world's biggest coffee consumer, a position currently held by the United States.

According to the president, coffee is the planet's second most important commodity, after petroleum. He affirmed, however, that, unlike petroleum, coffee production involves a huge number of small farmers.

Lula also remarked that the reorganization of the international coffee market "is a chapter in the struggle for fairer world trade."

In his view, it is necessary to build the political foundations for a fairer division of profits and make an effort to assure thousands of farmers a better quality product and a better quality of life.

"We are experiencing a crossing in quest of a greater world alignment between supply and demand, to ensure a new price recovery cycle. We cannot delude ourselves, however. The market's structural disequilibrium has dragged on for nearly a century.

"A new dynamic favoring the producers will only be consolidated when the internal asymmetries of a business responsible for over US\$ 90 billion annually have been corrected," he observed.

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