

# Brazil—The Fabulous Coffee Giant

## A History of the Ups and Downs of Coffee in Brazil With An Interesting Insight Into The Causes of The Crisis Confronting Coffee Today

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ON THE night of July 5, 1953, great blasts of freezing air swept the southern expanses of South America. They thundered over the snow-covered ranges of the lofty Andes and churned across the rolling coffee lands of Brazil. The worst calamity to strike the coffee industry in two decades began that night.



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The farms in the north of Parana and south of Sao Paulo were enveloped in freezing weather for two days and three nights. Millions upon millions of coffee trees were injured or destroyed by the withering cold.

After the freezing winds had spent themselves, the temperature rose, and the farmers began to estimate their damage.

The experienced coffee planters sensed at once the destructiveness of the freeze. Within the tiny plant cells of the coffee trees, the sap froze when the temperature fell below 32 degrees. As the ice formed and expanded, the tissues of the leaves and branches ruptured. The heavy wood of the older trees resisted the cold, but the cell water in the young trees froze to the tips of their root systems. When the temperature rose, the ice melted and the sap ran from the cracks, leaving the mute evidence of ruin

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on the curled leaves and ragged bark.

The new farmers lured from the cities by the promise of high prices to coffee cultivators were optimistic at first. They counted the trees on their farms whose lifelessness was immediately apparent and there were not too many. The leaves were drooping and the branches snapped on hundreds of trees, but a few weeks of sun, they thought, could revive all but the most damaged.

Within a few days, their optimism waned. Though it takes a month or six weeks before the moisture runs out and the tree reveals the severity of its wounds, the first signs were ominous. One test was simple and conclusive. The planter cut a notch into a branch and waited for the sap to run. If tiny bubbles of moisture seeped into the wound, the plant was alive. But if the cut remained dry, the tree was dying or was already dead. Thousands of trees tested in the first few days brought despair to the farmers.

The Brazilian Coffee Institute sent teams of scientists and field workers to help the farmers save injured trees and compute the loss to the expected harvest. The severity of the freeze was recognized immediately by the experts. To measure it accurately, however, thousands of farms and millions of trees had to be inspected. Upon the outcome of this survey depended the stability of the world's multi-billion-dollar coffee industry.

On the floor of the New York Sugar and Coffee Exchange, in the heat of July, little attention was given to the trickle of news which first announced the freeze in Brazil. Coffee-trading was slow and little activity was evident in the market. The great crops which would be coming to market in a few months seemed likely to be about equal to world consumption. Prices were relatively stable.

Even when the preliminary estimates of crop damage reached New

York, the market remained steady. But as July drew to a close, coffee men suddenly became aware that a possible catastrophe had struck the industry. Accurate news was not yet available, but rumors were passed along to feed the information-hungry trade. A telegram received by an importer said 10,000,000 trees were destroyed in the state of Sao Paulo alone. A tourist from Londrina, Parana's coffee capital, said 100,000,000 trees were dead in that area. The Agricultural Attache at the United States Embassy in Rio de Janeiro reported to the Department of Commerce that the specific damage was still unknown but undoubtedly devastating.

The market moved forward a few cents and then retreated. The fluctuations were orderly, reflecting the careful buying of the trade's more conservative members. But during August, September and October, the pressure of rumors mounted and green coffee advanced 10 cents a pound. The trade was beginning to accept the fact that a crisis was approaching.

### Fabulous Giant Badly Injured

The United States trade had developed faith in Brazil, the Fabulous Coffee Giant. Brazil's farmers had been planting vast acres to coffee to satisfy the world's heightened demands. In early 1953 Brazil had announced its coffee-planting campaign was to be considerably augmented. From experimental farms and the great research center at Campinas, millions of seedlings were distributed to farmers on new lands in the states of Parana, Rio, Sao Paulo and Minas Gerais. Even if 100,000,000 trees were damaged, the trade felt, the immense planting campaign of 1949 would offset some of the loss.

By mid-November, it was apparent that the Fabulous Giant had been badly injured. Semiofficial damage estimates were circulated

(Continued on page 110)