## Coffee prices are higher than ever. Here's what it means for your cup

**Warm-up question:** How do you usually have your coffee? Have you noticed any changes in its price recently?

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MICHEL MARTIN, HOST:

Now to a story about something **near and dear to our hearts** here at MORNING EDITION - and maybe you, if you're up this early. Of course, we're talking about coffee. The cost is soaring to levels not seen in decades. That's after droughts and abnormal weather in coffee-growing countries. What does this mean for us coffee drinkers? NPR's Alina Selyukh reports.

ALINA SELYUKH, BYLINE: Almost every day, Brian Phillips gets messages from his friends in Brazil who are coffee farmers.

BRIAN PHILLIPS: They send me, like, pictures of their rain gauges - how much it rained, how much it didn't rain.

SELYUKH: I called Phillips in Kansas City, Missouri, where he works at Anthem Coffee Imports. It brings in raw coffee beans from about two dozen countries, and the biggest one is Brazil.

PHILLIPS: Literally, as we're on the phone, my friend Sergio texted me, hey, when do you have time for a call? We have to talk about next year.

SELYUKH: That's because Brazil's coffee harvest is coming in short - by as much as a quarter, by one assessment. Earlier this year, farmers there faced one of the worst **droughts** on record. By the time rain fell - **belatedly** - many coffee trees were too weak to produce any fruit. John Cossette is a longtime importer with Royal Coffee in California.

JOHN COSSETTE: They had determined so much of the drought damage was **irreversible**, and that's going to affect next year's crop pretty significantly.

SELYUKH: The reason this is a big deal is because Brazil is by far the biggest grower of the most popular coffee bean. And this was the second wave of bad news for coffee after problems in Vietnam, the top grower of the other most popular coffee bean - a drought followed by heavier-than-usual rains. Scientists say climate change is shifting weather patterns in these regions.

SELYUKH: And these two beans - you know them. They keep the world caffeinated. Brazil's bean is called arabica. It has a milder taste. It goes in your ground and roast coffee.

SELYUKH: Vietnam's bean is called robusta. It tastes **edgier**, more bitter, and it often goes in your instant coffee.

SELYUKH: Over the past year, the cost of arabica has jumped around 70%. Robusta has doubled in price. The market is partially fueled by **financial speculators** just trying to **make a buck** on the chaos. All this has many roasters and coffee shop owners assessing how to raise their prices without scaring away customers. Meanwhile, big brands like Maxwell House, Folgers and Nescafe have already been hiking supermarket prices, saying shoppers so far seem **undeterred**.

PHILLIPS: People forget that coffee is a drug - a legal drug.

SELYUKH: Coffee importer Brian Phillips again.

PHILLIPS: The coffee consumption is not slowing down by any means.

SELYUKH: In fact, there's a new factor in play. People are now drinking a lot of coffee in countries where they did not use to. China is a huge one, but also the very countries that produce coffee, including Brazil. Here's Cossette.

COSSETTE: They're all drinking a lot more coffee, and they're drinking their own coffee that they're growing. So there's going to be less available coffee to export, and that's going to make it more expensive, as well.

SELYUKH: Phillips shared how, 10 years ago, his friends in Brazil couldn't sell a bag of specialty coffee inside the country. And now that bag **fetches** more in cash in Brazil than it would in a complicated export deal with a U.S. company. He and Cossette both take the long view. They point out that by historic standards, when adjusted for inflation, raw coffee prices are nowhere near the record, but the market has changed.

COSSETTE: To me, the days of cheap coffee are gone forever - over a long time ago.

SELYUKH: Cossette thinks the current price will come down somewhat. And he **keeps** his cool, knowing that people need their coffee. Alina Selyukh, NPR News.

## **Vocabulary and Phrases:**

- 1. **Near and dear to our hearts:** Something that is very important or cherished.
- 2. **Drought:** A prolonged period of abnormally low rainfall, leading to a shortage of water.
- 3. **Belatedly:** Doing something later than expected or required; not on time.
- 4. Irreversible: Not able to be undone or changed back to its original state.
- 5. **Edgier:** Having a sharper, more intense, or bolder quality.
- 6. **Financial speculator:** A person who engages in risky financial transactions, like trading stocks or commodities, in order to profit.
- 7. Make a buck: To earn money, often quickly or easily.
- 8. **Undeterred:** Not discouraged or stopped by difficulties or setbacks.
- 9. **Fetches:** Sells for a particular price or attracts a certain value.
- 10. **Keeps (his) cool:** Remains calm and composed in a stressful or difficult situation.

## **Comprehension Questions:**

- 1. What has caused coffee prices to rise so significantly in recent years?
- 2. How do droughts and climate change impact coffee production in countries like Brazil and Vietnam?
- 3. What is the difference in taste between arabica and robusta coffee beans?
- 4. Why are coffee prices increasing in producing countries like Brazil?
- 5. How are financial speculators affecting the coffee market?

## **Discussion Questions:**

- 1. How important is coffee in your daily routine? Would higher prices affect how much you consume?
- 2. What do you think about coffee farmers choosing to sell locally rather than exporting? Is this a good trend?
- 3. Have you ever noticed the effects of climate change on other products you use? How do you feel about this?
- 4. Do you think coffee prices will stabilize in the future, or are we seeing a permanent shift?
- 5. What do you think about the idea that coffee is a "legal drug"? Does this change how you view coffee consumption?