

Avocado in Mexico and Peru: A Global Commodity Chain Analysis

Fieldwork Report

Audrey Denvir

Project Overview

There is arguably no clearer expression of the power imbalance between consumers in the global north and producers in the global south than through the analysis of globally traded commodities. Geographic exploration of commodity chains has shed light on patterns of exporting the exploitation of land and labor to southern, developing countries. Much research has analyzed these dynamics with agricultural commodities like coffee, bananas, and cacao, but a similar commodity which has only relatively recently grown in international popularity, and for which little research has been conducted, is avocado. In the past 20 years, the demand for avocados has increased in the United States, Europe, and most recently, China, and this has caused a fast-paced expansion of cultivation in the avocado-producing regions of the world. With the expansion of avocado agriculture comes a number of environmental, social, and political considerations. My research investigates the ecological, spatial and socioeconomic aspects the two largest avocado-producing regions in Latin America – Michoacán, Mexico and coastal Peru – in order to understand how consumer demands and interests of global capital impact these landscapes on a local level.

The purpose of this mixed methods study is to understand the ecological and social variables that have directed the expansion of avocado production as well as the ecological and social impacts of such expansion in Mexico and Peru. Fieldwork in the summer of 2019 included qualitative interviews and surveys to understand how stakeholders throughout different sectors of the commodity chains make management decisions and connect to the market. Subsequent ecological studies in the following summers will investigate the magnitude of forest and carbon sequestration loss across a gradient of increasing habitat fragmentation in the avocado landscape.

For this past field season, my overarching research question was: What factors influence the expansion of avocado cultivation in Mexico and Peru? Within this larger question were four sub-questions: (1) How do growers decide whether to grow avocado? (2) How do avocado growers connect to the global market? (3) How do changes in the avocado market affect growers? and (4) How does government policy shape the avocado commodity chain?

Fieldwork Summer 2019

With the support of the CLAG Field Study Award, I was able to travel to both Peru and Mexico during the summer of 2019 and conduct 23 interviews with relevant stakeholders. Interview subjects were recruited from all sectors of the industry, including growers, packers, buyers, producer organizations, government agencies, and non-governmental organizations.

In Michoacán, Mexico, I worked with collaborators at the Universidad Nacional Autónoma de México (UNAM) in Morelia. From a base of Morelia, my research assistant and I traveled to

avocado orchards across central Michoacán to conduct interviews. The farms we visited were located within varying levels of fragmentation across the montane forest landscape of the state, and they included a variety of management styles from irrigated to rainfed, from organic to conventional. In Peru, I interviewed some of the large agro-industrial companies that dominate the production of avocados for export. I conducted these interviews in Lima and Ica, some of the largest areas of Hass avocado production in the country.

Data and Analysis

The resulting data from this summer's fieldwork is the text of 23 translated and transcribed interviews, and I am now working on coding these interviews using Dedoose software. The coded interviews will be used in a qualitative analysis addressing the research questions listed above. Preliminary findings suggest that while profits from avocado trade have noticeable positive impact on the local economy, the extent of that impact is impeded by certain political and economic structures. In Mexico, the avocado industry dominates the economy of Michoacán, and it brings with it jobs for local laborers, reduced migration out of the state, and increased disposable income for producers. Yet, large producers, who make the majority of avocado profits, have largely moved out of the region due to security concerns. Though they continue to own large orchards within Michoacán, they take their earnings with them outside the region. Public goods like education and healthcare have seemingly not benefited from the boom in avocado production, likely due to the tax-free environment. In Peru, the production of avocado for export (Hass avocado) is dominated by large agrobusiness, and it exists almost completely separate from smallholder avocado agriculture for the national market (mostly Fuerte avocado). This creates an even more stark division of profits, where the money from the avocado boom only reaches large companies. In both places, the neoliberal policies that spurred the explosion of avocado trade are the same policies that prevent equitable benefit across the economy.

Next steps

A subsequent ecological analysis in the summer of 2020 will focus on the ecological impact of land use change caused by avocado expansion in the two regions. In Michoacán, that means understanding the fragmentation dynamics in the highly biodiverse pine-oak forest, and in Peru, it will entail examining the poorly-understood impacts of conducting intensive agriculture in arid landscapes. Both analyses will focus on the impacts on ecosystem services, particularly carbon sequestration. The ecological analysis will be complemented by a spatial analysis, in which I will use remote sensing and land change modeling to understand the large-scale patterns of land use, both presently and historically, as avocado cultivation has expanded over the past 20 years. Together, these analyses will be used to predict large-scale ecological impacts according to forecasts of future land use change.



Photo 1: Taking a tour of an avocado orchard in Michoacán, Mexico



Photo 2: Side by side comparison of an avocado orchard in Michoacán, Mexico (left) and Ica, Peru (right)