

<https://internationalviewpoint.org/spip.php?article9156>



**Economy and Ecology**

# **Storm in a Coffee Cup – a catalogue of global warming effects**

- IV Online magazine - 2025 - IVP608 - September 2025 -

Publication date: Thursday 4 September 2025

---

**Copyright © International Viewpoint - online socialist magazine - All rights  
reserved**

---

**Got a spare £2bn lying around unused? If so, here's an investment opportunity. Coca-Cola, owner of the coffee shop chain Costa Coffee, wants rid of it. Analysts say the asking price is £2bn, though it could probably be snapped up for £1.5bn.**

So what's behind this decision – a substantial markdown on the £3.9bn Coca-Cola paid in 2018? The main driver is the spike in prices for customers, caused largely by the climate crisis, which has badly hit producers in Brazil, Vietnam and Colombia.

The increases at chains like Starbucks, Pret a Manger and Costa have been dramatic. Prices in coffee shops are hard to pin down because “premium” city-centre outlets tend to charge more, and transport hubs such as airports and major railway stations much more still. Starbucks lists a tall latte at £3.65, but that price is hard to find. In city centres, it's likely closer to £4.50, and in airports well over £5.

For office and shop workers – those full-time employees with a generous six weeks of holiday – buying coffee on the way to work now costs around £900 a year. True, you can linger in Starbucks and make a coffee last for 90 minutes or more. But not if you're dashing to work.

Climate change is the main factor driving up prices, but another is the rise in fertiliser prices, caused by disruption to Russia's exports – yet another way Putin's war in Ukraine has shaken the global economy. On top of that comes disruption to supplies through the Strait of Hormuz, caused by Houthi attacks on shipping in solidarity with the people of Palestine.

Climate change's impact on coffee reads like a catalogue of global warming effects. Brazil, the world's largest producer of Arabica beans, has suffered major frosts, droughts and storms. Frosts in particular wiped out young trees that take 20 years to replace. Vietnam's Robusta crop – the main bean used in instant coffee – has been battered by storms and droughts. Colombia's crop has suffered similar misfortunes. Experts estimate that by 2050, 40% of land currently used for coffee will be unsuitable for cultivation.

Costa Coffee is said to be in talks with Apollo Global Management, a vast private equity group with holdings across multiple industries, which also owns Waggamama. Its three founding partners have allowed financial giants like BlackRock and Vanguard to take minority stakes.

What might Apollo see in Costa? Perhaps a stripped-down operation that keeps only prime sites – such as central London and airports – where premium prices can be charged. The rest of the estate could be sold off piecemeal. Another option might be to use some outlets to become part of its Wagamama restaurant chain.

Deals of this kind are typically bad news for staff, who often see jobs disappear and conditions worsen. Not that the current situation is brilliant. Full-time baristas in the main coffee chains earn just above the national minimum wage – round £18,000 a year on a 37.5-hour week. That figure looks impossible to live on when the average rent for a one-bedroom flat in London is £1,500 a month, with two-bed flats averaging £1,900. In fashionable areas, rents are higher still.

For young people living alone – or even with a partner who isn't earning much more – the cost of living is crushing. Two consequences follow: mounting personal debt, as people rely on credit cards for everyday spending; and at the

sharpest end, homelessness, particularly among low-skilled, middle-aged men.

Coca-Cola's retreat from coffee reflects a shift in strategy towards "healthier" drinks. Coffee overtook tea in Britain in the late 20th century, ending a 200-year reign. Now, regular consumption of "premium" coffee – anything beyond instant – looks set to become increasingly the preserve of the middle classes.

2 September 2025

Source: [\*\*Anti\\*Capitalist Resistance\*\*](#).

PS:

*If you like this article or have found it useful, please consider donating towards the work of International Viewpoint. Simply follow this link: [Donate](#) then enter an amount of your choice. One-off donations are very welcome. But regular donations by standing order are also vital to our continuing functioning. See the last paragraph of [this article](#) for our bank account details and take out a standing order. Thanks.*