An Institutional Ethnography of the Roaster at Work
in an Alternative-Trade Market for Coffee

by

Deborah M. Dergousoff
B.A., Honours, University of Victoria, 2004

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Abstract

One of the objectives of my thesis is to argue that regulatory capitalism and international law are problematic forms of power implicated both directly and ideologically in the standardizing practices and regulation of certified fair trade. My work begins by explaining variations in the way fair trade coffee is conceptualized and offered in the market, then moves on to explain how fair trade certification standards link up with other international standards and certification bodies, and finally, describes how standards and certification are used to textually construct social facts. I examine first those places where regulatory capitalism and international law remain embedded and active in fair trade certification practices, then the way standardizing practices work to organize (or disorganize) the relationships of people who work with fair trade coffee. The ethnography consists of interviews with three informally regulated fair trade roasters in the Victoria region. My aim is to identify precisely the points where the standardizing practices of certified fair trade reduce concrete relations of exchange to conceptual notions of fair trade. Identifying these points allows me to examine areas where dominant forms of power remain embedded and active in the concept and realization of certified fair trade coffee, and also how standardizing practices limit the potential of fair trade to transform unjust relations of trade. The question this thesis raises is not whether or how we can make fair trade coffee 'fair,' but rather, how can we focus solutions to unjust trade relations to be politically effective for all involved?

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1. Introduction

My interest in the alternative-trade market for coffee began in the late 1990s through involvement with an organization called TENDAYS for Global Justice. One of the campaigns we were working on was promoting fair trade coffee in our communities. As I became more involved in the process I became an avid consumer of fair trade coffee, partly for reasons of social justice, and partly because it appealed to the palate I was developing for good quality coffee. This thesis combines my consumer, activist, and academic interests in fair trade coffee research that I hope will be useful to advocates, academics, and traders alike.

The fair trade coffee movement began as a non-governmental organization (NGO) effort to establish a market outside of mainstream commodity monopolies while simultaneously inserting non-market concerns for justice into commodity relations. This movement tries to use, rather than reject, the market as an avenue of social change by assuring coffee farmers a stable price in a wildly fluctuating market that has typically shown little regard for their livelihood. The International Fair Trade Association (IFAT), a global network of organizations working to develop and promote fair trade, defines fair trade as a movement in a "global network of producers, traders, marketers, advocates and consumers, focused on building equitable trading relationships between consumers and the world's most economically disadvantaged artisans and farmers" (Fairtrade Labelling Organizations International [FLO] 2003a:1). The current fair trade movement can be understood as an NGO campaign seeking: 1) to better the lives of producers, 2) to educate consumers about unjust processes of production and offer them alternative

choices, and 3) to work for changes in the rules and practices of conventional international trade (Fair Trade Federation 2003: 4-5).

Although fair trade began as a movement aimed at improving unjust relations of trade, it is important to understand that fair trade coffee developed from, and is growing in the midst of, a commodity industry that has a long history of inequality, power imbalances, unfair subsidies, price setting, and violence. Fair trade coffee is situated in an international commodity market where liberalized trade and export-led growth policies in the mainstream industry resulted in a coffee crisis in 1997 that persists today. Oxfam America (2002) reports that overproduction and flooding of the market with cheap, low-grade coffee resulted in an almost 70% drop in prices between 1997 and 2002. At its lowest point, the New York Coffee Exchange was paying US$0.50 per lb for green coffee beans that cost US$1.26 per lb to produce. This has had devastating consequences for some 25 million families on four continents, many of whom are unable to meet the production costs of growing and harvesting coffee, much less of sustaining a livelihood from it. Oxfam Canada (2001) explains that

> ...of the 25 million coffee producers, approximately 15 million are small farmers. Unable to export directly, they must sell their crops to mid-level traders, or as they are commonly called in Central America, 'coyotes.' These traders often use their monopoly position to force the farmer to sell low. As lenders, these coyotes demand extremely high interest payments. This type of exploitation results in a spiraling debt cycle that leaves farmers and families further impoverished.

Fairly traded coffee is bought directly from farmers or farmer co-operatives, thus eliminating the midlevel trader.

Coffee has long been a 'boom and bust' player in transnational economies, providing huge profits for some, while leaving others in despair. Coffee (next to oil) is

the second most heavily traded commodity in the world. The history of coffee trade recounts that as far back as the early 1600s, "coffee industry has dominated and molded the economy, politics, and social structure of entire countries" (Pendergrast 1999:xviii). Coffee production, processing, export, transport, import, roasting, grinding, brewing, retailing, vending, marketing, advertising and trading on the coffee exchange, provide a livelihood for millions of people around the world. One of the hopes for market growth

It is not known when or by whom coffee was discovered but it is thought to have originated in ancient Abyssinia where, it became an integral part of culture in what is present day Ethiopia. The ceremonial service of coffee is still evident in modern day Ethiopian culture. The art of roasting, grinding, brewing, and serving coffee in Western culture did not begin to take shape until the early sixteenth century. The genus Coffea *(family, Rubiaceae) contains a number of species, only two of which are economically important.* Coffea *arabica accounts for about 90 percent of the world's coffee production.* Coffea *arabica originates in the highlands of Ethiopia and is an evergreen shrub or small tree that grows up to 5 m in height bearing fragrant, white flowers. This species is best grown and cultivated in the shade of the forest.* Coffea *canephora (robusta coffee) grows wild in African equatorial forests, but is also cultivated in West Africa, Uganda, Indonesia, and more recently in Vietnam. This tree grows to 10 m high and is cultivated at lower altitudes. It is more tolerant of adverse growing conditions and is less expensive to produce. Robusta coffee plants produce beans which are smaller than those of the arabica plant. Their flavor is considered inferior to that of arabica coffees (Fernald, Milano & Piero 2005; Pendergrast 1999; Vaughan & Geissler 1997).*

of fair trade coffee is that the fair trade model will set new standards for commodity trade between Northern and Southern trading partners [Fairtrade Labelling Organizations International (FLO) 2005; International Fair Trade Association (IFAT) 2005d]. The success of the fair trade coffee system in establishing an alternative-trade market for coffee will determine the extent to which it is able to challenge the dominant market system.

A central part of fair trade coffee's challenge to the dominant market system is attending to the conventional separation of commodities from their processes of production and consumption. At the same time, it has had to engage in some of those same processes to build market awareness and demand for its products. As consumers cannot tell whether coffee has been fairly traded or not simply by looking at coffee beans, the successful promotion and growth of fair trade coffee has necessitated the establishment of a readily recognizable means of authenticating its claims to fairness. One such means has been the establishment of a system of certification, along with a standardized labeling initiative like the one introduced to the Canadian market in 1997 by TransFair Canada, an affiliate of Fairtrade Labelling Organizations International (FLO). FLO is the overarching international regulating and accrediting body for *certified* fair trade products.

The fair trade coffee market offers both certified and non-certified fair trade coffees. Certification allows for greater mass distribution by offering traders a standardized label, much as the mainstream industry does with 'brand names.' Certification requires that a fee be paid ($0.13 per pound of green beans) to a certifying body to cover the costs of monitoring, inspecting, and promoting certified fair trade coffee. The fee allows traders to use a certified fair trade logo to identify the coffee they sell as 'fair trade.' Since the logo provides assurance that the coffee being sold has been fairly traded, it is not necessary for certified fair trade coffee dealers to establish close relationships to assure that their coffee is fairly traded. Nonetheless, many traders and roasters who deal in certified fair trade coffee do so because they are particularly interested in the social justice aspects of fair trade coffee. To these fair traders,

establishing close relationships with the people they deal with is an important part of the way they do fair trade. Traders and roasters who deal in non-certified fair trade coffees tend to work on a smaller scale (although some have large-scale businesses) and must build a reputation more directly with customers in order to satisfy them about the legitimacy of their fairly traded products. Traders (or suppliers) of 'fairly traded' coffee purchase directly from farmers with whom they have established long-term trading relationships. For many of these traders, profit is less a primary motive than improving the quality of life for farmers.[1] Many argue they would rather return the certification fee to farmers than pay it to a certifying body. While coffee roasters who buy non-certified fair trade coffee may be interested in profit (after all they are sustaining a livelihood from their coffee business), many are equally committed to improving the social and environmental conditions of coffee production and trade. Since the product they buy does not bear a certified logo identifying its conditions of fair trade, non-certified roasters must carefully research their sources of coffee supply to ensure the product they are buying from them can be offered as 'fairly traded.' Their best assurance is a close relationship with suppliers or importers who personally visit the farms where they buy coffee.

In Canada, the national labeling body for certified fair trade coffee is TransFair Canada.[2] Standardized certification labels such as that provided by TransFair Canada, provide roasters and consumers with a recognizable symbol of assurance that the coffee

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[1] In Canada, examples of such an alternative-trade market in coffee are Café Etico, Ten Thousand Villages, and Café San Miguel from Level Ground Trading (Oxfam Canada N.d.)

[2] TransFair Canada is the FLO-affiliated national labeling body in Canada. While FLO provides international labeling standards, certification, and monitoring, its member nations are free to use their own national logo to represent certified fair trade. The TransFair label is also used by the United States and up until recently, by Japan. Japan now uses Fairtrade Label Japan as its certified fair trade label.

they are selling or buying has been fairly traded. While farmers grow the coffee, and roasters roast it, certified fair trade coffee is produced through an institutional process. The process employs a set of socially just standards developed by a non-governmental international regulating body, in a sequence of action that begins on the farm with coffee plants, and ends with consumers choosing a product they recognize by its fair trade label, based on their understandings of 'fair trade.' Thus certified fair trade coffee is both a material and a social product.[3] 'Fairly traded' coffee, although not regulated formally by an external institution, is likewise a material and social product. I argue that given

> *The coffee plant produces crimson fruits called berries (though in strict botanical terms they are actually drupes). Inside the fruit skin is a pulp (mesocarp), a thorny parchment (endocarp), and two seeds (green coffee). Coffee seeds (or beans) are removed from berries by one of two processes. The wet or washed process involves pulping, fermentation in water, and drying. The bean is then removed from the parchment by mechanical hulling. The dry or natural process involves drying and removal of the pulp and parchment by mechanical hulling. This process yields a bean that is described as 'hard.' The processing method used is a major factor in the final flavor and price of the coffee sold. Dry processing gives a full-bodied, mild aroma to coffee, while wet processing yields a strongly aromatic coffee. Most arabica beans are wet processed (except in Brazil, Indonesia, and Ethiopia). Availability of fresh water is a major consideration in the method used (Dicum & Luttinger 1999; Vaughan & Geissler 1997). Most of the world's coffee is grown and harvested by indigenous populations since they are the majority of local inhabitants in coffee growing regions of the world (Appendix I lists some of the major coffee producing regions of the world). Coffee production is a labor intensive process. Describing the harvesting work of coffee farmers in Huehuetenango, Guatemala, Fernald, Milano & Sardo (2005) write that shade grown coffee berries are hand-harvested, "picked one by one and placed in a wicker basket tied round the harvester's waist with a vine cord. The beans are extracted from the berries with a gentle fermentation that begins no more than four hours after harvest and lasts 24 to 36 hours. After removal of the coffee berry's flesh, the beans are dried for at least three hours, during which time they are constantly turned manually with a wooden rake."*

[3] Martha McMahon helped me develop this point.

particular circumstances, 'fairly traded' coffee is not only a legitimate way to 'do' fair trade, but that it also offers particular opportunities to transform trade relations which may be lost in the practice of certified fair trade.

The process of fair trade certification is complex and labor intensive. It is a process of licensing and monitoring that starts with coffee plants and farmers and ends with consumers choosing roasted beans they recognize by the Fairtrade label. The Fairtrade label becomes a reproducible representation of fair trade that requires the co-operation of people all along the certification chain to maintain its legitimacy. A specified set of standards is used to ensure that each player in the sequence of activity that brings coffee from the farmer to the consumer conforms to a particular set of fair trade criteria. A complex of certification texts[4] (manuals, forms, etc) and monitoring systems allows players to take for granted that 'fair trade criteria' are being interpreted and acted upon in a way that assures that conditions of 'fair trade' have been met. Fair Trade Labelling Organizations International (FLO) has developed an elaborate system of certification, along with a standardized *Fairtrade* label, and is promoting this system as the most effective means of attesting to the authenticity of a product's fair trade. I argue that while certification and the *Fairtrade* label offer traders and consumers assurance that a product has been fairly traded, the process of certification reduces the coffee growing, processing, trading, and consuming labors of people and coffee beans to an abstract entity embodied by the certified *Fairtrade* label, much the same as corporate branding does. While the label assures the roaster who buys the green beans, and the consumer who buys the roasted ones, that the farmer who produced the coffee was paid a 'fair' price for the

[4] Dorothy Smith (2005) uses the term 'text' to refer to reproducible representations (labels, manuals, forms, etc) of concepts which allow for standardization of various kinds in the material and social world.

coffee, because the particularities of production are obscured by the label, 'fair' becomes an abstraction, taken for granted and determined by the standardized requirements of FLO-certified *Fairtrade* labeling. In the end, the label functions in a similar way to corporate branding, making fair trade coffee operable within a capitalist field of commodity relations. This is especially evident where fair trade coffee sits on the shelf alongside corporate brands in mainstream retail outlets. It is there that one of the most exigent questions about fair trade coffee arises: Why is fair trade coffee market share being promoted in an unfair system in the first place?

Coffee, whether fairly traded or not, is a commodity[5], and commodity trade is linked to regulatory capitalism (i.e. market relations organized by written regulations), and international law. One of the objectives of my thesis is to argue that regulatory capitalism and international law are problematic forms of power implicated both directly and ideologically in the standardizing practices and regulation of certified fair trade. Where the practice of fair trade is concerned, I demonstrate that in particular instances, the difference between certified and non-certified, or fairly traded coffee, lies not in concerns about conditions of production, but mostly in administration, monitoring practices, and the way that standards are used to organize certified fair trade. My research provides evidence that where concern for socially just production practices are concerned, certified and (reputable) fairly traded coffee traders (including farmers) operate according to many of the same basic principles of fair trade.[6]

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[5] I recognize that coffee is first and foremost a plant (*Coffea* spp.: Rubiaceae), and the seed of that plant. The issue of androcentric treatments of nature has been written about extensively (Atleo 2004; Heller 1999; Bell 1998; Mellor 1992; Haraway 1991).

[6] These will be elaborated in Chapter 2.

My work begins by explaining variations in the way fair trade coffee is conceptualized and offered in the market, then moves on to explain how FLO standards link up with other international standards and certification bodies, and finally, describes how standards and certification are used to textually construct social facts.[7] I examine first those places where regulatory capitalism and international law remain embedded and active in fair trade certification practices, then the way standardizing practices work to organize (or disorganize) the relationships of people who work with fair trade coffee. My aim is to identify precisely the points where the standardizing practices used to certify fair trade coffee reduce concrete relations of exchange to conceptual notions of fair trade. Identifying these points allows me to examine the areas where dominant forms of power remain embedded and active in the concept and realization of standardized or certified fair trade coffee, and also how standardizing practices limit the potential of fair trade to transform unjust relations of trade.

1.1 What is fair about fair trade coffee? Is fair trade coffee fair?

The terms 'fair trade' and 'alternative trade' have been used interchangeably to describe the mission of fair trade. The International Fair Trade Association (IFAT 2003:1) explains that from the late 1960s onward, the growth of alternative trade was associated primarily with political solidarity movements like Oxfam that sought to address power imbalances in the dominant world trade system. Alongside of 'solidarity trade' has been 'development trade' whose primary focus is economic development.

[7] 'Social fact' was a term used by Durkheim to mean laws, morals, beliefs, customs, and later institutions which are general over the whole of a society while also having an existence of their own (Durkheim & Lukes 1982).

Rather than focusing on solidarity with the politically and economically marginalized, 'development' trade is more concerned with organizing producers and production, providing social support to farmers, and creating an export market to the North (IFAT 2003). IFAT (2003:1) suggests the word 'alternative' was initially used to denote "a different set of values and objectives that put the well-being of people before the pursuit of profit." With fair trade's advance into the mainstream market, many 'alternative' traders now prefer to envision trade as 'fair,' rather than 'alternative' (IFAT 2003). [8]

The term 'fair trade' can be applied at two levels: one as a general term for embodying ethically produced coffee, food, and other products, and the other in the official sense of certified fair trade.[9] The fair trade coffee market offers both certified and non-certified fair trade coffees. Among advocates and traders of fair trade coffee, the term 'fair trade' is generally understood to mean 'certified' fair trade. Many non-certified fair trade coffee dealers now distinguish their trade from certified fair trade by using the terms 'fairly traded' or 'farmer friendly' to describe or label their coffee. [10] The set of issues that underlies the rationale for standardized (or certified) versus non-standardized labeling of fairly traded products is complex. A simplified version of the issue is that on one hand, sophisticated packaging and labeling eases the promotion of fair trade coffee in mainstream retail outlets making the 'fair trade option' more easily accessible to consumers. On the other hand, it is argued, a label that 'speaks for itself'

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[8] It is interesting to note that IFAT was initially the International Federation for Alternative Trade, its name changed to the International Fair Trade Association in 2003.

[9] I thank Nancy Turner for pointing out the need to explain this distinction.

[10] Throughout this thesis I will use the terms 'fairly traded' or non-certified fair trade to refer to ethically produced coffee which has not been fair trade certified. I use 'fairly traded,' rather than 'farmer friendly' because it is more common in the non-certified sector. I will explain 'farmer friendly' coffee later on.

Table 1. A comparison of common codes for ethically produced coffee in North America

	Certified Fair Trade	Certified Organic	Rainforest Alliance	Smithsonian Bird Friendly®
Mission	Equitable trading relationships between consumers and the world's most economically disadvantaged artisans and farmers.	A verified sustainable agricultural system that supports biodiversity and enhanced soil health in food production practices.	To integrate productive agriculture, biodiversity conservation and human development; i.e. allied with multinationals	To promote certified shade coffee as a habitat for tropical migratory bird populations and other organisms.
History and Development	Began as Max Havelaar in The Netherlands; developed into the FLO system of certified fair trade.	Began in 1973 as a farming movement and certification system; developed into an internationally recognized system.	Began in 1992 in partnership with a coalition of Latin American NGOs, the Sustainable Agriculture Network (SAN).	Founded in 1997 from scientific fieldwork; 10 organic certification agencies to be the eventual managers of the program.
Scope of the Program	Organization of the co-operative and supply chain.	Organic farming and processing practices.	Sustainability: economic, ethical, and environmental.	Production area of the coffee agroecosystem.
Code Elements for Coffee Production	Democratic organization of co-operatives; environmental issues	Environmental, farm production and processing standards.	Environmental, social, and worker safety; efficient farm management.	Biophysical criteria of the shade component of certified organic farming.
Scope of the Code	Standardized criteria for fair trade; guaranteed fair trade price; continuous improvement encouraged.	Federal standards with practices for producers and handlers.	Criteria with field-tested indicators for farms and co-ops of all sizes; continuous improvement required.	Organic certification as a condition for BF certification; applicable to estate farms and co-operatives

Adapted from SCAA's *Draft Comparison Codes for Communication Purposes:* (http://www.scaa.org/pdfs/SCAAComparingCoffeeCodes_Aug2005.pdf).

too closely resembles a policy that fits the profit agenda of the mainstream retail market at the expense of the social justice agenda (Hudson & Hudson 2003; Carpenter 2000; Ogle 1994). To further complicate the issue, fair trade is one among three types of 'sustainable coffees' offered on the market today: fair trade, organic and eco-friendly (Giovannucci 2001). Although fair trade coffee is often organic and eco-friendly, it is not *necessarily* so. Likewise coffee that is labeled organic or eco-friendly, although usually grown in better working conditions, does not necessarily guarantee its farmers a fair price. Table 1 summarizes some of the ways ethically produced, sustainable, and fair trade coffee is conceptualized and offered on the market.

As we can see, the question of what makes fair trade coffee 'fair' is not easily answered. To begin with, not only are there numerous and conflicting ways to interpret 'fair,' but interpretations of 'fair' are intertwined with numerous and complex understandings of social justice. Although fair trade coffee is generally associated with socially just trade, it is not clear what socially just trade is, or for whom fair trade coffee is supposed to be fair? Is it the farmer? The trader? The consumer? The market? The environment? 'Fair' is not a notion that exists outside the context of those, or that, about which we are speaking. Nor can 'fair' be conceptualized as universal for all parties involved. For instance, if 'fair' is a matter of 'just' distribution, who or what is included or excluded from the distribution must be accounted for. A close examination of the particularities of each participant and/or group of participants included or excluded from the fair trade coffee network is likely to reveal a diverse and conflicting set of agencies and subjectivities[11] both within and among groups in a system of 'just' distribution.

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[11] By 'agency' I am referring to a subject's capability to purposively act within a context they have assigned meaning to, rather than one in which meaning has been assigned for them. 'Subjectivity' refers to

Moreover, an examination of the actual lived experience of farmers, traders, consumers, markets, or environments, is likely to reveal that particularities, participants, agencies, and subjectivities themselves are fluid and dynamic in character.

'Just' distribution criteria do not hold constant. They vary according to the contexts in which the criteria occur. 'Just' distribution criteria operate variously among and within relations, both within and beyond the fair trade coffee network. Notwithstanding the complexity of the notion of 'just' distribution itself, the fair trade coffee network is not a static entity to which/whom criteria of just distribution can be easily applied. Many factors intervene between people's individual and group attitudes, and the behaviors that follow from them. In any given situation, people's behavior within and toward the fair trade coffee network is variably motivated by beliefs about justice. For instance, farmers produce quality coffee for which they deserve a 'fair' price; international fair trade organizations promote the idea of equality in trading relationships; and the idea of profit in fair trade relationships is to improve the standard of living in impoverished coffee producing communities. Although these motivations are related, they are not universally present in people's perceptions of justice in fair trade coffee.

Finally, regardless of how people view 'just' distribution, distributive justice has been criticized for its failure to address non-distributive issues such as political competency. Critics have long argued that injustice is not simply a matter of the ways in which benefits and burdens are distributed, but also a matter of social relations and the structures and institutions that give rise to the way distributions are accorded in the first place (Heller 1999; Warren 1999; Cuomo 1998; Mellor 1992; Sen 1982). Although the

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the context in which subjects experience their meaning, that is, the way particular individuals come to perceive and identify their experiences.

fair trade coffee industry has developed new structures, it has been argued that its overall potential to transform socially unjust trade structures is limited by its lack of commitment to changing these. The reality of 'the market' permits very limited realizations and interpretations of 'social responsibility' and 'fair.' The reality of the market does not permit coffee farmers, for instance, to ask for prices that would provide them with a Western standard of living, much less does it account for the possibility that farmers (individually and collectively) have different notions about quality standards of living in the first place.

In addition to concerns about 'just' distribution, the notion of 'political competency' is at the heart of an extensive literature contesting the notion of 'fair' (Alwin et al. 1995; Cuomo, 1998; Haraway 1991; Heller 1999; Mellor 1992; Miller 1992; Swift et al. 1995; Warren 1999). Political competency is also central in development literature, especially where North/South trade relations are concerned (Brohman 1995; Campbell 2000; Raynolds 2004; Thomas 2000; Stewart 2002; Mellor 1992; Sturgeon 1997). These literatures make important contributions to understanding the theory and practice of fair trade. The way we understand 'fair,' especially in terms of North/South trade relations, and who is doing the understanding, is an important dimension in understanding the kinds of political competencies fair trade coffee will enhance, and limit, as it experiences rapid market growth as a commodity export.

Is a focus on social and environmental processes, rather than profit, enough to provide conditions which would allow social responsibility to coexist with the market growth of a commodity export in the first place? It would seem that using a commodity in a strategy to insert social justice values into 'the market' is contradictory right from the

start. Notwithstanding the philosophical complexities of notions of 'fair' and 'socially just,' and the deficiencies that arise from inclusion or exclusion of these in a discussion of fair trade coffee, in an increasing number of coffee growing regions, the actual lives of farmers, and their communities, have been improved in various ways by participation in the fair trade coffee system. The question this thesis raises is not whether or how we can make fair trade coffee 'fair,' but rather how can we focus solutions to unjust trade relations to be politically effective for all involved? Can universal solutions be fair?

2. Identifying the Social Organization of Fair Trade Coffee

2.1. Percolating the Grounds for Fair Trade Coffee

Daniele Giovannucci[12] (Giovannucci & Koekoek 2003) suggests the fair trade coffee initiative evolved in three phases. The first phase was an effort put forth by volunteer networks to distribute fair trade coffee in the 1960s. Up until the late 1970s, fair trade coffee was being promoted by church groups and social justice agencies where efforts to raise awareness of the alternative were only reaching a small proportion of people. Since buying and selling fair trade coffee was mainly a political statement at this time, traders did not consider the quality of the coffee being offered particularly important. In fact, until the market began to experience some growth in the late 1980s, fair trade coffee was notoriously associated with poor quality beans (Young 2003:4). Giovannucci (2003) proposes that the second phase of the fair trade coffee initiative began with the launch of the Max Havelaar[13] Fair Trade label in the Netherlands in 1988. The label began a process of standardized consumer recognition of fairly traded products, that was soon embraced by many, but not all, fair trade coffee dealers. The issue of quality arose alongside of standardized labeling. Fair traders generally came to believe that if fair trade coffee was to compete in a market where specialty coffees[14] succeeded

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[12] Giovannucci is chief author of an extensive 2-year study on the state of sustainable coffee in twelve major world markets from which she produced a 200-page report in 2003. The study was carried out for the International Coffee Organization, in collaboration with the International Institute for Sustainable Development, The United Nations Conference on Trade and Development (UNCTAD), The International Development Research Centre (IDRC), and The World Bank. Giovannucci conducted a similar study of the North American Specialty Coffee Industry in 2001.

[13] Max Havelaar was the title of a popular book about Dutch exploitation of Indonesian coffee workers in the early 1900s. The book had been successful as a tool for gaining support for Dutch labor reforms (James 2000).

[14] Fair trade coffee was identified as a 'specialty coffee' or 'niche market' by this time.

on the basis of good quality, it would have to become associated not only with socially just trade practices, but also with high quality coffee (Pendergrast 1999). The move to make fair trade coffee an all round quality product, backed up by a guaranteed label, proved to be an effective means of achieving market growth. There is evidence that the Max Havelaar label worked to increase Dutch consumption of fair trade coffee from 0.3 percent in 1988 to almost 3 percent by 1998 (Mitchell 1998:4). [15]

Over the course of the 1990s, the fair trade labeling effort was taken up by fifteen importing European countries, as well as by Canada, the United States, and Japan (Giovannucci & Koekoek 2003). During the process, tensions developed over differences in foci between environmentalists concerned with organic, shade-grown coffee, and social activists concerned with economic justice. Tensions also developed over an initiative to solve the problem by creating an internationally recognized symbol of fair trade certification. In April 1997, Fairtrade Labeling Organizations International (FLO) was established in an effort to develop standards for international product-specific and fair trade criteria. FLO affiliates negotiated an agreed upon set of standards and a system of independent monitoring that would be used to produce a certification label that consumers could recognize as quality fair trade.[16] Since several of the participating countries had already established markets based on their own certification labels, it was not feasible to instate a new internationally recognized certification logo among them. Hence, it was agreed that each affiliated country would choose its own FLO certifying

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[15] The market share of fair trade coffee in the Netherlands has held steady at about 3 percent up until 2003, and is expected to increase slightly to 3.2 percent in 2004 (Giovannucci & Koekoek 2003).

[16] A comprehensive listing of current FLO standards is available at: http://www.fairtrad.net/sites/standards/sp.html.

body trade name (i.e. Canada, USA - TransFair, UK - Fair Trade Federation, Netherlands - Max Havelaar).

2.2. Brewing Institutional Fair Trade

Fair trade coffee is part of an international group of organizations, companies, and advocacy groups who believe in and work towards improving trade relations between Northern and Southern trading partners. FINE is the acronym given to a key international group of organizations and companies who meet to share information and coordinate lobbying efforts to raise awareness about socially and ecologically sustainable production and trade with disadvantaged producers. **FINE** is comprised of: **F**air Trade Labelling Organizations International (FLO); **I**nternational Federation for Alternative Trade (IFAT); **N**etwork of European World Shops (NEWS); and **E**uropean Fair Trade Association (EFTA). Members of FINE agree that fair trade is by definition:

> ...a trading partnership, based on dialogue, transparency and respect that seeks greater equity in international trade. [Fair trade] contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers – especially in the South (FLO 2003a).

The Fair Trade Federation (FTF) is an international American-based association of fair trade organizations which collects information about and provides information to practitioners and advocates of fair trade. Fair Trade Federation members use the FTF logo on promotional materials and literature (not products) to promote fair trade. Members pay an annual fee (minimum US$100; maximum US$2500) based on gross annual sales. Membership includes wholesalers, retailers, and producers. The Federation combines information gathered from both certified and non-certified fair trade dealers to

publish a semi-annual report on fair trade trends in North America and the Pacific Rim. Other international fair trade organizations co-operate by providing information for this survey. The most recent report was published by the Fair Trade Federation in 2005.[17]

According to the Fair Trade Federation (2003:5-6), there are four main types of fair trade organizations in the commercial chain that links producers in the South, to consumers in the North:

1. **Producer Organizations** - villages, community groups, farmer co-operatives.[18]
2. **Fair Trade Importers and Wholesalers** - importers who buy the green coffee beans directly from producers, and wholesalers who generally buy green beans from importers and roast /package them for sale either to retail outlets, restaurants, or in their own businesses.
3. **Fair Trade Retailers** - stores, restaurateurs [sic], Internet-based, mail-order catalogue.
4. **Fair Trade Labeling Initiatives** – international labeling bodies that set, implement and monitor standards for fairly traded goods.

The Fair Trade Federation (2003: 4-5) lists eight principles it considers necessary for fair trade: 1) poverty alleviation and sustainable development opportunities for disadvantaged producers; 2) gender equity in production processes; 3) transparency and accountability in management and commercial relations; 4) developing producer independence through sustained trading relationships, management skills development, improved access to markets, and financial and technical assistance; 5) payment of a fair price, in the regional or local context, that covers the cost of production and enables farmers to use socially just and environmentally sound methods; 6) conformity to UN

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[17] *2005 Conference Report: Fair Trade Futures: Living a Fair Trade Life; available:* (http://www.fairtradefederation.org/2005ftconference/2005WorkshopSummaries.htm).

[18] In the fair trade system, producers themselves act as importers or buyers in their organizations, thereby eliminating the middlemen or 'coyotes' that take an unfair portion of profit in conventional coffee trade. They are thus absent from this list.

Conventions regarding working conditions; 7) encouragement of producers to manage and use local resources in an environmentally sustainable way; and 8) public education about an alternative model for trade that emphasizes social justice and environmental sustainability. Whether coffee is 'fair trade,' 'fairly traded,' or 'ethically produced,' it is generally agreed that these principles identify and define the practice of 'fair trade.'

Two key organizations set international labeling standards for fair trade. Fairtrade Labelling Organizations International (FLO) certifies fair trade products, while the International Fair Trade Association (IFAT) certifies fair trade organizations. Certified fair trade is generally understood to mean FLO-certified fair trade products rather than IFAT certified fair trade organizations. The implications for certifying organizations versus certifying products are important. Nicholls and Opal (2005) raise the issue of 'fairwashing' in their discussion of market-driven ethical consumption. While FLO certification guarantees that a fair price (determined by FLO) is paid to producers, it does not certify fair business practices throughout the supply chain. Many fair trade advocates believe that by concentrating primarily on paying a fair price, the FLO system glosses over the larger problems behind unjust relations of trade. Some companies have adopted other means of verifying their claims to social responsibility: promoting their own company, adopting other third-party systems, or implementing industry codes of conduct. IFAT certification is one of the other means. While IFAT offers a more holistic assurance of an organization's business practices and standards, its monitoring methods are much less stringent, and fees are still required for certification.

My thesis offers a critical analysis of certification itself using FLO standards for certified fair trade coffee as an example. My reasons for using FLO, and not IFAT, as an

example are twofold. The first is that there are many important dimensions to be considered in a study of fair trade and it is not possible to cover them all in any one study. I have had to be selective in the interests of brevity. My second reason is that the FLO system is more closely connected to the informants I chose for my study. The reason I have described the work of both FLO and IFAT is to show that even where the idea of certification for fair trade is subscribed to, it is not universally accepted or practiced as a single system. Moreover, I believe the FLO system of external monitoring and one-way reporting poses particularly interesting issues for the social organization of fair trade.

FLO was established in 1997 as a worldwide fair trade standard setting and certification organization. FLO certifies the chain of supply and coordinates National Labelling Initiatives in 21 countries in Europe and North America, as well as Mexico and Japan. Its headquarters are located in Bonn, Germany (FLO 2006). IFAT is a global federation of businesses with an alternative approach to trade. IFAT standards are similar to those used by FLO-certified fair trade, but are verified by self-assessment, mutual reviews and external verification. The *Fair Trade Organization* (FTO) mark used by IFAT does not certify products, but rather identifies an organization as belonging to a global network of organizations whose core mission is fair trade. IFAT headquarters are in The Netherlands (IFAT 2005a; 2005b).

While IFAT (2002:2) believes that "monitoring is a means … not an end in itself," a statement about standards for fair trade organizations issued in an IFAT (2002:1) report reads: "the time has come for the Fair Trade movement to take responsibility for developing overarching international standards and indicators, and a monitoring system for all fair trading organizations." Both FLO and IFAT subscribe to a

system of standardized fair trade, and both FLO and IFAT follow the fair trade principles summarized by the Fair Trade Federation above. The key differences between FLO and IFAT standards lie in monitoring practices and the final object of certification. Although both systems monitor practices of people working in fair trade, the monitoring of the one leads to certification of products, while the monitoring of the other leads to certification of organizations. The current goal of IFAT is to develop a credible monitoring system that is comprehensible, clear, and well-focused. The IFAT monitoring system differs from the FLO system in that it does not involve a system of one-way reporting. The IFAT system combines processes of self-assessment, mutual review, and external checks conducted by fellow IFAT members to its signification of 'fair trade.' While IFAT's monitoring system claims to give special attention to developing indicators at a local and regional level, the FLO system employs an external agency to perform its checks and monitoring.

Both FLO and IFAT members pay a fee based on the type of organization and total sales in US dollars for monitoring. Payment of certification fees is a contentious issue among dealers of fairly traded coffee, and is one of the principal reasons some traders choose to opt out of certification of any kind. The following two sections help locate fair trade coffee in the context of the broader coffee trade, first as a North American coffee trade product, and then as a specialty coffee trade product.

2.3 The North American Coffee Trade

> ***The story of coffee and the modern coffee system is a microcosm of the development of modern international trade. It is a tale of competing – and***

sometimes co-operating – interests engaged in a constant push-and-pull for power and its corollary, money (The Coffee Book, Dicum & Luttinger 1999:73)

Fair trade coffee is a relatively recent development in a trade that dates back to ancient times. Given that coffee is currently the second most heavily traded commodity in the world, it is deeply implicated in the development of neo-liberal trade relations.[19] In order to pinpoint, analyze, or understand the fair trade movement's potential to transform coffee trade relations, we must first understand the development and organization of the coffee trade itself. The following section traces some of the key developments and associations that have organized, and continue to organize the coffee trade in North America.[20]

Coffee was initiated as the American national drink in the late 18th century, partly as a cultural and economic protest to British 'tea,' and partly because of the geographical proximity of the major coffee producing regions of Brazil and Latin America to the United States. Coffee consumption in the United States steadily increased from the late 18th century to the mid-1950s during which time the United States became a major player in coffee trade. By the postwar 1950s, the United States was not only geopolitically confirmed as the hegemonic power of the region, but also as the world's dominant consumer of coffee; the US bought 58% of coffee exported globally that decade (Dicum & Luttinger 1999). The coffee trade infrastructure that emerged was characterized by "centralization of the coffee growing industry, technological innovations which

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[19] Neo-liberal trade relations are associated with World Bank and IMF policies that promote liberalized trade and export led market growth.

[20] Although FLO is an international regulating body, my work is primarily from a North American perspective. My work does not take into account European fair trade, coffee markets, and organizations whose operations I am not well-acquainted with. My findings may or may not coincide with European fair trade experiences.

facilitated increased yields, increasingly efficient transport mechanisms [i.e. 80% of coffee is now shipped in containers] … and the conglomeration of roasters into multinational corporations" (Dicum & Luttinger 1999:35).

Two countries in particular were the primary powers behind coffee production by the early 1900s. In Brazil, Instituto do Café, initially a growers agency taken over by the Brazilian government in 1926, bought coffee from farmers, stored it in local and international warehouses, and sold it on the world market. Brazil's Instituto was the first body able to set the international price for coffee by artificially reducing supplies of green coffee by storing it for sale during times of poor crops, and if necessary, by destroying stores of coffee, or coffee plants, to limit supply and keep prices up.[21] In Colombia, Federacion Nacionale de Cafeteros (FNC) was organized in the 1920s to represent the interests of small coffee producers. It enabled thousands of smallholders to participate in the political processes that controlled infrastructure, tariffs, and interest rates. Unlike the Instituto, which "sought to control world prices to protect [Brazil's] established sector, FNC promoted unrestrained and aggressively expansionist trade in coffee" (Dicum & Luttinger 1999:76) to stimulate world demand for Colombian coffee.[22] The next thirty years were marked by increased consolidation and intensified competition within the coffee trade. The failure of the FNC and the Instituto to work out a pricing agreement eventually led to a Colombia/Brazil coffee trade war in 1937 during which world coffee prices collapsed.

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[21] Brazil destroyed 78 million 150-pound bags of coffee between 1930 and 1944 to support its global market price. The problem of oversupply is still dealt with in this fashion even today. In 1993, 800 million coffee trees were uprooted in Brazil as a result of the coffee market crash which followed the demise of the *International Coffee Agreement*.

[22] The well-known (though fictional) Juan Valdez became the face of Colombian coffee in 1959 as part of their strategy! (Dicum & Luttinger 1999; Pendergrast 1999)

In the United States, the first International Congress for the Study of the Production and Consumption of Coffee was organized by the New York Coffee Exchange in 1902. By 1911, American coffee roasters were beginning to organize into what became the precursor of the National Coffee Association (NCA) of America. In 1940, Brazil, Colombia and the United States formed the InterAmerican Coffee Association (IACA) to operate trade through the war years. The National Coffee Association of America (NCA), officially named that same year, became the official body representing roasters and importers in the United States. By the 1950s, American coffee consumption was at its peak, and roasting capacity became concentrated in the hands of three major corporations in the United States: Proctor & Gamble (Folgers), Nestle (Hills Bros.), and General Foods (Maxwell House). High-quality *arabica* beans produced in Brazil and Central America were replaced by low-quality *robusta* beans from Africa. In response, in the late 1950s, Brazil and Colombia began to work on a proposal for an International Coffee Agreement (ICA), which the American government initially resisted being a part of. However, by 1958 the Eisenhower Department of State organized a Coffee Study Group with the NCA to lobby for development of a coffee agreement. The NCA worked vigorously to promote the establishment of a coffee cartel. In the end, the American government came on-board in the interests of supporting non-communist rights in Latin American regions during the Cold War. Then, in 1962 the ICA established a worldwide cartel to control coffee supply. The following year, the International Coffee Organization (ICO), housed in London, emerged to administer the ICA by assigning quotas to both producing and consuming countries. The ICA was

ratified in 1965 stabilizing prices on the New York Exchange until 1993 (though failing to improve incomes in producing countries over those same years).

The International Coffee Agreement (ICA) required member producers to stockpile coffee, destroy coffee, or sell coffee at low prices to non-ICO countries (e.g. Eastern Europe) as necessary to meet quota obligations. Coffee trade between member countries was governed by permits which were collected by customs services of importing countries and sent to ICO offices in London. The ICO was structured according to market share, thereby instituting the dominance of Brazil, Colombia and the United States. Coffee business was now conducted behind the closed doors of corporate interests where the International Coffee Agreement (ICA) was renegotiated every five years. Although the stated development goals of the ICA included "the promotion and maintenance of employment and income in the Member countries, thereby helping to bring about fair wages, higher living standards, and better working conditions" (Dicum & Luttinger 1999:93), these goals were never really pursued, resulting not only in deteriorating conditions in producing countries, but also in concentration within the roasting industry where small coffee roasters, disempowered by high coffee prices, were forced out of business. In the end the ICA became one of many multilateral agreements that failed to survive the free market appeal of the 1980s. The International Coffee Organization (ICO) was suspended in 1988 when the United States imposed unattainable quota demands[23] on Brazil and Colombia, causing the price of green beans to fall from $US 1.30/lb to below $US 0.60/lb. In 1989 the International Coffee Agreement (ICA) collapsed, marking the beginning of a coffee crisis that persists today. Following the demise of the ICA, the function of the ICO was reduced to that of an international

[23] Demand was set high in order to keep the price low.

promotional trade group. While the ICO and ICA failed, the National Coffee Association of America (NCA) is still a bastion of the North American coffee trade. Currently housed in New York, it acts as a lobbying group for the industrialized, mainstream coffee industry, and remains one of the oldest US trade associations still in operation today.

Although the failure of the ICA marked the collapse of green coffee prices, it is not the sole factor in the failure of the coffee market at this time. The collapse of coffee prices is also attributable to World Bank and IMF policy failures. By encouraging poor countries to liberalize trade and pursue export-led growth in commodities like poor quality, high-yield coffee, the market was flooded with a product farmers in poor countries were unable to capture the value of. Overproduction of coffee was further exacerbated by agronomists who began to develop heavily producing, poor quality hybrids that were able to grow in full sunlight and required fertilizer in order to produce (Pendergrast 1999). In response to the coffee crisis, Oxfam devised a "Coffee Rescue Plan" in 2002 to work with the ICO to improve market imbalances and production conditions for farmers (*Oxfam America Report 2002*). Farmers growing coffee for conventional market trade have seen no significant improvement in the last four years.

2.4. The Specialty Coffee Association of America (SCAA)

The mid-1970s saw coffee prices rise from US$1.00/lb in 1976 to around US$4.00/lb by May of 1977 when coffee production was disrupted by a combination of earthquakes, frost, leaf rust, and civil war in coffee producing regions of the world. One of the consequences of the price increases during the 1970s was an upsurge in the popularity of specialty coffee. As the price of regular coffee approached that of specialty

coffee, consumers began to realize that they could get value for their coffee money by paying a little more for good quality coffee. The specialty market responded by increasing choice, and adding an assortment of flavors, roasts, and grinds for consumers to choose from. One of the appealing features of the specialty coffee industry was that customers were able to chat with "knowledgeable, enthusiastic owner-roaster[s], who delighted in telling them what all those different names, origins, and roasts meant, and who suggested different blends" (Pendergrast 1999:325). It was estimated that the gourmet coffee market had grown from three percent of the total market in 1983, to five percent in 1985 even though there was evidence that overall coffee consumption was in decline. By 1991 the sale of specialty, or gourmet coffee beans tripled to 20 percent of home purchases (Pendergrast 1999:338-343,371).

The Specialty Coffee Association of America (SCAA) was formed in 1982 by a group of roasters and retailers to help increase market demand for high quality coffee, a choice corporate coffee interests had been moving away from in the interests of profit. One of the strategies that major corporations used when roasting capacity became concentrated in the 1950s was a promise of consistency in price, packaging, and flavor. Coffee brands which appealed to local taste preference and regional attachment were traded in for national brands whose 'consistency' was heralded as the mark of superior coffee. Dicum & Luttinger (1999:131) explain that "consistency and technology [were] part of a larger cultural embrace of mass-market modernism characteristic to the second half of the twentieth century" that made it acceptable for multinational mega-coffee companies to use cheaper, low-quality beans and shorter roasting times for their coffee. While the move to 'consistency' initially did away with the diversity of flavor, quality,

and experience once offered by small independent or regional roasters, this move also created a void in the market for new specialty roasters who could offer a personalized range of bean origin, processing, roast, grind, and serving containers. In fact, one of the unusual successes that specialty coffee roasters enjoyed as prices rose after a major decline in 1994 was that "rather than lose market share… as was the usual course of events for industrialized coffee, [specialty coffee shares] continued to grow, as though unrelated to price" (Dicum & Luttinger 1999:148). Indeed, while coffee market share in the United States has generally been stagnant for years, specialty coffee grew by 8% in 1998, and continues to grow today (SCAA 2005b).[24]

> *A significant factor in the growth of the specialty coffee market was the emerging popularity of coffee bars during this time. In 1984, Howard Schultz, who had recently joined Starbucks as director of retail operations and marketing, opened the first Starbucks coffee bar in downtown Seattle. He wanted to test the possibility of establishing a coffee bar culture, such as he had seen while traveling in Italy. At the time, Starbucks was only providing wholesale coffee beans to fine restaurants and espresso bars, and selling its own brand of coffee beans at Seattle's popular Pike Place Market. In 1985, Schultz founded a new company called Il Giornale that began to offer customers brewed coffee and espresso beverages made from Starbucks coffee beans. By 1987, with the backing of local investors, Schultz's company acquired Starbucks assets from their original owner and changed its name to the Starbucks Corporation. In 2004 Starbucks boasted 7,569 locations worldwide (Pendergrast 1999; Starbucks 2004).*

The Specialty Coffee Association of America (SCAA), with over 3,000 member companies located in over 40 countries, is the world's largest coffee trade association. While most members are located in the Americas, the SCAA works to improve the industry on a global level and from a "seed to cup" perspective. Members of the SCAA

[24] SCAA statistics show an increase in retail sales from $US 7.76 billion in 2000 to an estimated $US 11.05 billion in 2005.

include coffee retailers, roasters, producers, exporters and importers, as well as manufacturers of coffee equipment and related products. One of the SCAA's primary functions is to set industry standards for growing, roasting and brewing coffee. The SCAA works with its origin partners, meaning corresponding trade associations in growing countries, to develop solutions and marketing channels for quality coffee from growers to consumers. The SCAA's home base is Los Angeles. Each year the SCAA holds its annual conference, purported to be the largest gathering of coffee professionals in the world, in a different city in the United States (SCAA Fact Sheet N.d.). The National Coffee Association (NCA), which is the original American association of coffee roasters,[25] does not have membership in the SCAA. In fact, the SCAA actively disassociates itself from the activities of the NCA on the grounds of incompatible goals and missions.[26]

The *Mission Statement* of the Specialty Coffee Association of America (SCAA Bylaws 2004c:1) reads as follows:

> To be the recognized authority on specialty coffee, providing a common forum for the development and promotion of coffee excellence and sustainability through:
> • commitment to quality;
> • spirit of co-operation;
> • dedication to continuing education for our members;
> • sensitivity to the environment;
> • consciousness of social issues;
> • encouragement of sound business practices and ethics;
> • promotion of the value of specialty coffee to consumers.

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[25] See chapter 2.3.

[26] I learned from an interview with a local roaster, and member of the SCAA, that the SCAA prohibits NCA membership in its organization. Nonetheless, SCAA members are not prohibited from membership in the NCA. For instance, Starbucks is a representative on the NCA Board of Directors.

The SCAA (Backgrounder N.d.) definition of "specialty coffee" is "highest-quality green coffee beans roasted to their greatest flavor potential by true craftspeople and then properly brewed to well-established standards." This definition applies across phases of growing, roasting, and brewing coffee beans. According to the SCAA (Backgrounder N.d.) 'specialty coffee':

> ...begins at the origin of coffee, the planting of a particular varietal into a particular growing region of the world. The concept of 'specialty' includes the care given to the plant through harvest and preparation for export. Specialty coffee in the green bean phase can be defined as a coffee that has no defects and has a distinctive character in the cup... to be considered specialty it must be notably good. The next phase is roasting ... bringing out a coffee's distinctive character is the roastmaster's challenge. In roasted coffee, most agree that freshness is a part of the definition for specialty. If the coffee is not highly aromatic then it no longer deserves to be called "specialty." Then there is the brewing phase. There are many different methods, and all are capable of brewing beverages that can qualify as specialty coffee, but only if done correctly. The right ratio of coffee to water, the right grind suited to the method and the coffee's physical characteristics, the proper water temperature and contact time, a good preparation of the coffee "bed" or "cake" are all fundamentals that must be satisfied to produce a specialty cup of coffee. Specialty coffee is, in the end, defined in the cup. It takes many steps to deliver that cup into the customers' hands. Each of those steps can uphold the classification of specialty if quality has been maintained throughout all the preceding steps.

The SCAA's (2004b:2) commitment to quality is a commitment to "*total quality* [SCAA's italics], which encompasses quality of life, quality of the cup, and quality of the environment." In September 1997, around the same time FLO was establishing international fair trade criteria, the SCAA Board of Directors amended the SCAA's mission statement in a *Statement of Understanding* (SCAA 2004b:1) relating to both coffee and sustainability:

> Tantamount to the [SCAA's] concept of sustainability is [an] awareness of [the] complexity and the interdependence of [sustainability] issues. The attributes and actions identified by the Task Force [on Sustainability] and endorsed by the SCAA are intended to be internally consistent ...it is intended that the concept of sustainability be interpreted as a whole system of actions.

One of the ways the SCAA assists and educates specialty coffee traders, and other interested parties, is by gathering and providing information about the wide array of missions, codes, and certification systems organizing the coffee trade. The SCAA (2005a) website offers a useful comparison matrix, put together by the *SCAA Sustainability Committee* in 2005, summarizing information on the following certifications and codes: organic; Fair Trade (FLO-certified); Rainforest Alliance; Smithsonian Bird Friendly; Utz Kapeh; and the Common Code for the Coffee Community (mainstream code of conduct for coffee production and trading).[27] This matrix provides a quick reference comparison of the missions, market focus, history and development, code progenitors, scope of codes and practices, inspection frequencies, and other useful points of reference to differentiate the wide array of missions, codes, and certification systems that organize coffee trade more generally. The stated purpose of the matrix is "to facilitate constructive and realistic communication" (SCAA 2005a).

The Specialty Coffee Association of America (SCAA) was first introduced to the idea of socially just coffee in the early 1980s. In 1985, Paul Katzeff, then co-chair of the SCAA, spent some time in Nicaragua where he witnessed the coffee production process himself. Upon his return, he invited a group of social activists concerned about the plight of coffee farmers to a national meeting of the SCAA to participate in a panel on coffee and human rights. Katzeff's challenge to consider the inequities built into the coffee system was not then enthusiastically embraced by all members of the SCAA, and was endorsed by only a handful of members at the time (Pendergrast 1999). Nonetheless, by 2002, the SCAA endorsed the fair trade business model as being consistent with SCAA's

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[27] See: http://www.scaa.org/pdfs/SCAAComparingCoffeeCodes_Aug2005.pdf

mission and methods for accomplishing it. It is not certain whether the SCAA's endorsement of fair trade is the result of fair trade activist lobbying efforts, continued pressure by Paul Katzeff himself, or increased consumer interest in and demand for fairly traded coffees. In any case, in 2004, the SCAA (2004a) put forward a *Fair Trade Position Statement* [see Appendix III] that endorses the Fair Trade model as one way to effectively:

- Improve the lives of the coffee producers on whom [SCAA members] rely for [their] own livelihoods
- Encourage a consistent, long-term supply of the high quality Arabica coffees on which [their] industry depends
- Create environmentally and socially sustainable prosperity in the developing world.

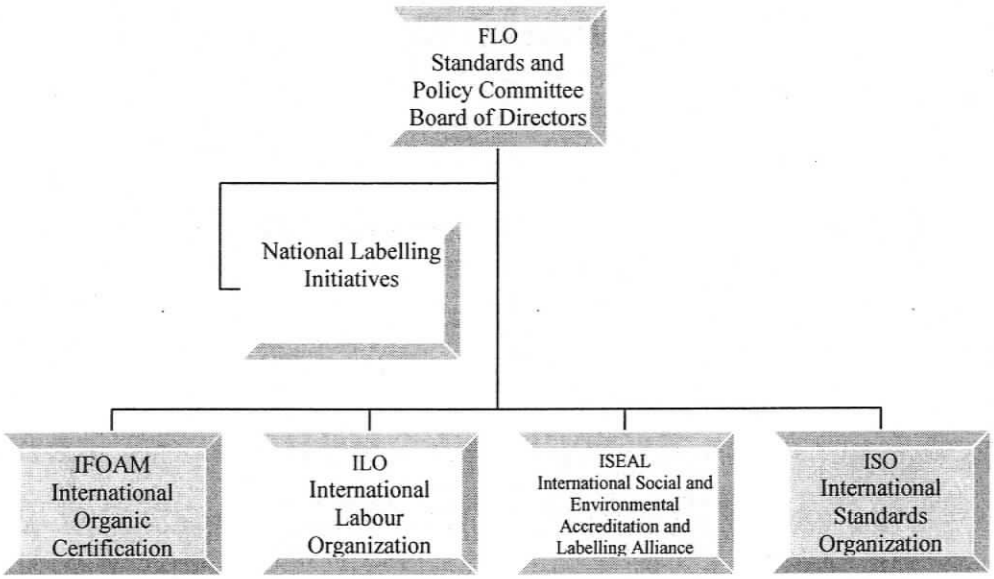
The SCAA offers an alternative way to do fair trade coffee, a way that is led and directed from within the coffee industry itself. Whereas the SCAA endorses the FLO fair trade system in principle, it recognizes that there are other ways for members to promote concepts of equitable trade, sustainability, and transparency. It encourages all members to source their coffees in ways that support these ideals [see Appendix III*: SCAA's Fair Trade Position Statement*]. The chapter following outlines FLO's certification system and its connections to non-coffee specific international regulating bodies that use standards to organize relations of trade.

3. International Certification Bodies and Certified Fair Trade

3.1. International Certification Bodies

Fairtrade Labelling Organizations International follows internationally recognized conventions. However, unlike organic certification, the FLO label operates independently from government regulation. Figure 1 below outlines some key international standards and certification bodies that FLO-certified fair trade associates use with respect to the substance of their claims to fairness. FLO *Standards for Small Farmer*

Figure 1. International standards bodies & FLO-certified fair trade



Organizations (2005) follow the internationally recognized standards and conventions of the *International Labor Organization* (ILO) regarding working conditions. Specifically mentioned are: *Convention 111* on ending discrimination of workers; *Conventions 29, 105, 138, and 182* on forced labor and child labor; *Conventions 87 and 98* on freedom of association and collective bargaining; *Convention 155* on minimizing risks to

occupational health and safety; *ILO Plantation Convention 110;* and *ILO Convention 100* on equal remuneration, requiring producer organizations to pay wages in line with or exceeding national laws and agreements on minimum wages or the regional average. In addition *Standard 4.3.2.2* requires that: *All workers are employed under legally binding labour contracts.* FLO requires that producer organizations abide by national legislation, particularly when such legislation sets higher standards on particular issues than FLO does (FLO 2005:2).

In addition to adhering to the internationally recognized conventions of the ILO, FLO is seeking accreditation through the *International Standards Organization* (ISO). The ISO is a non-governmental organization (NGO) comprised of a federation of national standards bodies, one per country, from developed, developing and transitional economies all over the world. The ISO's work "has resulted in some 12,000 International Standards representing more than 300,000 pages in English and French (terminology is often provided in other languages as well)" (ISO 2003). The ISO has a strategic partnership with the WTO aiming to promote a free and fair global trading system. In fact, signatories to the WTO *Agreement of Technical Barriers to Trade (TBT)* commit themselves to promoting and using international standards of the type developed by the ISO (ISO 2005). According to the ISO (2003):

> … standards level the playing field. They make transparent the requirements that products must meet on world markets, as well as the conformity assessment mechanisms for checking that those products measure up to standards. As a result, suppliers from developed and developing countries alike can compete on an equal basis in markets everywhere.

ISO standards are developed according to the following principles, taken from ISO's website (ISO 2005):

1. consensus, including the views of vendors and users, manufacturers, consumer groups, testing laboratories, governments, engineering professions, and research organizations;

2. industry wide global solutions aimed at satisfying industries and customers worldwide; and

3. voluntary involvement of all interests in the market-place.

Note that farmers are implicitly absent from 'all interests' in the third principle based on their explicit exclusion from the first two principles. This is not to suggest that farmers are absent from all ISO standards, but that it is rationally possible to 'absent' them based on the stated principles, from the 'industry-wide voluntary consensus' described above.

According to Franz VanderHoff Boersma, who was personally involved in early fair trade labeling efforts, farmers were not represented on FLO boards that set standards for fair trade until very recently. Farmer participation in certified fair trade decision-making is not a historical fact, but rather a more recent adaptive phenomenon in the evolution of fair trade. It is only recently that FLO has begun to explicitly list producers in its decision-making processes (VanderHoff Boersma 2002). FLO is currently seeking accreditation as a certifying body through compliance with ISO Standards for Certification Bodies (*ISO 65)*, and compliance with *Quality Management Systems ISO 9000* by 2008. The particulars of these two standards are inaccessible on the ISO website, nor is the importance of complying with these particular standards outlined on the FLO website. I will return to this point in my data analysis. First, some information on the workings of FLO.

3.2. Fair Trade Labelling Organizations International (FLO) Certification

The FLO system of monitoring and enforcement tries to be broad and inclusive in its practices, and continuously reworks its policies and standards to ensure that they are fair. FLO's overall aim, as suggested in the *Executive Summary of FLO's Strategic Plan 2003-2008* (FLO 2003a:2), is "a significant increase in development impact for organized disadvantaged producers and workers through standard-setting, certification, business facilitation, producer support, and through … national member labeling [initiatives]." At the outset, *Fairtrade* standards and policies are proposed by a *Standards and Policies Working Group* comprised of a broad range of stakeholders including traders and producers. The procedure for developing or revising standards begins with a stakeholder introducing the need to change or add a standard to the *Standards and Policy Committee*. Relevant producer[28] organizations, traders and other stakeholders are then canvassed for input before a set of standards or a *Fairtrade* price proposal is drafted. The draft is presented to the FLO *Standards and Policy Committee* who meet to discuss the proposal before it is published for formal consultation in line with the ISEAL *Code of Practice on Standards Setting*.[29] The final draft is put forward to FLO's *Board of Directors* for

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[28] Martha McMahon, Associate Professor, University of Victoria, and small farmer, suggests that there are many good reasons for not redefining farmers as producers. Many argue that agriculture is 'culture,' not production or industry [2004: personal communication]. Referring to producers as farmers in writing about fair trade has been made difficult by the predominant reference to 'producers' in fair trade literature. Since this chapter is particularly focused on FLO fair trade, I refer to farmers as 'producers' to keep my discussion consistent with FLO texts.

[29] The International Social and Environmental Accreditation and Labelling (ISEAL) Alliance was established in 1999 to "strengthen and promote credible and accessible voluntary standards and conformity assessments as effective policy instruments and market mechanisms to bring about positive social and environmental change" (Mission Statement, ISEAL 2001). Other related ISEAL members include IFOAM (International Federation of Organic Agriculture Movements) and GEN (Global Ecolabelling Network).

ratification. Once ratified, it is written into *FLO Standards*. Producers, traders, and national labeling organizations all have elected representation on the FLO Board.

Internally, the organization of FLO is split into two legal entities:

- *FLO-Certification Ltd.* is the body which conducts independent inspection, certification, and trade auditing of producers and their commercial partners.
- *FLO e.V.* is responsible for administration of all other aspects of certified fair trade on an international level.[30]

Both commercial traders and producers pay certification fees to help cover the costs of inspection. Commercial partners (importers, traders) pay *Trader Certification Fees* based on annual sales volumes for the right to use the 'certified' *Fairtrade* label on their products. In January 2006, *Producer Certification Fees*, based on the size of producer organizations, were introduced to cover the costs of inspection. For small farmer organizations, the initial certification fee is charged once and is related to the initial inspection carried out by FLO-Cert. The fee is calculated for one product only, a surplus is charged for each additional product to be traded under FLO *Fairtrade* conditions. If the small farmer organization runs a processing installation, a surplus is also charged per processing installation. Inspections are charged according to the number of days an inspection is expected to take place (5 to 8.5 days) depending on the number of members in an organization. The number of days an inspector spends on-site ranges from 2.5 to 5.25 according to the size of the organization. Additional days are added to the fee for organizations trading more than one product, and for organizations that run one or more processing installations. Table 2 below summarizes the fees paid by farmers for fair

[30] See Appendix IV for a diagram of FLO's supply chain and a list of supply chain activities.

trade certification of their products. If their fair trade is also organic, additional fees are paid to an organic certification body.

Table 2. FLO-Cert certification: a summary of fees paid by farmers

Fees Charged	**Small Farmer Organization**	**2nd or 3rd Grade Organizations**	**Plantation or Multi-Estate**
1st year	Application Fee	New Member Application Fee	Application Fee
	Initial Certification Fee		Initial Certification Fee
	Follow Up Inspection Fee (if necessary)		Follow Up Inspection Fee (if necessary)
Subsequent years	Annual Renewal Certification Fee	Extended Renewal Certification Fee (more sample checks)	Annual Renewal Certification Fee
	Follow Up Inspection Fee (if necessary)		Follow Up Inspection Fee (if necessary)
Additional Products	Application Fee		Application Fee
	Extended Renewal Certification Fee (more products)		Extended Renewal Certification Fee (more products)

*Organizations applying for inclusion of additional members
**Adapted from FLO's (2005) *FLO-Cert Producer Certification Fees,* available: (http://www.fairtrade.net/sites/certification/FLO-Cert%20PC%20Fee_System_SF_INFO%20Ver1%206en.pdf).

National Initiatives (NI's) coordinate certified fair trade at the national level, one body per participating country, and each country chooses the FLO-approved 'certified'

label it prefers to use.[31] *National Initiatives* license traders to use the *Fairtrade* label on qualifying products sold. In Canada, importers, roasters, retailers, and restaurateurs are registered as licensees with TransFair Canada. Licensees are required to accurately log the fair trade coffee they buy and sell and to report quarterly to the national labeling office to which they pay a premium per pound for use of the certified *Fairtrade* label.

Monitoring is carried out by a network of independent inspectors who regularly visit both producer and trader organizations to ensure compliance with *Fairtrade* standards. Inspectors report back to *FLO-Cert*. A *Certification Committee* comprised of producers, traders, national labeling organizations and external experts make 'certification' decisions which can be appealed through an *Appeals Committee*. Internal monitoring of traders' and retailers' compliance with *Fairtrade* conditions is carried out through a trade auditing system which crosschecks purchases to sales to ensure that producer organizations have actually been fairly compensated for all labeled products sold as fair trade. A *Trade Audit Department* within FLO deals with the control of all trade partners in the system.

To be '*FLO-Certified*' means that a determination has been made based on FLO *Standards*. FLO *Standards* set criteria for two types of certification: that of FLO *Fairtrade Producer Organizations*, and that of FLO *Fairtrade Trade Relationships*. Producer organizations can be certified by FLO; trader organizations cannot. Trader organizations are only approved to trade *Fairtrade* products. Traders are 'registered' with FLO. A FLO *Trader Application Evaluation Policy* is used to approve *FLO Registered Processors or Exporters*. Once registered, traders are permitted to trade in

[31] By the time FLO was organized in 1997 many countries had independently established their own labels for marketing fair trade products. FLO decided to proceed with established national labels since many were already enjoying considerable success.

FLO Fairtrade Products. Criteria used to approve FLO traders are summarized in the *FLO Trader Application Evaluation Policy* (FLO 2003a:9) as follows: the applicant's ability to open up new markets without damaging existing ones or monopolizing trade in a FLO *Fairtrade* product; the risk of an applicant undermining FLO *Fairtrade* through sloppy practices or public attacks on FLO *Fairtrade*; commercial interests that might seriously disadvantage other *FLO Certified Producers*; contravention of core ILO covenants which the applicant has not taken measures to rectify; ability to meet *FLO Fairtrade Standards*; willingness to offer pre-financing to *FLO Certified Producers* when requested; willingness to enter into long-term trade relations; willingness to facilitate the development of *FLO Certified Producers* according to their reasonable ability to do so; and ability to submit accurate quarterly flow of goods reports. Wherever a trade agreement between a producer and a processor or exporter has been set up, a detailed determination of how the *FLO Fairtrade Price and/or Premium* will reach the producer must be provided.

Environmental standards and the process for tracking them are considerably improved in the latest edition of standards for small farmer organizations (FLO 2005). In fact, 15 pages of the 22-page document are now devoted to environmental concerns alone. The document does not deal with gender equity and labor standards in the same way. While the document lists 'minimum requirements' and 'progress requirements' for all categories, it does not specifically suggest how these are to be monitored or measured. In fact, the language used by FLO to describe expectations about compliance with standards other than price or environmental issues is rather vague. For instance, "FLO regards the *ILO Conventions* as the authority on working conditions, and expects all

registered producers to meet the requirements as far as possible" (FLO 2005:20). Other examples under the *Social Development* heading of standards for small farmer organizations include:

> Fair trade *should* [my italics] make a difference in development for certified producers.
>
> A monitored plan *should* be developed under which the benefits of fair trade… are shared based on a democratic decision taken by the beneficiaries.

Notwithstanding the lack of commitment inherent in the word 'should,' a method for monitoring and enforcing these standards is not clearly spelled out anywhere in the document. How these are specifically to be addressed are not specified in FLO-certified fair trade.

Nonetheless, FLO (N.d.) does have a proud record of success stories which suggest a broad and inclusive definition and measurement of 'impact,' "…although we … measure impact in terms of figures and money, it is very important to mention the *human* impact that working in Fair Trade can have." The sidebar of FLO's (N.d) *Impact* webpage offers the following quotation from an anonymous producer:

> *...I have been able to fix the roof of my house, there is more money for food and I can buy new shoes if I want to. We have lots of services that didn't exist before, but that make life easier: transport, health care, credit possibilities and shops with affordable basic necessities...*

FLO's (N.d.) *Impact* webpage is divided into three sub-pages:

1. *Facts and Figures* provides a quantitative summary of producers, traders, licensees and regions participating in FLO certification, and also describes sales growth by volume and percentage.

2. *Success Stories* includes six testimonials which describe the impact of fair trade in particular communities. For example, Manrique Lopez Castillo of Asobagri,

Guatemala affirms: "…producers in Asobagri have been able to keep their land, support their families, and send their children to school."

3. *Partner Organizations* provides information about other alternative trade organizations with which FLO co-operates.

The criteria FLO uses to measure 'impact' provides convincing evidence that the FLO certification system has had significant positive effects both on market growth and *human* development. I will address additional views from the South that FLO *Impact* does not capture my data analysis. For now, I turn to the work of 'fairly traded' roasters at work in fair trade.

4. The Non-Certified Roaster at Work in Fair Trade

4.1. The Informally Regulated Fair Trade Roaster

In the course of my research, I found that coffee roasters could be divided roughly into four categories according to the size of business they aspire to grow to and the type of market they are trying to reach: 1) Small business roasters roast on-site and sell directly to their customers (coffee drinkers or local restaurants/cafés); 2) Wholesale and retail roasters offer their product for sale in external retail outlets and sell their coffee to local and national markets; 3) Specialty coffee roasters (typically SCAA members) meet certain guidelines regarding coffee quality, and range from small local cafés to large outlets with national and international distribution [(1) and (2) above may or may not identify as specialty roasters); and 4] Corporate mainstream roasters roast coffee for mass distribution both nationally and internationally. A key distinction between this group and the other three is that corporate non-specialty coffee roasters do not have outlets for direct contact with consumers. Table 3 on the next page summarizes some of the typical characteristics of these four categories of roasters.

As the current fair trade market stands, there are no compulsory guidelines, standards, or regulations by which fair trade dealers of any products must abide, though there seems to be a basic understanding [though not necessarily agreement] among advocates and practitioners as to what constitutes legitimate fair trade. Although international advocacy work is being done on a global scale by organizations such as Fair Trade Labelling Organizations International (FLO), the International Fair Trade Association (IFAT), the European Fair Trade Association (EFTA), and the Fair Trade Federation, to develop standards and criteria for fair trade, and also to raise public

Table 3. Types of coffee roasters at work in the industry

	Small Local Roasters	**Wholesale/ Retail Roasters**	**Specialty Coffee Roasters**	**Corporate/ Mainstream Roasters**
Roast On-Site	- small to medium roasting machine on-site; roaster/ owners order beans and determine how they will be roasted	- small to large roasting machine on-site; roaster/owners order beans and determine how they will be roasted	- small to large roasting machine on-site, or mass distributed from a central warehouse (i.e. Starbucks); on-site roaster/ owners order beans and determine how they will be roasted	- roasted and shipped from large corporate distribution centers; decisions about beans and roasts are decided in corporate offices
Distribution	- primarily local	- local/national	- local/national/ international	- national/ international
Direct Customer Base	- on-site coffee drinkers - home coffee drinkers - 4-5 café/ restaurant owners	- on-site coffee drinkers - home coffee drinkers - café/restaurant owners -owner/manager of retail outlets /chains	- on-site coffee drinkers - home coffee drinkers - café/restaurant owners -owner/manager of retail outlets/ chains	- corporate salespeople
Indirect Customer Base	-customers buying coffee sold to cafés above	- café/restaurant customers - retail outlet/ chain customers	- café/restaurant customers - retail outlet/ chain customers	- corporate warehouses/ suppliers (sell to cafés/ restaurants and retail chains/outlets)
Unit Sales	- cup - pound - 5-10 lb bags	- cup - pound - 5-10 lb bags - case lots	- cup - pound - 5-10 lb bags - case lots - truckloads	- large case lots/truckload/ containers

awareness about unjust working conditions and terms of trade, many coffee trade associates doing legitimate fair trade work choose to opt out of membership in any of these organizations. Where fair trade coffee is concerned, these may be church groups or social activists working directly with producers or co-operatives on a small scale, or they may be coffee roasting businesses that for various reasons prefer to be unaffiliated with overarching organizations. I do not include among this group commercial enterprises that capitalize on the concept of fair or sustainable trade with profit as their primary motive. The groups I am including are committed to fair trade and sound environmental practices, but oppose trading relationships that involve textualized standards. They do not believe that certified fair trade is the best way to do fair trade in all cases, nor do they believe all fair trade work needs to be organized by outside agencies. Many have developed innovative alternatives for fair trade that do not involve overarching organizations and certification fees. Their relationships are close and simple, organized by personal exchanges of knowledge rather than by inspections and the filling out of forms to keep track of pounds and sales.

My research and observations suggest that fair trade coffee roasters require a certain degree of knowledge, effort, and commitment in order to be considered legitimate among their peers and customers. The fair trade roasters I observed at work are informally regulated by their own beliefs and practices, and by knowledge held in fair trade and coffee roasting communities, including the knowledge of consumers. The 'fair trade' reputation of these coffee roasters is built and maintained according to the approval of the communities in which they operate. These roasters have an idea of what fair trade is, influenced by the work that has been done by international fair trade bodies, coffee

trade associations, and organic associations. They know how to find suppliers that live up to the particular fair trade standards they individually feel are most important.

The Fair Trade Federation (2003) suggests that the informally regulated sector is the most difficult to account for in measuring fair trade coffee's market growth because their sales are not reported to overarching institutional databases. Since only a small proportion of informally regulated fair trade sales are actually captured by market growth reports such as those put out by the Fair Trade Federation (2003), or Giovannucci's (2001) coffee surveys, we do not have an accurate picture of how much fair trade coffee's market share is actually growing. Having spent some time in the field, I suspect the informally regulated sector for fair trade coffee makes significant contributions to fair trade coffee market share, and that their numbers are growing. By not taking them seriously as fair-traders, or simply ignoring them, we cut out a significant portion of what fair trade can, and does look like. Very little empirical information is available about how these roasters conduct their fair trade, or what their potential is to transform unjust relations of trade. Where they are mentioned at all, it is usually in relation to, or in the contexts of labeling efforts (Fair Trade Federation 2003; FLO 2003a; Giovannucci 2001; Hudson & Hudson 2003; Nicholls and Opal 2005). In order to learn more about the workings of fair trade coffee outside of formally regulated networks, I studied the day-to-day work of three non-certified or 'fairly traded' coffee roasters. The work these roasters and I have done to put this study together provides an empirical base from which we can begin to talk about the value of non-certified fair trade.

5. Method of Inquiry[32]

5.1. Research Design and Limitations

The qualitative tradition tends to be based in the lives of social actors, one of whom is the researcher herself (Esterberg 2002:2-3). As an advocate of fair trade coffee, my stake in this research is not only the completion of an academic thesis, but also an interest in the actual work that goes into producing socially just trade. Since this study seeks to describe *what* is going on in terms of *how* things happen, I felt an interpretive qualitative methodology would be the most appropriate approach for this study (Cresswell 2003:9; Esterberg 2002). A content analysis of text-based standards would provide a summary of what fair trade standards are, and how they are intended to work, but it cannot explain variations in the interpretation and meaning of fair trade standards, nor the social relations to which variations in fair trade are connected. The practice of fair trade is organized by a set of social relations which are brought into being through the activities of people doing fair trade work. As such, an account of the actual activities of people doing fair trade work can make visible the social relations that organize their work. Dorothy Smith's (2005) institutional ethnography (IE) is the most effective method of inquiry for producing such an account.

IE explicates the institutional processes that account for what happens in the everyday world. This is achieved by observing the actual ongoing practices of individuals in the everyday sites where the activities occur, and as they happen (Smith 1999). In the case of fair trade coffee, as with all large-scale marketing endeavours, control of production of fair trade is tied to institutional processes such as accounting

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[32] I am indebted to Martha McMahon for invaluable suggestions for concerning this chapter.

systems, accountability systems, and computerized technologies which produce labels, assess compliance with standards, track sales, and so forth. By clearly explicating the way these institutional processes work, research findings can readily point to aspects of institutional processes that are functioning within fair trade as intended (by particular interests), and also to those which need to be reviewed or changed.

Smith's institutional ethnography is a mode of sociological inquiry that locates people's lives in a broader network of social relations. The ultimate purpose of Smith's IE is not to produce an account of the informant's experience, but rather to explicate an account of how "local understandings and explanations are brought into being – so that informants can talk about their experiences as they do" (Campbell & Gregor 2002:90). IE is not a study of people *per* se, but rather, a study of "activities and how they are organized, and [of social] relations crystallized in texts" (Campbell & Gregor 2002:79). Texts are technologies that reproduce as 'the same for all practical purposes' the local actualities they account for (Smith 1999). Texts are activated, or come to represent the actuality they account for, by people who know how to read and interpret them. The activation of 'fairly traded' by coffee roasters is a piece of the process of putting the theory of fair trade into practice. If one of the objectives of the fair trade system is to make trade processes 'transparent' and 'accountable,' then an account of the way fair trade processes deliver 'transparent' and 'accountable' trade would help us understand how accountability is constructed, and what it means to people who work with fair trade coffee. 'Accountability' in certified fair trade coffee is a textually produced abstract that does not account for the actual activities of people working to produce it. In order to understand 'accountability' as a social relation we must examine the actual work done by

any roaster claiming to practice 'accountable' fair trade. An account of the day-to-day work of roasters would make transparent not only the relations that make fair trade meaningful to roasters claiming to practice it, but also the way roasters translate those relations into fair trade. IE is the most effective method of inquiry for producing such an account. By providing an empirical account of the actual activities of 'fairly traded' coffee roasters, IE effectively makes visible the social relations that organize their fair trade work. Such an account can be used not only to substantiate, or refute, claims of fair trade, but also to understand how such claims come to be substantiated or refuted.

One of the challenges of writing up a methodological account of IE is that although human subjects are central to the ethnography, IE is not a study of people *per se*. Moreover, the research process "follows the shape of the problematic in the everyday world that the researcher explicates, not the shape of a plan developed prior to the undertaking of the inquiry" (Campbell & Gregor 2002:56). Rather than being predetermined at the outset, the questions to be asked in interviews, and indeed the choice of informants themselves, emerge out of the research process. As new insights are gained, the best informants to interview and the questions to be asked become evident to the researcher. The absence of a fully developed plan for research is not a phenomenon unique to IE. It is a common feature of other forms of ethnographic inquiry used by qualitative researchers; for example, participant observation and open-ended interviews do not begin with a fully anticipated mode of inquiry (Cresswell 2003; Esterberg 2002). Although an institutional ethnographer enters a research setting knowing what she wants to explain, an understanding of who needs to be interviewed and what texts and discourses need to be examined will develop step-by-step in the process of the research

(Devault & McCoy 2004). Earlier fieldwork I conducted for a graduate level methods course in Institutional Ethnography, offered by Dorothy Smith at the University of Victoria, demonstrated that a focus on the actual work done and knowledge held by each player in the chain of fair trade certification, reveals a degree of accountability not captured by the institutional processes that describe a roaster's work. This notion of accountability, how it is experienced and felt, and what it means to a roaster, is what I explore and explain in this study.

My findings provide a glimpse of the way accountability works in certain sectors of fair trade. They do not provide an exhaustive account and are not intended to apply universally to fair trade or 'fairly traded' roasters. They do, however, provide an empirical base from which we can begin to talk about the value of non-certified fair trade. Like other research, the final research account is based on the interpretations of a researcher who made observations and then translated them into text. My notes, records, and observations in their assembled and analyzed form make up the institutional ethnography of a Master's thesis project.

5.2. Informants and Fieldwork

I chose coffee roasting businesses for three reasons: 1) they represent an important segment in a chain of people working to produce fair trade coffee; 2) they are easily accessible in the Victoria region where I live; and 3) the preferences of roasters in the fair trade commercial chain are a key determinant in whether the consumer market will be supplied with certified or non-certified fair trade coffee. As a consumer committed to

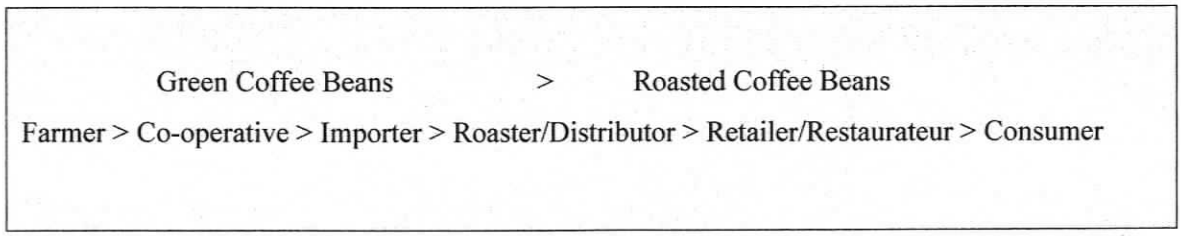
fair trade coffee, I was already familiar with many of the fair trade roasters in the Victoria area. My initial intention was to examine the practices of both certified and non-certified roasters because labelling is an important part of fair trade's connection to mainstream economic practices, and both certified and non-certified roasters sell their coffee in mainstream retail outlets. As my research progressed, I found it much easier to recruit non-certified roasters. One of the reasons is that non-certified roasters are generally less well known and get fewer calls from researchers wanting to study them. One of the certified roasters I spoke with was so inundated with calls from researchers wanting to study them that they had decided to take part only in those studies which feature them. Another roaster was so overwhelmed with the stress of opening new outlets he did not feel he had the time to participate in a study. Eventually I narrowed my list of informants to include only those non-certified fair trade coffee roasters who do *not* sell their coffee in mainstream outlets. The market for these roasters is the coffee they sell by the cup or package from their own outlets and/or the few restaurants or cafés they supply with bulk coffee. Their 'fair trade' is not regulated by formal certification standards. By interviewing roasters whose fair trade was not regulated by formal fair trade standards I figured I would be able to get a snapshot of fair trade coffee relations as they occur without formal standards. It was not until much later that I came to see how certified fair trade standards can actually disrupt the practice of 'fair trade.'

The fieldwork for this study involves interviews with three Victoria area coffee roasters who are committed to fair trade. Of the ten initial contacts I made, only three of them were able or willing to take part in the study. Since this study was not intended to represent a population, and interviews with all the roasters who identified as 'fair trade'

in the Victoria area were not going to happen, I decided to start with these three. As it turned out, these three interviews provided enough data to do my analysis. The roasters I interviewed are not advocates of certified fair trade coffee, and are, indeed, variously opposed to particular aspects of it. An interesting phenomenon I have encountered, particularly in my activist work, is that many people who choose to do fair trade coffee work without certification are often apologetic about not using the *Fairtrade* label, even when they have good grounds for not doing so. They either imply future intentions to get certified when they can afford it, or they go to great lengths to explain why their coffee *is* legitimate fair trade even though they do not use the label.[33] I chose to work with non-certified coffee roasters because I wanted to understand how and why they resisted certified fair trade, and also to examine how they justify the fair trade work they 'do.' I wanted to see how what they know and the work they do actually connects to fair trade.

Figure 2 locates roasters in fair trade coffee's sequence of actors in relation to green and roasted coffee beans. Roasters convert green coffee beans to roasted coffee

***Figure 2.* Fair trade coffee's sequence of actors**



[33] The most compelling example I can think of is a small group of activists I know on Vancouver Island. In conversation with a member last fall I posed the question of certification of their coffee. The answer was a somewhat embarrassed apology for not operating up to snuff. I found this odd, given this group imports, packages, markets, and sells fair trade coffee on a completely voluntary basis for the sole purpose of helping the farmers they are directly working with – the 'business' of their fair trade is clearly social justice, yet they feel compelled to humbly apologize for not certifying their coffee!

beans which are then sold on the market, either ground or as whole beans, or as brewed coffee, to retailers, restaurateurs, or directly to consumers. As a consumer committed to fair trade coffee, I was already familiar with many of the fair trade roasters in the Victoria area. Nonetheless, I began my search for roaster informants by doing an Internet search of TransFair licensee listings, and then a general search of fair trade roasters in the area. I came up with a list of ten possibilities: seven had modest local distribution, and three were major distributors (meaning their product was available in many outlets in BC and beyond). After acquiring *Ethics Approval* from the University of Victoria, I contacted all roasters on the list by phone to briefly explain my study and to tell them I would be sending them a *Participant Consent Form* (Appendix V) that better explained the details of what they could expect from participation in the study. I told them I would phone back in a couple of days to make an appointment to meet briefly with them to discuss their possible interest in my study, and if they were agreeable, to gather some preliminary information about their business. My initial intention was to visit the roasters, explain the study, and leave a *Consent Form* with them. However, in the interests of satisfying the requirements of my *Ethics Approval*, I e-mailed the *Consent Forms* in advance of meeting with the roasters. Of the ten roasters contacted, two did not respond either to e-mails or to phone messages and one accepted the *Consent Form* but did not respond to e-mail or phone calls afterward. Of the three major distributors, with the first I was only able to speak to a person rather than an answering machine on one occasion – I do not know if anyone ever read the *Consent Form* because I was unable to get a response to phone messages after I sent it. I had a few rounds of e-mail exchange and telephone conversations with representatives from the second roastery who explained to me that

because they get so many calls from researchers wanting to study fair trade, they have decided to take part only in those studies which featured them. The third major distributor I spoke with was overwhelmed with the stress of opening new outlets and did not feel he had the time to participate in the study at this time. That left me with four modest sized roasteries to work with. Of these, all four owners met with me to do an initial interview. Although all four agreed to participate in the study, only three went on to do the taped interview. After three failed attempts to do the taped interview with the fourth, I decided not to use him for the study for two reasons. The first was that after two no-shows in two weeks, I wasn't sure he was very interested in the study. The second and more important reason was that I realized he did not actually fit the profile of the roaster I wanted to interview for my study because he sells his coffee in grocery outlets.

The three roasters I interviewed do not participate in mainstream marketing of their product, meaning that they do not sell to grocery stores or chains. Their market is the coffee they sell by the cup or package from their own outlets and/or the few restaurants or cafés they supply with bulk coffee. The relationship with their customers is more direct. Two of the roasters use only certified organic coffee, the third is not particular about certification of any kind as long as he is able to get adequate information from his suppliers about the farms his coffee comes from. All three roasters are committed to fair trade principles though none of them are regulated by formal fair trade standards.

The initial interview was an informal conversation during which we discussed the consent form and the use of pseudonyms to protect confidentiality. It turns out confidentiality was not a major issue with these roasters, and that all three would have

preferred to use their real names. Pseudonyms were nonetheless assigned in compliance with the terms of my *Ethics Approval*. The initial interview was followed up by a taped open-ended interview on-site where roasters roast and sell their coffee. Initially I had intended to focus the interview on the way fair trade standards come into play in these roasters' businesses. During my initial round of informal conversations, I found that many roasters do not use formally prescribed fair trade standards of any kind, and that quality and relationships of trust were more suitable topics to focus on. I devised a set of questions to guide my exploration of the day-to-day work of being a fair trade coffee roaster. I asked the roasters to talk about their suppliers, about roasting, and about coffee beans, and then let the interviews evolve from there. The taped interviews were about one hour in length. When the interviews were completed, I asked the roasters if they would be willing to give me feedback on my write-up of the interviews – I wanted to be sure the picture I would be presenting was accurate. All three roasters agreed they would like to see what I wrote. At the end of the interview, I gave each roaster a University of Victoria coffee mug to thank them for the time and knowledge they had brought to this study.

5.3. Analytical Framework

5.3.1. Identifying the Problematic

Institutional ethnographers conduct their research by stepping outside of organizational discourse to understand "the significance of how things get written up for organizational action" (Campbell & Gregor 2002:13). Their focus of inquiry is the

discursive organization of everyday life, the way it looks and feels to the people living it, whether these people have explicit awareness of this organization, or not. The ethnography begins by identifying the problematic of the research. The problematic in institutional ethnography (IE) is neither the formal research question, nor the problem that needs to be understood as an informant explains it (Campbell & Gregor 2002:47). To identify the problematic of the research, an institutional ethnographer must be "committed to knowing on behalf of those whose lives she studies" (Campbell & Gregor 2002:48). This does not mean seeing or knowing it the same way, but taking the side of potential informants, finding out what makes a difference to whom and why. In the case of my research, quality coffee was the standard that made a difference to roasters and was the problematic that needed to be explained. What is it about quality coffee that organizes the lives of these roasters, and what does it have to do with fair trade? How does the social organization of standards for quality coffee differ from the social organization of standards developed for certified fair trade coffee, and what does it mean in terms of accountability? My analytic framework begins by exploring the textual mediation of 'ruling relations,' and then provides an account of the way textualized standards work to construct the 'masquerade of universality' in standardized systems of accountability.

5.3.2. 'Ruling Relations,' Standards, and 'the masquerade of universality'

Institutional text-based discourses are central to a mode of production where the coordination of people's work brings into being the institutional complexes embedded in

'ruling relations.' Institutions are "complexes of relations and hierarchical organization that organize distinct functions… They are distinctive in that they appear in many local settings as specialized forms of action while at the same time [participating] in relations that standardize their operations and generalize them across particular local instances" (Smith 2005:206). 'Ruling relations' are the "internally coordinated complex of administrative, managerial, professional, and discursive organization that regulate, organize, govern, and otherwise control our societies" (Smith 1999:49) The concept of ruling relations does not refer to modes of domination but to a distinctive mode of organization that transforms business and trade relations to objective forms that allow performance to be made systematically accountable (Smith 2005:13). The FLO-certified system of fair trade fits this mode. By tracking, reporting, and monitoring sales, this system makes fair trade systematically accountable in terms of certification. The Specialty Coffee Association of America (SCAA) also fits this mode, though to a lesser extent, in the way it formulates 'quality' coffee and organizes the specialty coffee trade. Coffee beans need to meet certain standards of quality in order to qualify as 'specialty' coffee beans, and roasters need to meet certain standards of quality in their roasting, brewing, and serving in order to qualify as 'specialty' coffee roasters. The standards are less rigid and more locally determined than FLO-certified fair trade standards, but they still work to make specialty coffee traders accountable to the specialty coffee trade. Not all informally regulated roasters subscribe to or belong to the SCAA, but because fair trade coffee classifies as a niche market coffee associated with the specialty trade (Nicholls & Opal 2005), perceptions about specialty coffee put forth by the SCAA influence, to a certain extent, public perceptions about fair trade coffee, and also roaster

perceptions about what fair trade coffee should be. The National Coffee Association of America (NCA) also fits this mode, though its accountability is directed more towards maintaining satisfactory profit margins and market share for mainstream corporate roasters. These three institutions organize, to a certain extent, what consumers and traders understand about 'fair trade' coffee and together with these understandings, form the web of accountability in which informally regulated fair trade roasters struggle to identify their coffee as 'fairly traded' in coffee and fair trade networks generally, but also in their own local settings specifically.

Ruling relations like the ones I am suggesting organize the coffee trade, are pervasively interconnected, textually mediated, and organized in abstraction from local settings. They can be found in the distinctive organization of translocal relations organized or mediated by texts. Texts are able to reproduce relations of ruling extra-locally by coordinating multiple sites of activity. When relations among people are mediated by texts, local contingencies are of no consequence. Smith (1999:86) explains that textual "standardization… reproduce[s] as 'the same for all practical purposes' (though, of course, they are not the same) the local actualities that... theories, categories, and measurements account for." Textual mediation occurs in a relation when an object is presented as being that object by the seemingly objective text (label, form, manual, etc.) that names it, and the name is recognized and affirmed by a party who knows how to interpret the text. The FLO-certified fair trade label signifies fair trade no matter where it is offered, and when a customer (consumer, roaster, or importer) sees it on a product, recognizes it as a signifier of certified fair trade, and buys the coffee feeling assured that is has been fairly traded, 'fair trade' becomes a textually-mediated relation. The

particularities of how that label came to be on that package or shipment are obscured from view. Standing in for them is an abstraction embodied in a label that signifies 'certified fair trade.'

Although fair trade coffee fits the mode of organization that transforms business and trade relations to objective forms, fair trade itself, whether certified or not, is not in practice an abstract entity, but a process in motion, activated and maintained by relations among people acting within and beyond a commercial chain of commodity trade. Fair trade certification is also a process in motion. Modern trade relations, whether 'fair' or not, can be best understood historically as an ongoing process of transformation that began centuries ago with the invention of moveable type, which made possible the widespread printing, reading, and interpretation of textual material. The ability to widely distribute printed material changed the way business and trade could be organized and conducted, in effect leading to the displacement of familial ownership and subjective forms of organization[34] by corporate ownership and the objective organization of a capitalist enterprise. Dorothy Smith (2005) explains that the transformation of organization to objective forms not only separated ownership from control, it also created management as a distinct function whose project was to oversee procedures for making performance systematically accountable through forms of objectively collected data. Smith (2005:15-16) explains:

> …the importance of the personal trust that familial relationships supplied, along with creating a community of interest in the family business, was displaced by regimes of written rules and administrative practices. [As the local organization of economic functions became progressively coordinated through networks of market relations into large-scale 'corporations,'] …

[34] By subjective forms I mean face-to-face or personal relations which may be textually organized but whose organization can be traced back to actual people doing actual activities.

> problems of financing and credit that dogged systems of exchange based on sequences of transactions among small local businesses came to be regulated under the umbrella of a corporation's managerial and accounting systems... [Local organization] was appropriated and displaced by incorporating its functions into a single administrative system.

Figure 1 illustrates how Smith's account relates to the coffee industry. Notice how a combination of textual organization and technology revolutionized the way coffee could be marketed in the mid-1800s with the introduction of the paper bag.[35]

Figure 3. **Major factors in the transformation of trade through text and technology**

Johann Gutenberg invents printing with moveable type (A.D.1450)	>	Widespread printing/reading of textual material changes the organization of trade	>	Subjective/familial organization displaced by objective/corporate organization
Paper bag invented in 1862; Jabez Burns invents coffee roasting machine in 1864; uniform 1 lb packaging replaces bulk sales	>	Coffee becomes mass-produced and branded	>	Regional and local coffees and roasteries displaced by corporate brands/warehouses

Prior to the invention of the paper bag and roasting machine, green coffee beans were sold from bins in bulk quantities and roasted at home. The roasting machine and paper bag made it possible to sell pre-roasted coffee (and later pre-ground coffee) in uniform one pound paper bags. A Pittsburgh grocer by the name of John Arbuckle was the first to start selling pre-roasted coffee in one-pound packages in 1864. He has been credited with leading the coffee industry in the direction of standardizing, branding, and

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[35] I am not suggesting this technology alone revolutionized the marketing of coffee. I use the paper bag as an example because it is more directly connected to labeled products. Many other technologies, such as development of refrigeration systems, more efficient modes of transportation, alternative pest control, and breeding programs to name a few, also contributed significantly to the transformation of the coffee trade. I thank Nancy Turner for suggesting these additional technologies.

marketing its product. By working to make his *Arbuckle* and *Ariosa* brands a household word, he created the demand for pre-roasted coffee. Indeed, he was eventually able to establish a coffee empire by branching out into all aspects of the business, from the printing of his own labels to opening export offices in Brazil.[36] Other roasters, such as Chase and Sanborn and Folger's took note and began to take up Arbuckle's marketing schemes. So successful were his schemes that by 1870, it is estimated that Americans consumed six times as much coffee as most Europeans did (Pendergrast 1999).

In local markets where coffee beans had once been visible to purveyor and customer alike, they were now concealed inside a paper bag, their particular qualities unseen behind the corporate brand name that represented them. Sold on the shelf with similarly branded products, coffee became part of what Joan Landes (1996, cited in Smith 2005:14) calls the 'masquerade of universality' that standardized texts and corporate branding sets in motion. The 'masquerade of universality' refers to the way objectively and textually organized administrative systems assign universal characteristics to people or things that exist in reality with distinct particularities. Masking the distinct particularities of the actual lived world facilitates the management of people and things by textually organized administrative systems. Landes explains that a single objectively and textually organized administrative system functions to produce a 'masquerade of universality' by removing the local and biographical particularities of the people it manages. By concealing the local and biographical particularities of the people or cultures involved, administrative systems are able to apply social and economic

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[36] Although there is no mention of his concern for the working conditions or lives of the coffee producers, Arbuckle did invest generously in philanthropic ventures directed at the poor, crippled, and aged of New York.

development policies and law universally, assuming universally experienced outcomes.[37] Corporate management of commodities like coffee invokes a 'masquerade of universality' by concealing the local and biographical particularities of coffee beans, producers, traders, roasters, and retailers behind packaged brand names. On the one hand, 'fair trade' systems represent an attempt to challenge the universalization inherent in systems of mass commodity production; on the other hand, by initiating a standardized label for fair trade coffee, the FLO-certified system invokes a 'masquerade of universality.' The 'universality' inherent in standardizing practices has important implications for the types of relationships a system of certified fair trade can build, especially in a capitalist system of commodified trade.

Social movements such as fair trade have been instrumental in attempts to transform unjust relations of exchange that they see built into a capitalist system of commodified trade. Commodification is the turning of human activity and natural resources into commodities to be bought and sold in the marketplace. The abstract relations of exchange which flow from commodification are the essence of a capitalist market system (Mellor 1992:195). Abstract relations of exchange occur in the marketplace when commodities are sold with intangible connections to labor, or to the conditions of labor that produced them. One of the aims of the fair trade coffee movement has been to draw attention to conditions of production in commodity trade and to make these tangible in products marketed as having been fairly traded. The challenge has been how to most effectively achieve this goal in a market dominated by textually-mediated capitalist trade relations.

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[37] I am not suggesting that this is always a problematic process, especially where human rights law is concerned. Indeed, human rights law and development policy are continuously being reworked and expanded to account for inequitable outcomes.

The categorization, criteria, and measurement of certified fair trade coffee produce an object which differentiates fair trade from mainstream coffee products and practices. A certified *Fairtrade* logo works to provide a stable referent recognizably the same on some key dimensions, across multiple sites of activity where fair trade is engaged, from importing, to roasting, to distributing, to consuming. Whereas the current growth of fair trade coffee market share is purported to represent agency and effective resistance to mainstream capitalist market relations (Nicholls & Opal 2005), it can be argued that where fair trade coffee is sold using the certified *Fairtrade* logo, organized and monitored by FLO, textually-mediated relations are standing in for the actual practice of fair trade. Before we can understand how fair trade coffee functions to transform abstract relations of exchange, we must first examine what fair trade relations of exchange look like. Once we identify precisely what the relations are, we can begin to examine where dominant forms of power remain embedded and active in particular ways of doing fair trade, and also what forms of agency (or lack of it) are promoted through, realized in, or limited by particular ways of doing fair trade. In this section I have tried to outline some of the broader contexts in which fair trade relations of exchange take place and can be understood. The ethnography which follows will provide some specific and local contexts. First I will explain how I come to textually reproduce my analysis.

5.4. Analyzing the Data

Once the interviews were transcribed, I organized the data (what these roasters know and what these roasters do) into the following themes: supplier, ordering, cupping, producers, timing, price, relationships, market knowledge, quality, roasting, knowledge

about the bean, and organic. All of these themes relate to the way these roasters understand fair trade. After writing up summaries of the interviews, taking into account tape recorded data and field notes from both the initial and the taped interviews, I e-mailed attachments of the summaries to the roasters for feedback on their accuracy. My summaries were well-received by the roasters. Two of them suggested minor revisions of some of the details. My description of the roasters' knowledge and activity focused on three questions: 1) What do roasters know about: pride/ price/ quality/ taste and preference/ certification – fair trade and organic/ and coffee beans - origin, roasting, flavor, freshness, naming, and processing?; 2) How did they come to know what they know?; and 3) How does their knowledge and activity translate into 'accountable' fair trade?

Social relations are coordinated actions that are visible in the roasters' knowledge of how to do their work, how to concert their work with the work of others, and how to work with the texts that coordinate fair trade (Campbell & Gregor 2002:79). Accountability is a coordinated action within the business of fair trade coffee that creates a 'disjuncture' within the trade. A disjuncture is the separation of what a person knows from the material conditions under which they come to know it. The issue of disjuncture arises from the difference between knowing something from the perspective of 'ruling relations' versus knowing something from an experiential perspective (Campbell & Gregor 2002; Smith 2005; Smith 1999). The ruling perspective focuses on individual actions and competence as organized by texts. Fair trade coffee as defined by the FLO-certified fair trade system is an example of a ruling perspective. Specialty coffee, as defined on the SCAA's website, is also to a certain extent, an example of a ruling

perspective, though not so much in the local sites where specialty coffee is produced. I will return to this point in my analysis where I explain how a focus on 'quality' coffee can bring an experiential perspective to fair trade.

The experiential perspective focuses attention on individual interpretations of texts and the social relations that arise in them. Social relations are involved in fair trade on two levels. The first level lies within and between the domains of certified and non-certified fair trade coffee. The second level involves the coffee industry in general where fair trade coffee competes for market share. A detailed account of the knowledge, skills, experience, and tensions involved in the everyday work of the roasters I interviewed, regardless of how they understand and name their work according to organizational discourse, provides the primary data for my analysis (Campbell & Gregor 2002:72). The data are written up as the sequential description of a process, followed by an explanation of how the textually organized work processes of these roasters fit into larger sequences of accountability within fair trade coffee networks, including production of 'quality fair trade' coffee. The objective of my textual representation of the day-to-day work of these three non-certified fair trade coffee roasters is to connect their 'accountability' to social relations both within and beyond the roaster's location in the business of fair trade coffee. My textual representation points to the way 'quality' coffee sets 'accountability' into motion in informally regulated fair trade networks.

6. The Ethnography: It's All About the Bean

6.1. Gary & Greta's Roastery

Gary and Greta's roastery appeared on my list of contacts as the result of an internet search of fair trade roasters in the Victoria region. My initial contact was by phone, followed up by e-mail to which I attached a consent form for them to look over before I set up the interview. Gary and Greta operate the roastery together, sharing most of the on-site duties. Gary is principally responsible for marketing and delivering roasted coffee beans to customers in the area. Gary and Greta entered the business because they wanted to have work that allowed them to be available at home with their three children, after whom their business is named. Gary and Greta's children were at school when I came out to do the interviews. Family support is an important part of their business. Greta's parents were on-site making chocolate when I attended the second interview. Greta was ill and the Christmas season demanded chocolate. Her parents' work helped fill the demand. Gary and Greta had been in business only four months at the time of my initial interview.

The principal informant for the two interviews I conducted was Gary. The first interview was an informal one in late November, and the second was tape-recorded in mid-December. Greta was present during the first interview, but was ill the day I came to do the recorded one. The roastery is located on the upper level of a building, connected by open doorways to other shops run by local artisans on the same floor. Adjoining shopkeepers dropped in for conversation and coffee during the interviews. The roastery is not set up as a café, but rather as a rustic showcase of coffee, chocolate, and local ceramic crafts. There are a couple of tables in the shop but these are not the main

drawing feature of the roastery. The business of selling coffee by the cup belongs to the restaurant downstairs. Gary and Greta supply this restaurant with coffee.

A small wooden cabinet displaying for sale a few different blends of coffee, some chocolate made on-site, and some locally made ceramic crafts stands against one wall of the shop. On the glass door of the cabinet hang two organic certification certificates bearing the OCIA symbol.[38] There are four or five large burlap sacks of green coffee beans on the floor in a corner of the room beside the Diedrich drum roaster used to roast their coffee. Gary and Greta secured a business loan through a bank to pay for their roasting machine. It cost about $20,000 by the time it was installed and hooked up. Although the list price of the machine was considerably less at US$7500, chimney work and delivery were quite expensive. Their's is a table top rather than a floor model. It is the smallest roaster Diedrich makes, roasting only five to seven pounds at a time. The maximum amount they are able to get from a roasted batch after moisture loss is 5 lbs. Gary knows other local roasters who use machines with a much greater capacity. He estimates the electrical and natural gas costs of running the machine at about $40 to $50 per month.

Gary attended roasting workshops in the United States to learn the craft of roasting with the Diedrich drum roaster. Roasting requires not only knowledge of the machine itself, but also knowledge about the beans being roasted. Gary showed me how to discern quality differences among handfuls of green coffee beans from different regions of the world. Most are green in color prior to roasting, though some appear already roasted in their green state. Beans from some regions are bigger and puffier than

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[38] Organic Crop Improvement Association International; Gary and Greta trust the OCIA from what they have heard from their importer and from what they have learned on-line.

others. Guatemalan beans are hard, Peruvian beans less hard, Nicaraguan and Colombian don't vary much – all Central American beans have particular characteristics. Costa Rican beans are green, big, and uniform in size (Gary says they look clean), while Ethiopian beans are small, a brownish color, and misshapen. Gary feels that although Ethiopian beans do not look as appealing, they are far better tasting – he thinks they offer far more. Ideally, Gary would like to specialize in African coffee on Vancouver Island. I was unable to discern some of the intricate differences that Gary was pointing to on the insides of cracked open green beans, but I could see that he knows a quality bean from the inside out.

During the initial interview I had an opportunity to roast a batch of Mexican beans with Gary. Gary knows that dark roasts require a hard bean – an 'SHB' stamp on the burlap sack in which green coffee beans are shipped signifies that the beans are hard. The region or country that the beans come from is also indicative of their hardness. Mexican and Ethiopian beans roast differently. Mexican beans are soft – if you dark roast them you get 'tipping.' 'Tipping' is scorched spots that can be detected on the outside of a roasted bean and on the inside when you break it open. Gary takes great care during the roasting process to avoid tipping; he knows how to recognize quality from the inside of a roasted coffee bean. He watches closely both the temperature and the number of minutes the beans have been roasting – seconds can make a difference between a superior and an inferior roasted bean. A batch of Mexican beans takes approximately 15 minutes to roast; at eight minutes they turn a nice cinnamon brown. We listen for the first 'crack' at about 370° and then for another one at 420°, at which point the beans are dumped into a rotating cooler. Roasted beans must be cooled rapidly or they will

continue roasting, even after being taken out of the roasting chamber. The roasted beans look beautiful all puffed up and swirling in the cooler. When the roasting process is complete, the coffee beans are a medium chocolate brown color.

Dark roasting simply means the beans have been roasted for a longer time. Not all beans 'dark roast' well. A well-roasted bean is evenly roasted throughout, a nice even brown all the way through, and devoid of scorch marks anywhere on it. "It's not something you can read about – it's something you just have to watch," explains Gary. Once the beans are roasted, Gary grinds some and brews them for me. Fresh roasted coffee beans should not be brewed immediately. He shows me how the coffee foams up in the filter when coffee beans are not given time to de-gas after roasting. "Roasted beans need to de-gas for 48 hours after roasting," he explains, then they are ready to be brewed. He fills a one pound bag with some of the coffee we just roasted and gives it to me to take home – I am delighted!

Greta tempers chocolate in the background while Gary and I carry on our conversation. We have to stop on occasion as customers come in to buy coffee or chocolate. "You can't know a bean by ripping it apart," Gary explains, "You have to taste it." Roasters and importers learn about the taste of different coffees by 'cupping' them. 'Cupping' is much like wine-tasting, both in practice and in notes produced, like 'sweet-bodied', 'medium-bodied', 'blends well', etc. 'Cupping' notes, whether produced institutionally, or produced on-site by the roaster, are an important factor in a roaster's choice of coffee. Gary needs to know the difference between a blending coffee and a stronger bean origin. He needs to know, "Will it be good as an espresso base? Or a medium or a dark?" Because Gary received a number of new varieties of beans in his

last shipment, he has had to work on changing some of his blends. He is trying to achieve the same taste with different beans. "Every bag [of green beans] you get is a little different. You have to work on it … Coffee plants don't know borders – a Guatemalan bean might taste exactly like a Costa Rican, but completely different from another Guatemalan."

Coffee may not be exactly what the 'cupping' notes said, but it is usually close. "Taste is subjective anyway – it may not be as sweet or have body like it said, but wholesalers can't afford to lie to you. They have to be straightforward because… I'll just stop buying from them and everyone will stop. They have to be trustworthy, they have to have morals or else they'll go out of business," Gary explains. One of Gary's suppliers sent them a CD with information and photos from a Zimbabwean coffee farm that was being helped out of a crisis by a couple from Langley, BC. They are helping the farmers make their product marketable, grow it sustainably, treat everyone well, and still make a profit. He doesn't care if they are fair-trade certified or not – it won't scare him away – nor will it lure him to them. "The CD is worth far more… the word from that importer… that they're doing a great job, it means way more than any sticker," says Gary. Gary and Greta's label makes a claim to being 'fair trade' though there is no paperwork posted anywhere to back it up. Gary explains they are "more concerned with ethics than documentation." He doesn't subscribe to any coffee associations at present – there are all kinds of them that want dues – they are mostly American. He would consider joining the SCAA, or maybe subscribing to an impressive magazine he has seen that has a big on-line database, but mostly he "[doesn't] get into the paper aspect of roasting."

Gary freshly brews each cup of coffee he serves in a 4-cup Melitta-drip coffee pot. This gives him control over water temperature, pouring, and such, to ensure freshness and flavor. He drinks French-pressed coffee at home. The way coffee is ground and brewed has a significant effect on a customer's perception of coffee quality. One of Gary's frustrations is that he has no control over how his coffee beans are brewed or ground after they leave the store. If a customer returns complaining that they found the coffee he recommended bitter, Gary knows the coffee was either too dark or the beans were over-ground. "People grind it differently, brew it differently. They can say it's the worst cup of coffee they have ever had and, you know … it's impossible for us to make sure everyone who buys 'Gary & Greta's' Coffee, loves 'Gary and Greta's' Coffee." Some people prefer coffee with a bitter edge so over-grinding may be preferable for them. He has properly ground coffee for people's machines and had them come back and want it ground finer.

Developing appealing blends of coffee is a challenging craft because taste is both subjective and variable from customer to customer. So is preference of bean origin. Geographics are a big part of how people perceive quality – people have nostalgic attachments to certain places – Sumatra, Ethiopia, Central America. "Everyone has a story; everyone has something that clicked one day. Who knows why, but they have [inaudible] and I have to find the ones that are the most common." Geographic origin can also be a major factor in the price of coffee. Gary charges a fixed price per pound regardless of geographical differential. Some countries of origin offer less expensive beans and these can be blended with more expensive varieties of beans to balance the price per pound. Gary knows he will pay an extra $.30/lb for organic, plus another

~$.20/lb for certified fair trade. Adding up warehouse, freight, organic, and fair trade premiums he pays over US$2.00/lb, which [at the time of this interview] is around CDN$3.00/lb before he has even done anything with the beans. The New York Coffee Exchange (i.e. the C-Exchange) market value of coffee at US$.88/lb is ridiculous, he says. "The C-Exchange value does not reflect anything near what it costs a roaster to market coffee… The only way coffee could hit the [retail] shelf costing a roaster $1.50/lb was if it was the worst beans you could imagine sold in paper lunch bags or something." Their business is not like a retail shop where all you pay for is rent, shelving, and a cash register. They have to pay for coffee beans and all the costs associated with bringing them in, processing them, marketing them, and shipping them out. The quality of the bean itself is important, but so is geographic origin, and beans can all be priced so differently. A complex set of factors makes a consistent supply of green beans very important.

Gary began his search for a reliable organic and fairly traded coffee supplier on the Internet. He soon discovered that not many suppliers actually have web pages, and that "word of mouth – direct down" was the best way to get information. He has ordered from two suppliers, though he has talked to at least five. Some importers are willing to freely share information and can be quite helpful, others not so much. There is an importer Gary can call for advice even though he does not get his supply from this particular importer. Another supplier whom he has only dealt with once e-mails him every two weeks with a list of 'offerings.' Most places will send an 'offerings' list on request, though the 'offerings' are sometimes out-of-date, requiring direct contact with the supplier in person anyway.

The list comes as an e-mail attachment containing information about the coffees a supplier has in stock, and the coffees that are 'spot' (now or soon to be warehoused). The list includes information such as country of origin and cupping/tasting notes. Price is not often included, and although Gary knows a lot of roasters prefer it that way, for him price is important.[39] It annoys him that he has to e-mail to ask for prices. Receiving the offerings list requires follow-up with the secretary by phone – "What is this one like?… What is *this* like?… How much does it cost?... Can I get it by Friday?..." and so forth. Once the information is received, "the product is ordered on faith that it is as good as they say it is. If it is, you know you can call them again." Initially, Gary was required to fax the supplier a money order before his order would be processed and shipped, but now that he has established a line of credit he can call in an order and receive an invoice with 30 days to pay.

Gary's current suppliers are in Vancouver. It takes about two days for an order to arrive once he has placed it. Gary does not have a warehouse where he can store the 150 lb. bags the coffee arrives in, nor can he afford to stockpile it. He needs to be able to sell most of the coffee before he can afford to buy more. He needs coffee within three days of ordering. Gary explains that the relationship with the restaurant downstairs is not only symbiotic, it is their mainstay. "I can't do business unless they're doing business with me… when they need coffee I have to get coffee for them… they can't wait two days for their coffee so neither can I, … otherwise, they're going to give someone else a call… the beans have to come when I need them." Gary has dealt with the same supplier in Vancouver since he started because he knows if he has his carrier lined up, his beans

[39] Though he contends it is not the only consideration – he once chose a coffee because it was $.20/lb cheaper. When he realized he had only saved about $30 on a $1200 order, he questioned the importance of that!

order lined up, and the warehouse lined up, he can get the product in three days. However, this does not always happen smoothly. Although Gary's current supplier has "great beans," he is frustrated with them. It sometimes takes the salesman days to get back to him. Gary just doesn't have days – one of the other suppliers he calls gets back to him within half an hour. Gary intends to switch when he gets big enough to place a 6-bag order. He would like to order from a supplier in Oakland, California. However, although dealing through Oakland would bring in coffee a bit cheaper by the pound, it would also mean dealing with 'the border,' a hassle Gary is grateful the supplier in Vancouver is currently handling.

Gary orders only from organic importers because it saves him time sorting through organic/non-organic selections on 'offerings' lists. Gary and Greta concentrate mostly on certified organic coffee, rather than on certified fair trade:

> …we wanted to have enough trust in our importer that we could trust that they would only buy beans from farms that treat their employees fairly… I don't hold fair trade any higher than… bird-friendly or shade-grown or all the dozens of other certifications. I think they're all good interests in mind but first and foremost for us is the farmer…. And if we can ask our importer…is this… farm on the up and up, well then if they are and we have a good enough relationship with our importer we'll go with that.

If there are two similar coffees from the same country of origin, and the certified organic fair trade is only $.10/lb more, Gary discusses the certified fair trade option with Greta, and they will often go with the fair trade. It's a tough call for them. They are committed to organics but have not seen enough good literature about certified fair trade to be convinced. First and foremost for them is the farmer. One of the issues they see with the guaranteed price given by fair trade is that "we would be hurting a farm that couldn't get certification, and as far as organics go I don't think there are… the same strange

requirements as with TransFair, like size of farm…" Moreover, if a farmer is able to sell high quality coffee for $1.90/lb elsewhere, the medium quality coffee may be the one that is sold as fair trade. Certified fair trade does not ensure the highest quality of bean, just a stable price. Where quality is concerned, Gary has had problems with only one supplier. He found pinto beans among the coffee beans in the bag he received. This has meant extra careful sorting through the beans every time he roasts a batch. "What it's about for me is good coffee, the taste of coffee really, and I guess to some degree the ethics behind it." Still, he explains, he'd rather see pinto beans than hear about pesticides, herbicides or fungicides. "Perhaps the mixing in of other species of beans is evidence of truly organic practices," he conjectures, "or maybe sorters are not being paid well enough to take due care."

Competition is not a very big issue in the neighborhood where Gary and Greta's roastery is located, but Gary is aware that the coffee market is a very competitive place. Still, Gary does not see Starbucks as a major threat to small roasters in the industry. In fact he applauds them. "Let's see anyone charge $4.00 for a latte without Starbucks coming around 15 years ago… they're a coffee shop. I don't like their coffee, a lot of people don't, and a lot of people do… We're [inaudible] off their success. I wouldn't be doing this if it weren't for Starbucks… The employees seem happier at Starbucks than they do at some other places… so they're doing something right… I don't like their coffee much, but I don't like Tim Horton's either, and I don't feel angry toward them either." His more immediate concern is a roaster selling good quality fair trade coffee who has begun to proliferate in the Victoria area. This roaster poses a greater competitive risk.

Being small puts Gary at a competitive disadvantage. Grocery chains like Thrifty's charge $1,000 for a bar code on their shelf, and don't want to pay shipping costs. Larger roasters are able to provide small businesses using their coffee with a grinder and brewing system which runs in the thousands of dollars. Gary can afford neither of these options. Gary and Greta's aspirations for growing their business are modest. They would like to have the regularity of two or three cafés – four in the local area would be just perfect. "All friendly owners who just love my coffee, that would be great… the chocolate could do its thing, and the coffee too – and we wouldn't have to stress, you know selling coffee in the store, it would be more wholesale." If demand suddenly became greater he is not sure if they would take on other clients. He knows other roasters who have 'enough' and don't take new clients – they're very busy.

When the interview was over I packed up my tape recorder and materials and went to the showcase to buy some handmade chocolate frogs for my son's Christmas stocking. Gary wrapped them in cellophane and tied a ribbon to the top. I also bought a pound of *King Solomon* dark-roasted coffee beans. After paying for my purchase I pulled out a coffee mug with a University of Victoria insignia on it and offered it to Gary as a gift for doing the interview. He was most pleased and remarked that it was a "fair trade."

6.2. Bill's Roastery-Café

I found Bill by doing an on-line search of fair trade coffee roasters in the Victoria area, though I was already well aware of him as a roaster of some renown here. I didn't find a website for Bill's roastery, but rather articles that had been written about him and his roastery. I contacted Bill by phone and told him I would be e-mailing him a *Consent*

Form explaining my study. He said I could drop by later that week to talk about it. We met for the initial interview in mid-November and Bill agreed to participate in the study. Both our schedules got very busy after that so the tape-recorded interview was put off until mid-February. Bill had his staff serve me an 'Africano' the first time I met with him. It was served to me with an intricate leaf design etched on a layer of foam that rested atop the dark brew. Impressive. The taste of the coffee was superb. We sat at a window-side table for two. Bill's wife was visiting with a friend on a couch nearby. Their infant child was attempting to take steps between the couch and the coffee table. When I returned for the tape-recorded interview, we chose a table in a corner of the café near the entrance to the back office. Across from the table was a sizeable stack of burlap sacks containing green coffee beans marked with labels from various parts of the world. The café was bustling with customer activity. Music played over a sound system creating a sociable atmosphere.

Bill has been in business about 13 years, and has been roasting for about nine of those. He uses a conventional drum roaster. He started out with smaller models and moved up. Roasting machines are very costly, "but everything is costly in a commercial sense," says Bill. Choosing a roaster involves searching the market, looking at different roasters, and talking to people that use them. Although the machines are not difficult to maintain they require a lot of maintenance work. It is difficult to find people who know how to do the maintenance work well so he does as much as he can himself.

Learning to roast coffee beans involves talking to other roasters, a lot of time tasting coffees, and a lot of time developing a palate. A lot of it is trial and error, especially in the beginning. "You have to understand how [the beans] weigh. They've

got a very definite feel to [them] so now I know when things happen and… how that's going to affect different coffee and the roasting process… I have to taste the coffee that's new and be able to sort of extrapolate a new 'roast profile.' It's very important how I roast it." The flavor of a coffee depends on the way it is roasted – light, dark, how fast, whether quickly at some times or slower at others. Roasting should bring out the flavor of the coffee without having to introduce other elements. Bill roasts most of their coffees in the medium range – it produces a sweeter coffee. If a dark roast is well done, it can also produce a quality cup. The art of roasting takes years to develop. Only Bill and a roaster who has been apprenticing for about three years do the roasting at Bill's roastery. Bill's coffee claims are neither certified organic, nor certified fair trade. Bill has been a long time member of the Specialty Coffee Association of America (SCAA).[40] His coffee is classified as 'specialty coffee.' One of the most objective measurements of specialty coffee is no bean defects; the other is 'cup quality.' In order for a specialty coffee to be successfully marketed as such, "there has to be something special about it and [it] has to… be sold… to somebody who is going to be able to do something with it… A coffee can sort of just meet some… guidelines and not really be anything special, and not necessarily come from anywhere special, but in order to kind of really get in, there is usually something that's… you know… outstanding about it." Not everybody in the specialty market makes the top grade of specialty coffees. Some roasters buy lower end coffees and blend them – some blends barely meet specialty coffee guidelines as far as

[40] One of the amendments Bill suggested after reading the initial draft of this write-up is that his membership has recently lapsed. Although he believes the association is valuable, he doesn't feel he is getting the same value for his membership as he initially did. The benefits are greater for American roasters than for Canadians, though membership fees are the same. Nonetheless, he says, he will likely renew in the future.

quality goes. Still you get a quality assurance with the SCAA that you won't find with the National Coffee Association of America (NCA).

Bill explains that one of the founding members of the SCAA was quite adamant about denying NCA membership into the SCAA – "You know we don't want to be mixing with them at all!" The NCA is all about producing technified stuff in mass quantities, coming from regions that have small farms with no other way of getting their coffee to the market. Their coffee "is being produced to ask for the cheapest price possible." The New York C has nothing to do with coffee – it's just a number, a dollar amount and a volume. "It's traders on the floor that have nothing to do with coffee whatsoever that are dictating that price… it's just trading numbers, you're not actually ever receiving coffee… but you can buy a future of coffee… I'm not sure exactly how it works but you know if the coffee ends up being traded there, there might be some low end specialty coffee thrown in… [but] you know the farmer wouldn't have gotten anything, really, for it." Bill knows good quality coffee is not being traded on the New York Coffee Exchange. In fact, the quality of Vietnamese coffee has been so poor that companies like Folgers have had to invest in developing ways to wash or steam clean the coffee before it is roasted to get some of the bad taste out. It is ironic that low end coffees like that are bringing down prices. People need to be educated about the benefits of selling coffee on the merits of the coffee itself. That way they don't end up being tied to intensive production of very poor quality coffee at very low prices, says Bill.

Bill tells me that one of his parameters in choosing a supplier is that he is able to trace his coffee back to the farm where it is grown. The information is sometimes available on a website, or it may be acquired through conversation with a supplier. He

told me that organic certification was not a prerequisite depending on what other social variables are in order. For example, Bill asks his suppliers questions about the farm, the size, the area the coffee is grown in, the type of coffee being used, what they are growing, the various growing conditions they have, information about environmental practices, social conditions, whether it is an estate farm or a co-op, and what their history has been. Bill doesn't just buy Costa Rican coffee – he buys Costa Rican coffee *from this particular farm*, and above all, he buys quality coffee from this particular farm.

Bill rarely knows the price he will be charged for his coffee before he gets it. Right from the start he has made a conscious effort never to talk price – it is quality he is after. "[I'm] not looking to buy cheap coffee, [I'm] looking to buy the best coffees." Initial contact for 'best coffees' is sometimes made through the SCAA's "cup of excellence" program. Bill has sometimes bought coffee through a "cup of excellence" on-line auction. But really, "it's paramount that I've got suppliers that I trust, that are getting what I want as well," explains Bill. The SCAA basically classifies coffee, not production or trading methods. While SCAA conventions do not afford Bill the opportunity of speaking directly to the farmers he buys his coffee from, he has been able to learn things from SCAA representatives who come from Kenya, South America, and elsewhere. Bill explains that whereas the small 2-acre farmer from Kenya is unlikely to be able to attend, representatives from the Kenyan Coffee Association (usually six) come to the conferences and can tell him what is going on in the region.

The region a coffee is grown in is very important because quality coffee starts with the bean. "You can backtrack to… the quality of every step that went into [producing] that quality," explains Bill, accounting for quality of life for everyone

involved, the quality of the environment they are working in, and are contributing to, the quality of their knowledge and skill levels, and the care they take in the work they do. "It all translates right through to the final end quality of the cup, which means the quality of everyone in between. That it's stored properly, transferred… shipped properly, and ultimately roasted properly and then lastly… brewed properly and served properly… There's many, many, many hands from the seed to the cup [and if] any one of them slips up at all, it's not going to be a truly exemplary coffee, it's not going to be a great coffee." Bill knows the quality of a cup of coffee rests to a certain degree on personal preference, and that taste is subjective. When Bill cups his coffees he considers what his objective with that particular coffee is and whether the coffee is achieving it. He also tests the taste of his coffee as it cools – it should be good even as it cools. I notice a bit of coffee left in the cup I have been sipping from. It has gone cold. I take a sip. The coffee tastes smooth, palatable. Bill believes a coffee should "stand on its own. It has to have… a nice balance between its body, acidity. There has to be a sort of unique flavor component to it. When you drink it, it should be complete." Cup quality is a number one consideration for Bill.

Bill does not blend his coffees because his coffees "are exemplary to begin with," and he likes "to showcase individual farms as much as possible, regions… I really like to try and make the connection back whenever I can… to bring the product back to the people… making it real… as an agricultural product… This was something that was farmed… that a farmer has grown it – and whenever I can… pass along information like that, I usually do, especially on a personal scale." Although Bill rejects fair trade as it relates to TransFair (in his own words, it means nothing to him), having a system that

fairly compensates the people involved is "absolutely important." Bill knows the majority of coffee traded on the market is not fairly traded, but with agricultural products "quality can be a really significant factor now – it's traded - and people can bring it up to the next level." On a small scale quality works for people regardless of what they are growing – "if they can put extra care into producing it, you know… then… they're going to get paid a lot more for it." But they have to be able to market it – if they don't have the option of growing and marketing quality coffee they are out of luck.

The SCAA is one way of marketing quality coffee. However, Bill says the cupping done at SCAA conferences is not the best. Farmers sometimes brew their own coffee there but "they don't really know how to brew it – they don't know how to make their coffee shine." Bill says it is hard to find a good cup of quality coffee in a producing country. On the farm "they want to show you the quality, they'll give you the best stuff, but … in day-to-day living or restaurants… it's not the top quality, it's generally… very poor… they want to sell their good stuff and they'll keep their bad stuff for themselves." At home farmers drink their bad coffee. They've had lots of training, they know how to taste it, how to improve it "but they won't drink it simply for their enjoyment on a regular basis… Instead, there will be Coca Cola… they'll pay far more for a Coca Cola than they could for their very best cup of coffee." Bill believes that farmers should drink their own product "so they can understand the worth and value of their coffee and actually see that value themselves… They need to understand [that] the value of their coffee is tangible."

For the roaster, Bill believes cup quality to be the tangible value of coffee:

> …A lot of care goes into an exemplary cup of coffee. Care doesn't happen by accident. A superb coffee regulates itself to some degree – if a farmer wants to produce a really quality coffee, workers have to be paid well to put the proper care into picking. On a large scale that doesn't necessarily

> work – but large scale isn't producing the quality that small scale is anyway…Ultimately you can't get a really great cup without having the care put into it all the way through… so that's sort of the biggest issue… and checks and balances to make sure that is the case are important… it is important to keep the communication as open as possible, to have as much direct contact as possible, and the transparency to be able to contact the farmer if you have specific questions, to be able to find that specific farm and visit it myself if I want to.

Bill takes the time to get to know as much as he can about the farms he buys from. He knows a vast array of coffee producing success stories from various regions of the world where farming has been organized in diverse ways. One example is a Costa Rican estate owned and operated by a local Costa Rican woman. Although this farm is neither a co-op, nor indigenously owned, "the woman is doing really great things with her farm… she's treating her people very well… Co-ops can be great, but they can also be very problematic, and sometimes an area might not be well enough organized for the co-op to necessarily work. Not everyone can be a businessman, not everyone is… There are some situations where co-ops will never work – it could just be that… a handful of people just don't fit it." An example is a Brazilian family who have owned their farm for a long time. They work hard and do things sustainably as much as possible. Workers are given land on which to grow their own food. A section of land has also been set aside for a wildlife preserve. There is an area of native vegetation and forest left undisturbed on the farm and water safe practices are used. This family wants to be able to hand down the farm generation to generation so they treat their workers like family. "They're not an organic farm though, and it's one of those things… they're by no means an intensive technified farm… like some we get our Californian produce from… they are organic as far as working with the soil is concerned… So for me… I don't feel I have the right to [demand] that they fulfill organic [inaudible]…"

Another unique situation is Ethiopia where some varieties of coffee grow in the wild – these are not even really farmed. People pick it and bring it to market. "You might know the region it comes from, but coffee brought in by dozens of pickers goes into the same bags. It is impossible to trace back to a particular farm. It is a totally different culture," explains Bill. Other Ethiopian coffees are widely farmed. Ethiopian coffee people have recently begun to form co-operatives to assist them in trading both wild grown and farmed coffee beans. Bill comments that the last Ethiopian coffee he bought was actually fair trade certified – it turned out to be the same price he had been paying anyway, and was the best quality he could find. Nonetheless, says Bill, he bought the coffee on the basis of its quality, not its label.

Bill has had the opportunity to visit one of the Mexican co-ops he buys from. Bill's Mexican coffee is neither organic nor fair trade certified, and it was one of those cases where he thought all he was hearing was too good to be true. When he went down to see for himself, he discovered that conditions were even better than he expected. During his visit he asked the farmers if they ever thought about getting certified. Their farm is completely organic – they have never used chemicals because their farming methods have always been traditional. "The farmers thought that was just the most ridiculous thing they had ever heard, because from their perspective, and it's something that they obviously had looked into a bit, at that time in order to get an organic certification, basically they saw it as they had to pay an American company a huge sum of money to come to their farm to tell them what they already knew… to them it was totally absurd."

Bill discovered a remarkable amount of pride in the farmers he interviewed about the coffee they were producing. They were proud to be producing a better coffee and being paid for the extra work and care that went into it. "It was their hard work that was doing it… and their knowledge. I don't think you could get that same level of pride, a sense of achievement in somebody that has just been given a price for his coffee… a number that's been looked up in a book… even if it is a fair price, and even if he is under the fair trade system… it's not necessarily a fair price. If they're getting the exact same price that their neighbor is getting, and their neighbor is putting in twice as much work to do it better, then he is… then that's not… somebody's not getting a fair [inaudible]…" The same applies to organic certification. Organic practices are an important part of Bill's mix but, as he has seen, non-certification does not necessarily mean organic methods aren't being used. As more and more countries develop their own organic certification systems, Bill says he will likely buy more certified coffee, but only because certification will be more accessible to more farmers. "It all comes out to balance… I really like to look at the whole picture on everything, and not just even in the business, but my day-to-day life as far as where you can make the impacts." Bill talked about the importance of certified organic Brazilian sugar and organic cotton production. These are more important to him than buying certified organic coffee from a farmer that he trusts is using organic practices anyway.

Bill stopped to take a phone call from his wife. The hour we had agreed on for the interview had long since passed. When Bill returned I thanked him for his time and offered him a coffee mug with a University of Victoria insignia on it. He gratefully accepted the mug and I left the café with the tape-recorded conversation in hand.

6.3. Jeff's Roastery-Café

I found Jeff by chance last August at a local farmers' market where he had a booth set up to serve and sell his coffee. I introduced myself and my project to him at that time and he expressed interest in taking part. I was given a phone number and website information where I could find out more about his business. I returned in September with a *Consent Form* and we had a chance to chat about fair trade coffee over a cup of Jeff's coffee. Jeff agreed to take part in the study. However, due to the Christmas season and other obligations we did not conduct the tape-recorded interview until late January, 2006.

Jeff has been in business about six years. For the first 18 months, the business was run out of his home, and was a venture between him and his (now) ex-wife. Jeff's ex-wife had a background in science, and it was from her detailed knowledge of the dangers of pesticide use that they made a decision to work only with certified organic coffees. Life happens, and just as Jeff was moving the roastery out of their house and into their roastery-café 4½ years ago, the marriage broke down. Today, the business functions with the help of Jeff's Mom as front-store manager and Jeff's Dad as roaster. Jeff has grown the business to nine employees and has begun to franchise their business model.

The taped interview took place in Jeff's roastery-café. The café features six or seven tables with artistic impressions of actual before and after roasted beans inlaid behind glass tabletops. A shelf on one wall displays offerings of packaged roasted coffee beans. Jeff has familiarized himself with coffee culture terminology to get the most out of packaging. Jeff knows that espresso is a European version of 'dark' coffee, while

French Roast very dark is a Canadian version. His labeling uses Espresso-Dark/French-Very Dark to provide customers with a sort of reference regardless of whether they are used to North American or European terms. A showcase at the front counter displays an appealing assortment of baked goods. Everything except the bread is freshly made in-store. Behind the counter coffee beans are ground, brewed and served from thermal decanters. Three employees manage the steady stream of customers who come and go, or stop awhile to have coffee at one of the tables. Jeff asks me if I would like a cup of coffee – I tell him I prefer a dark roast with a tiny bit of cream. Not espresso though – I find it too bitter and it gives me the shakes. He tells me a good cup of espresso shouldn't – he will show me later.

We begin the interview talking about Jeff's supply chain. Unfortunately a section of this part of the interview was lost when the transcription machine 'ate' part of the tape. Fortunately the majority of the interview was salvageable. Jeff began his research of the coffee roastery business by networking with other roasters. Eventually he was introduced to a person in Vancouver who had 15 years of coffee business experience and a commitment to certified organic coffee. This person had a number of contacts in the coffee industry and was able to give him names of importers, some of whom specialize in certain areas of the world, like Central America and Indonesia. These suppliers have relationships with and buy directly from farmer run co-ops. Each supplier goes down to the regions they buy from to 'cup' coffees on-site and to check for organic certification. "Suppliers go to great lengths to ensure that co-ops are in fact operating under the correct procedures. We pay a premium for our coffee and the suppliers ensure that there is enough margin in the price they charge for them to ensure that we are getting what they

say they are selling us. I trust the due diligence of the guys I buy from." Jeff can request a certificate at any time because certification papers are affixed to each order that leaves a co-op.

Jeff has knowledge that sometimes two or three farmers might collectively bring in their coffee from the same region so a bag might contain coffee from two different certified organic farms. Suppliers do not typically mix regions. Co-ops from the same region are sometimes combined because a farmer may only be able to yield a certain amount. Jeff explains that if the coffee is grown on the same mountainside, and both farms are certified organic in terms of soil and water sampling, there should not be a dramatic difference from crop to crop. A farm 200 miles away is another story. Since one of the selling features of coffee is 'region,' co-ops are careful to keep regions separate because that is their expertise, and they want customers to come back year after year.

Although he has never been on-site to verify that proper procedures are being followed, Jeff has faith and trust in the people he is working with. "Do I have to provide some faith and trust in the people I do business with? Absolutely. Each bag of coffee that we get has the OCIA, or the SCAL[41] number on that bag so… that, if I ever needed to trace back that particular bag of coffee, I can trace it back to the farm. The co-op [has] a particular number, which will… lead to what farm or region… it came from, because sometimes two or three farmers might be bringing their coffees in… from the same region…A bag that I have might contain coffee from two different certified organic farms." Jeff explains that each co-op has to go through a third party organic certification process which involves testing their water, soil, and processing. If a co-op is dealing in

[41] These denote organic certification.

certified organic coffee none of their product can be non-certified organic. Not only is a farmer's crop certified and assessed individually, but each farm must also be assessed individually. When all the product is brought to one co-op, one non-certified batch could affect the whole certification process. Coffee is moved through a number of different water channels through a processing plant. If one non-certified batch is thrown in with the certified coffee, it will show up as an issue in the water sampling. Jeff trusts the due diligence of his suppliers because "there are very specific practices in place to bring coffee from the farmer, through processing, to us," and all of these practices are verifiable by visits to the farms.

Suppliers visit the farms to verify organic practices, but also to grade and 'cup' the coffees. Jeff knows that while the SCAA is committed to evaluating coffees with a certain level of standard, the problem with coffee industry standards is that taste is subjective. Jeff's suppliers have as much experience as anybody grading coffee – green coffee is graded on size and on how many discolored or unusual beans there are per sample size. Lower grade coffees have more moisture content (grown in conditions that were too moist), discoloration, half beans, broken beans, etc. With certified organic coffee you might get the odd bean that is discolored, cracked, or not uniform because chemicals are not used to grow them. The presence of discolored beans would affect the grading of that particular coffee. "Just like wine, certain grades have certain qualities in certain areas based on rain and sunshine and certain soil conditions." Jeff knows from research and experience which regions are more prone to discolored beans and buys only the best beans he can get from these regions. Costa Rica is a region which he says rarely has discolored beans. A particular coffee Jeff brings in from El Salvador has been

amazingly consistent over the past six years. "Does is vary year to year? Yes. Sunshine and the amount of water, rainfall that it gets will affect that crop. However, it will affect that crop for the entire year. It doesn't affect just one bag – [green coffee beans are] like grapes - some years are better than others." Jeff buys only top grade beans because top grade beans are guaranteed to have few defects. Coffee that comes in with defects can waste time because it means the beans may need to be re-roasted at the store level to adjust for flavor differences.

Jeff has found that people who drink medium coffees aren't as discerning as people that drink dark coffees. With medium coffees there are very few people who could tell the difference between a coffee from El Salvador and a Guatemalan coffee from a palate perspective. With darker coffees however, people explore a little more. Says Jeff, "Just like wine, they'll have their favorite… Costa Rican might be their favorite and they might periodically try… a Nicaraguan, or they might try something different, but they'll always come back to their favorite. And then of course, because taste is such a subjective thing, I… want to minimize the changes in our product so that I'm not dealing with a moving target all the time." As a coffee drinker with a preference for dark roasted coffee, I concur to myself that this roaster knows what he is talking about. Did he offer me coffee this morning to check my customer profile? "Consistency is the most important element we can offer our customers here," explains Jeff. Jeff has only changed two coffees in the four to five years they have been operating their retail store.

Right from the inception of his business idea, Jeff has made a point of diligently collecting information about the coffee industry and marketplace. Jeff began choosing

his coffees by doing research on what coffee experts considered good coffees and then seeing which ones were readily available on the market. From this information he created a 'portfolio' on paper. Jeff and his partners considered how many coffees they wanted to carry, from what regions, and then looked for who was offering them. He didn't want to get trapped into a variety that was so eclectic it would be difficult to maintain a supply. He wanted to ensure that once a supply was established, he would have access to it in the future. Jeff was able to get a good sense about the reliability of access to supply from speaking with suppliers. He found only two that met their requirements.

As a new roastery they more or less had to pick up the scraps of the coffee supply. Now that they are ordering two to five bags per week[42], suppliers are calling them to ask how much they forecast they'll be selling the following year. "We're now part of their forecasting when they go down to do their buying because a) our business has grown; and b) a lot of small roasters are beginning to pop up and importers of green beans are realizing it's a great place to sell coffee." Now that his roastery is established, Jeff can carry 'real time' inventory. When he commits to his block, the supplier reserves x number of bags for him per year and he can draw on them throughout the year, he does not have to buy them all up front. He may have to pay a little bit more, but he doesn't have to carry $50,000-$60,000 worth of beans. This allows Jeff to respond more quickly to the marketplace – he can remain more competitive by carrying only $4,000-$5000 worth of inventory.

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[42] Green beans come in either 132 lb or 155 lb bags. Jeff is not sure why they come in those particular weights.

For Jeff, business success means looking into the future, 10 years from now. Jeff believes that consumer expectations about quality are going to get higher. This is one of the reasons he buys certified organic coffees. "Quality stands at the end of the day, and we will acquire customers in the market through quality… some people think Starbucks has a monopoly in the marketplace – but look at how much bad coffee is consumed there!" Jeff may not be a fan of Starbucks in terms of their "taste profile," but he believes "they have created a good model in terms of how to get good locations, and they're very good at scoping those locations… I actually consider them in the real estate business more than… the coffee business."

Jeff believes that whether you are a producer or a roaster, with a sound business model, efficiencies can be found to help build a business and to bring down costs. There are a number of factors that work for Jeff – packaging, labor, location, their portfolio coffees, and their commitment to quality and freshness. "We can build a business because there's lots of coffee drinkers in North America." Jeff's research of North American coffee drinkers has shown him that the largest sector of coffee consumption in Canada is at home. In fact 68% of Canadians drink coffee at home. "That is where roasters will make inroads into the coffee business and that is where the coffee industry is going… Home drinkers sometimes travel a long way to buy a pound of coffee. People will drive by three or four coffeehouses that don't offer beans that are freshly roasted to buy a particular pound of coffee from a particular roaster." It is for this reason that Jeff carefully selected his portfolio coffees and his marketing appeal. "Because we are committed to freshness, we had to come up with how many medium coffees, how many dark, and how many… very dark we [wanted] to offer, and then what's going to be our

pull-through here… We have set a standard based on our research on what is considered fresh, and we feel that having more than sort of ten different types of coffee is going to lead to a stale product on the shelf, or not great pull-through." Jeff knows that some places stock over 30 different coffees on the shelf. Although he built his portfolio with only seven same origin coffees, Jeff knows that these can be blended to come up with an infinite number of 'taste profiles.' Jeff offers his customers a selection of ten.

In addition to a portfolio of 'taste profiles,' the group that Jeff works with has developed a prototype for his own fluid bed or air roaster. He says the advantage of an air roaster over a drum roaster is that you can bring coffee to quite a dark roast without a 'burnt' profile. Coffee has traditionally been roasted in drum roasters. "Drum roasting is a proven method that has worked for years, but that doesn't mean it's the best method." There are two problems with drum roasters that Jeff's model works to overcome. One is inconsistency of heat in the roast container, and the other is that the bean is in contact with the hot surface of the metal drum as it rotates and brings the beans back to the center. We had to walk outside around back of the roastery to find the room where Jeff's prototype is set up to roast their beans. Sacks of green coffee beans are stored in this room - a stack of about five or six of them sat in a front corner of the room. Green beans have a shelf life of about 12 to 18 months (though opinions vary on this), and they must be kept in a cool, dry place. The floor of this room is insulated, otherwise the bags would be up on a pallet. Roasting involves removing moisture from the coffee bean – about 18-21% of the weight of the bean is lost when roasting. Jeff explains that a roaster using a fluidized bed works much like a hot air corn popper. You put the coffee beans in, force hot air up through it, and because there is fluid, it is heated. As the heat from the

air comes past the beans, the conical nature of the roasting chamber throws the beans up in the air where they are suspended so that they do not come into contact with the hot metal surface. As the beans roast, a fine silver skin is removed. Jeff opens a pail of these shavings so I can feel the fine, silky texture of them. The shavings make good compost for local farmers.

Price is not a consideration when Jeff is choosing which coffees to buy. Price changes usually reflect natural inflation. More important to Jeff is a guarantee of coffee from a particular region, and a particular co-op. If the price goes up, they just pay it. To look for a better deal from a region 300 miles away would likely not solve the problem – "with certified organics they are all in the same ballpark anyway." The only reason he would have for negotiating a better price with a supplier would be if they were to open up several franchises so that they could promote the franchises on the basis of volume buying. Jeff trusts that the premium price he pays is going to the coffee farmers. The world coffee price fluctuates around US$1.20/lb. With the exchange he is paying about CND$3.60/lb for certified organic coffee, "so you know more money is being paid a) to the grower, and b) to the person bringing that coffee up." At the very least, from conversations he has had with his suppliers, and their conversations with co-ops, Jeff believes that certified organic coffee farmers stand to benefit from the laws of supply and demand alone.

Jeff is fairly confident that coffee farmers do not operate in the dark in the coffee trade. He believes more credit should be given to what farmers know in countries where coffee is grown. He compares coffee growers in the South to people working in the logging or fishing industries in the North. Industry workers do not operate without some

knowledge about how to price their product to suppliers. "Farmers know how to ask the right questions, make the right choices, and when they form co-ops they know they can fetch a better price because certified organics are in high demand. Information travels fast these days – it's impossible to keep coffee growers [or people harvesting the crops] in the dark – they talk among themselves and can figure out what processes will make farming worthwhile." By the same token, Jeff doesn't believe "you need any regulatory group or body… to dictate or tell what being 'fair' is. I think fair is a very subjective word," says Jeff, "just like taste is a very subjective thing. So if I have a conscience that wants to feel good about what I do, I don't need a group telling me that I need to pay them a percentage." Jeff thinks the term 'fair trade' and the system built around it originated with good intentions, but that it never really addressed all of the problems that could exist in the industry. For the past four years, Jeff has used the term 'farmer friendly' on his packaging. The term 'farmer friendly' is also used by other organic coffee roasters. It has not been patented by any particular individual, does not charge a premium, and simply speaks to a concern for conditions of production. Jeff explains that it is more an industry term than a trademark and nobody has taken up the challenge of trademarking it for that reason. For Jeff, 'farmer friendly' means no pesticides have been used in growing and harvesting coffee, that farmers can take pride in the quality organic coffee they grow, and that they will be compensated fairly, both in premiums and in return customers, for the extra effort required to obtain organic certification. The same applies to suppliers who wholesale green coffee beans and roasters who roast them. By the time we were finished talking about coffee beans, roasting, and Jeff's franchise

model, I was feeling strangely compelled to open my own 'Jeff's Roastery-Café' franchise.

Jeff invited me back into the store to try a cup of espresso that he promised would be neither bitter, nor give me the shakes. Jeff explained that a demitasse of espresso actually has less caffeine in it than a 12-ounce cup of drip coffee (80 mg vs. 200 mg) so it shouldn't give me the shakes. Part of building up a 'taste profile' is paying attention to how coffee tastes on the tongue. If an espresso is bitter, the coffee used was likely stale. The espresso I tried was very smooth – no doubt brewed with freshly roasted coffee beans. Before I finished the interview I gave Jeff a coffee mug bearing a University of Victoria insignia. He was pleased with the exchange.

7. The Problem with Standards and Certified Fair Trade

7.1 Standards and the Textual Construction of Social Facts

Standardization is a process which reduces objects, categories and measurements to textual forms that are 'the same for all practical purposes' (though in fact they are not), so that the activities of people can be coordinated across multiple sites (Smith 1999). Standards, when written into reproducible texts, work to transform the sense people make of their world to correspond with the categories and concepts given by particular organizing processes. Professional and institutional discourses are organizational processes used in written instruments to objectify relations so they are more easily coordinated across multiple sites (Smith 2005). For example, in public international law, 'development' and 'impact' are planned, implemented, and measured using United Nations declarations and policy initiatives that operate according to objectified text-based representations. All bodies in the United Nations (the ILO being one) are governed by written instruments which require interpretation in applying text to actual cases. International fair trade standards, such as those developed by FLO, operate much the same way as other international justice standards. In fact, many are endorsed by and included in FLO fair trade standards. Although enforcement and compliance are complex and nuanced in international justice standards, invisible in the standards themselves is the sequence of activity carried out by actual people that coordinates legally prescripted legislation as being just that in the actual lived world. Hidden from view is how the validity of the legislative process is dependent on the work people do across a sequence of stages to conform their experience, or that of others, to the terms set out by the legislation.

It has been argued that one of the problems with human rights standards is that they are often given in language that works well for lawyers but does not transfer very well to substantial objectives and interests outside of legal institutions (Schachter 1995). The problem is one of both social facts and agency. Formulating standards for fair trade can be understood as a procedure for constructing social facts. Once social facts become textualized in standards, agency[43] is transferred from actual subjects to the workings of 'legal' texts. Textually constructed social facts then become 'textual' realities. Textual realities are text-based phenomena that stand in for the reality they represent in a relation. Their meaning and legitimacy is taken for granted, and therefore requires no explanation in the relation. For example, ILO Conventions are taken for granted to represent standards for just working conditions; United Nations Declarations and Conventions represent standards for social and environmental justice; and adherence to FLO standards is taken for granted to represent fair trade. Textual realities are interpretable by people who know how to read and operate the texts of a given system. Irrespective of who particular individuals are, laws, United Nations Declarations, and in the case of certified fair trade coffee, FLO standards, stand in for events that are experienced by actual people. Because people themselves are invisible in these events, so too are the power relations that organize how they experience and interpret what is happening to them.

It has been argued that power is both produced by social relations and embedded in them. Smolin (2000:957) argues that "to the degree that the developing world has cast its lot with the international economic system, it needs to employ its natural strengths, and a large and lower-cost labor pool is a significant part of that strength." It is important

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[43] By 'agency' I am referring to a subject's capability to purposively act within a context they have assigned meaning to, rather than one in which meaning has been assigned for them.

to understand that while a certified fair trade system guarantees a fairer price per pound for coffee farmers, a low-cost labor pool is still a significant part of what makes fair trade work. Stammers (1999:983) explains that while "we need to see power as being held, developed, and exercised consciously by individuals and collective social actors, [we need] also recognize that [power] manifests itself structurally through the patterning of social systems regardless of consciousness or intent." The patterning of social systems is structured by 'legal' codes (i.e. written rules, principles, and laws) which regulate and organize social activity and practices. In the case of certified fair trade coffee, legal codes are textually signified in FLO standards, whose intention it is to coordinate and make recognizable, a standardized practice of fair trade. The problem with FLO's standardized system of fair trade is that while it guarantees a fair price (determined by FLO), it cannot guarantee that the price is universally interpreted or experienced as 'fair' by all parties involved.

FLO's standardized fair trade is a social fact, as is the price it has set for fair trade coffee. Invisible in social facts is the relationship between what people know and how they came to know it (Smith 1999; Weeks 1998). The textual mediation of trade relations in FLO-certified fair trade coffee circumvents the exchange of beliefs and knowledge between and among people with differences and replaces them with the objectified relations of the certified fair trade logo which guarantees a certified fair trade price has been paid to the farmer for the coffee they produced. The certified fair trade logo ensures that certain activities, as prescribed by FLO, coordinate with the text-mediated practices of certification, thereby resulting in fair trade. It does not account for all activity that was carried out, or for the way different people used different methods to carry it out; it only

accounts for the activity that coordinates with the text-mediated practices of certification, particularly that a fair price (as determined by FLO) was paid to the farmer for pounds of coffee produced and sold as certified fair trade.

Smith (1999:88-89) explains:

> Technologies of production and sales have been created to coordinate with text-mediated practices of management. They produce (for management) and enforce (for workers) a local order of accountability fully compatible with and interpretable in terms of the corporate system of accounting … At the level of the [worker], there are correlative technologies, regulations, and supervision that discipline workers to produce 'events' that are standardized in form and time so that the value created is accountable within the text-based ordering that produces it. [The] relational order … is both present *in* its paper or computer representation and concealed by it.

In the case of fair trade coffee certified using the FLO system, the relational order is both present in the certified fair trade logo, and concealed by it. Certification reduces the objects, categories and measurements of fair trade to textual forms that are 'the same for all practical purposes' so that 'fair trade' can be coordinated across multiple sites. In the case of informally regulated fair trade, roasters must establish the distinct character of their coffee as 'fairly traded' in order to develop market appeal and credibility. This often requires face-to-face contact with customers who get to know the roaster they are buying their coffee from, who have an opportunity to be educated about the coffee they are buying, and who can be told why the roaster is proud to sell it. The roasters' standards are less written and more experienced in the exchange between roaster and consumer, including the fine cup of coffee around which the relationship revolves. This is not to say that the personal exchange between roaster and consumer is not present where certified fair trade coffee is roasted and brewed, but that the 'fair trade' aspect of that relationship is based on the abstracted understanding of 'fair trade' produced by the certified fair trade

label, in the abstracted terms of that label. The following section deals with some of the problems that arise with certified fair trade and standards.

7.2. The Problem with Certified Standards

At first glance, fair trade appears to be unambiguous in its challenge to existing economic power relations. However, just as ideas and practices in respect of human rights and social justice serve to challenge particular forms of power, so too can they sustain them. The legitimacy of any challenge to power requires a thorough understanding of the processes and dynamics of power operating in particular struggles and transitions. If FLO is to avoid replicating existing relations and structures of power, it must both recognize and minimize the potential of its standardizing practices to serve as a way of sustaining dominating and hegemonic forms of power (Raynolds 2004; Stammers 1999; Heller 1999). Non-certified fair trade coffee is a fragmented form of alternative trade. It promotes redistributive justice, and functions through decentralized decision-making processes which operate at local levels. Non-certified roasters who sell their coffee in the mainstream market are organized to a lesser degree by overarching regulating bodies and textually-mediated standards, and more by actual exchanges between people. FLO certified coffee, on the other hand, works with homogenized standards, and with logos produced from them. Although the crafting of, and compliance with standards is to a certain extent carried out on a consensual basis, FLO is nonetheless an institutional structure whose textually-mediated homogenizing practices work to manage participants according to certain internationally accepted norms both within and external to the FLO fair trade system. Below are four examples of the way dominant

forms of power remain embedded and active in particular aspects of FLO-certified fair trade.

The first example is from Franz VanderHoff Boersma's (2002) case study of the Union of Indigenous Communities of the Isthmus Region (UCIRI). UCIRI is a Mexican organization of coffee farmer co-operatives that has a long history of involvement with the fair trade movement. In fact, UCIRI was involved in the original effort to launch a standardized fair trade label (Max Havelaar in Holland, 1989), the success of which led to subsequent initiatives in other countries and the eventual formation of FLO. VanderHoff Boersma himself was involved in this early movement. VanderHoff Boersma's (2002) case study provides an in-depth account of the UCIRI's experience of 'fair trade' which demonstrates how UCIRI benefits widely in both social and economic terms from fair trade. At the same time, VanderHoff Boersma suggests, the experience has not been uncritically satisfying for many UCIRI members. VanderHoff Boersma's study is written up as a brief history of the UCIRI organization as told by a group of indigenous peasant coffee farmers in response to questions asked by VanderHoff Boersma. Citing responses from members of this group of farmers, he writes:

> ...in general the Fair Trade system has not been very democratic… In practical and economic terms it is not easy to participate in all of the organizations that administer Fair Trade networks.[44] [Moreover,] … because the credit offered by the coffee buyers is currently more expensive than that offered by local banks, UCIRI has decided to seek credit with low interest rates each year from … banks and from national government organizations…the amount of the premium is never enough to cover the [cost of] the proposed projects, and for this reason resources are also obtained from government programs for some projects, including garden, store and construction projects (VanderHoff Boersma 2002:12-15).

[44] This criticism was in reference to participation in decision-making and also to competition between FLO and other ATOs (Alternative Trade Organizations).

It is apparent that although a FLO-determined fair trade price is being paid, it does not go far enough in its promise to improve conditions of production. Not only do these farmers get better credit locally than through FLO, but they must also rely on government programs to fund some of their most basic production projects. In this instance, is FLO's fair trade price really fair?

In addition to concerns about the fairness of the FLO-determined price, farmers view the certification system itself as deficient. Although farmers do not mind having FLO inspectors visit (they actually "appreciate the opportunity the visits give [them] to explain where [they] are at and what difficulties [they] are having" [VanderHoff Boersma 2002:16]), they cite a number of problems with the system itself:

> … there are not clear and punctual criteria that are sufficiently simple to inspect (this relates to the way people read and interpret standardized texts differently according to their own experiences of them);
>
> … producer organizations have had no voice in the formulation of the certification process, although they are the ones that have to deal with the criteria that are decided (at the time of this study farmers were not included in FLO's decision-making bodies);
>
> …because the standards of FLO lack transparency and credibility, the inspection often depends much on the inspector and how he or she goes about the inspection (textually-mediated representations of people's actual work do not make transparent the activities themselves, hence they lack credibility);
>
> … [the farmers] have never received any feedback from the inspection that would allow [them] to make improvements or changes to facilitate the inspection process (the purpose of the inspections is to determine if the organization passes or fails to meet the criteria for fair trade; criteria for facilitating the inspection process are textually irrelevant).

UCIRI members further explain that in practical and economic terms it is not easy to participate in all the organizations that administer fair trade networks. They cite FLO and IFAT as specific examples, explaining that there are many other Alternative Trade

Organizations (ATOs) to which they could also belong, that all charge fees for membership. A problem also arises when multiple ATOs appear in the same market making competition on the grounds of 'fair trade' ineffective.

In addition to fair trade certification, there are many bodies that certify organic products. Whereas most of these bodies originate in the North, the case of Mexico is particularly interesting in that Mexico now has its own ecological product certifying agency, CERTIMEX, created in 1997 out of ECOMEX which was established in 1994 by UCIRI and other organizations to examine the situation of ecological certification in Mexico. CERTIMEX includes fair trade standards in its organic certification inspections demonstrating a system whereby one inspection can be used to certify both organic and fair trade. The UCIRI case shows that although FLO policy intends to bring social justice to coffee farmers in Mexico, the selection of factors that matter does not necessarily serve the needs of UCIRI farmers at the local level.[45] As the complaints put forward by UCIRI farmers suggest, FLO-standards organized around democracy, participation, and transparency do not inherently lead to the fulfillment of basic needs of production.

The second example is found in the organization of FLO standards themselves. FLO standards have different criteria for producers and traders. At first glance, this does not seem problematic given that producers grow, harvest, and process coffee beans, while traders trade them. However, it is worth noting that standards for producers are focused on processes for complying with FLO standards while standards for traders are focused

[45] It is interesting to note that a Dutch agricultural engineer visiting various communities and coffee farms in 1985 came to the conclusion that the coffee fields in this region were already practically organic due to negligence (VanderHoff Boersma 2002:5). Yet, rather than validating and normalizing the local practice of 'negligence,' 'negligence' has been assimilated extralocally into a bureaucratic and textually reproducible system of certification.

on maintenance of FLO standards. Item *5.2 Maintenance Criteria* for FLO registered traders (FLO 2003b:8) explains:

> …since FLO does not certify traders, there are no process criteria for FLO Registered Traders. Instead, there are maintenance criteria. Traders must comply with FLO Standards, their FLO Trader Contract, and continue to meet the criteria set out in [the] FLO Trader Application Evaluation Policy.

The *Trader Evaluation Application Evaluation Policy* is a 13-page document, eight pages of which are taken up defining terms such as actors, products, FLO certification, FLO registration, etc. The document includes *Entrance Criteria* requiring that traders open up significant new markets for FLO Fairtrade products, or else show that an existing trader or supplier must be replaced. Other than in *Item 5.2* above, *Maintenance Criteria* are not specifically referred to again by that term in the document. Evaluation criteria, which I assume comprise 'maintenance' criteria, relate to not putting the FLO organization into disrepute or undermining FLO fair trade, avoiding predatory commercial practices, and complying with *Fairtrade Standards* in terms of establishing long-term trading relationships with producers, helping to develop FLO-certified producers, and submitting an accurate quarterly flow of goods report. If approved, the application becomes a contract outlining what the trader is 'willing' to do to meet certain obligatory requirements, as well optional ones on becoming registered as a FLO-certified trader. Trading is certified against FLO *Trade Relationship Standards* whose auditing is performed by FLO Trade Auditing Staff or if approved, by the Trade Auditing Staff of National Members (i.e. *TransFair Canada*).

Standards for small farmer organizations explicitly organize production into social, economic and environmental development objectives. They are designed to

promote and maintain the social and economic development of small farmers by fostering democratic organization and just labor practices. Processes for meeting each objective are specifically categorized under *Minimum Requirements* and *Progress Requirements*. In essence, the 'requirements' set up expectations that producers will continuously work towards meeting certain objectives, and that their processes for doing so require external monitoring both for compliance and for progress towards exceeding minimum requirements. The processes traders use appear to be taken for granted, i.e. "there are no process criteria" (FLO 2003a:8), hence *Progress Requirements*, although expected, are not explicitly listed in FLO trader standards. The implication is that traders 'know how it works,' that whatever they have agreed to do in their contract is adequate, and that the fair trade processes they have chosen only need to be maintained as spelled out in their contract. Differences in the way fair trade criteria are monitored and apply to producers and traders point to a system of standards that originates in the North and comes down to the South. As such, FLO monitoring practices enforce and reinforce particular divisions and connections in North/South trade relations.

Notwithstanding that I have just argued that FLO standards are not universally applied across all sectors of the FLO network, the third example of the way dominant forms of power remain embedded and active in particular aspects of FLO-certified fair trade is FLO's assertion that universally applied standards are the most effective way to achieve and ensure fair trade, and that compliance with standards set by certain other international standard-setting bodies is a desirable end. I find FLO's involvement with ISO standards to be particularly problematic. FLO does not say what the significance is of compliance with the particular ISO standards with which it is seeking compliance, nor

does it offer reasons for not seeking compliance with the other 11,998 standards. Since details about the particulars of ISO standards are virtually inaccessible to the average person without undue expense, it appears we are simply to take for granted that FLO's compliance with *ISO 65* and *ISO 9000* is a good thing. The ISO is admittedly in a strategic partnership with the WTO aimed at promoting a free and fair global trading system. Since the WTO's track record with fair global trading systems is questionable, and can be argued to be biased in favor of rich Northern countries (Shrybman 1999), the extent to which ISO standards can work to "level the playing field" (ISO 2003) is very questionable. FLO's reasons for seeking compliance with ISO standards, and how such compliance contributes to making trade 'fair' needs to be more clearly laid out.

Finally, I was puzzled to learn that *TransFair USA* representatives attended a Specialty Coffee Association of America (SCAA) convention in 1997 where they attacked specialty coffee traders as targets for their mission to transform relations of trade in the coffee industry.[46] As I have shown, Paul Katzeff had long been working internally to bring the message of fair trade to the SCAA. Over time, the SCAA seems to have progressed in that direction *in its own* way, without the direct influence and organizing practices of an external international regulating body re-orienting its practices and beliefs. Farmers have always been involved in the annual meetings of the SCAA and have participated in defining quality coffee all along (recognizing of course that not all farmers, or roasters for that matter, have equal access to these meetings, the same would be true of FLO). It seems *TransFair's* energy would have been better spent going after corporate coffee interests. It is there that the most heinous inequities in pricing occur (i.e. New York Stock Exchange), and it is also there that the majority of coffee trading takes

[46] I acquired this information from a local coffee roaster who attended the SCAA meeting in 1997.

place. TransFair's intervention may have significantly influenced the time it took for the SCAA to incorporate social justice concerns into its requirements for membership, but it also alienated a lot of specialty coffee traders along the way. If FLO is to avoid colonial tendencies in its organization of fair trade it must approach coffee associations such as the SCAA in the North, and associations of coffee producers in the South, with the spirit of working synergistically with the strengths and knowledge already there, saving its transformative energies for sectors that know much less about the value of coffee and who resist the principles of fair trade.

8. Data Analysis: Knowing Beans About Coffee

8.1. Labels, Trust, and Quality Coffee

Through the relations of ruling, 'fair trade' becomes an objectified relation accomplished both intentionally and unintentionally by professional and institutional discourses originating in, and activated by, the reading and interpretation of texts. To illustrate my point, I provide the reader with a map which they can use to interpret what I mean by fair trade coffee as I discuss it below. Where I use 'fair trade' in this section, I am referring to fair trade coffee (certified and non-certified) generally. Where 'fairly traded' is used, I am referring to non-certified fair trade only. Where fair trade is used, I am referring to certified fair trade only. In the case of certified fair trade coffee, the text being activated and interpreted is the certified fair trade logo, which among coffee people (including enlightened consumers) is understood to be *Fair Trade*, in Canada, *TransFair Certified Fair Trade.* Non-certified roasters, at least the ones I have talked to, prefer to identify their coffee as 'fairly traded' or 'farmer friendly,' terms which are less textually organized by standards and monitoring, but nonetheless appear on packaging where they are read and interpreted by someone who may or may not know what they mean.

Fair trade certification is a standardized form of textual regulation that allows a regulating body like FLO, or *TransFair Canada*, to check, monitor, and validate that certain standards and procedures have been met in a sequence of activity that begins with a coffee farmer and ends with a roaster offering certified fair trade coffee to consumers. A sequence of inspections ensures that the coffee sold as *TransFair* certified is

guaranteed to have been traded fairly[47] Certified fair trade roasters know their coffee has been traded fairly because they participate in a traceable system of verification which ensures that this is so. As long as a roaster properly fills in required forms, reports them in a timely manner, pays the licensing fee, and practices transparent accounting procedures, *TransFair Canada* collects the data and sends it to FLO where it is matched against other data in a giant database. The matching of this data is a signal that proper fair trade procedures have been followed all along the commercial chain, and that all coffee being sold as fair trade, is actually being traded fairly in accordance with FLO standards and policy. When they affix the *TransFair* certified label to their product, Canadian fair trade roasters can trust that all the standards and procedures required by the fair trade certification system have been met. A consumer's recognition of the *TransFair* symbol affixed to a product becomes the final step in a sequence of certified fair trade. How the consumer reads and interprets the *TransFair* certified label on a package of coffee depends on the extent of their awareness and knowledge of social justice issues and fair trade coffee, and their level of commitment to fair trade.

In order to activate the *TransFair* certified label, a consumer must be must be able to recognize and properly interpret what it means. The intended interpretation of the label must be meaningful to a consumer if they are to become a customer of that product in the spirit in which the label is intended. Moreover, unless a consumer knows how to differentiate among *TransFair* certified, and/or organic, and/or eco-friendly coffee, they will not understand the price difference, quality, or social justice implications of choosing a particular product. The mainstream market also offers organic, eco-friendly, and other

[47] I refer to TransFair specifically, rather than to FLO generally throughout this analysis, not to single out TransFair, but because TransFair is the relevant certifying body in Canada, and the one to which roasters I interviewed would be referring.

coffees with claims to social responsibility. Unless a consumer has tried and compared products, there is no way for them to differentiate the quality of particular coffees based on their labels alone.

In a situation where a consumer is making a choice based on labels alone, an experienced and informed consumer's work would be greatly reduced by being able to identify the *TransFair* label and select a socially just coffee without the aid of a roaster there to tell them about the social justice benefits of co-operatively grown and fairly traded coffees. This kind of consumer knows about the benefits of *TransFair* certification, and understands why there is a price differential. In this situation, a consumer only needs to know about the label to become a potential customer. However, to an inexperienced or uninformed consumer, the information provided on *TransFair* labels may be vague and meaningless. A customer may be attracted to the *TransFair* certification logo without fully understanding fair trade standards and policies, or the difference between organic, eco-friendly, and fairly traded coffee. A comparison of labels simply indicates that one has a more mysterious or appealing name than the other, or that one costs twice as much as the other. While the *TransFair* certified label precludes a roaster having to explain or justify their fairly traded products to enlightened customers, it leaves much unaccounted for in the exchange.

For example, the *TransFair* certified label does not account for the immense field of knowledge that roasters have about good quality coffee and about good quality coffee beans. Nor does it account for the way that knowledge held by roasters and consumers holds roasters accountable in the quality of the coffee they bring to the market. The label fails to capture the quality of work that goes into choosing coffee beans, and then

roasting, blending, grinding, brewing, and serving them, or naming them as packaged coffees. It fails to capture the roaster's pride in the high-quality coffee they offer or serve to customers. The label neither accounts for the amount and quality of work roasters put into developing market appeal for their particular coffees, nor the depth of coffee and market knowledge required to put quality coffee on the market at a price customers are willing to pay.

Where 'fair trade' consumers are concerned, the 'quality' of the coffee they are buying may or may not be a concern to them. Unlike 'fair trade,' quality is tangible. Although 'quality' is a text that can be read and interpreted as a word printed on a package label, or as an assumption about coffee coming from a particular geographic region, quality can also be interpreted tangibly by the senses. It can be discerned by looking at coffee beans and tasting brewed coffee. People can be taught how to look for quality in coffee beans and how to roast, grind, and brew them to produce a 'quality' cup of coffee. Even so, people's experience of quality is never universal. Roasters know that although 'quality' can be tasted in a cup of coffee, taste is subjective and subject to change across space and time. Still, a basic understanding of what quality means can be reached in any given social relation.

Although Western culture tends to favor textually established relationships of trust such as those established by fair trade certification, once a mutual understanding about quality has been reached, quality can also be experienced as trust in a relationship.[48] Trust in quality 'fairly traded' coffee is linked to knowledge about coffee

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[48] Quality relationships in many traditional indigenous societies have long been organized by trust. Western colonizers eroded trust and replaced quality relationships with treaties in North America (Atleo 2004; Berkes 1999; Turner & Atleo 1998; Anderson 1996). Since a large percentage of fair trade coffee is grown and harvested by indigenous farmers in the South, the idea of quality relationships in fait trade

beans and can be traced back to the coffee beans themselves, rather than to paper representations of how they were traded, all along the commercial chain. Although this is also possible, and even desirable with certified fair trade coffee, processes of inspection and monitoring make it unnecessary. By focusing on quality, fair trade farmers, importers, and roasters can all be held accountable for the quality of coffee beans they grow or sell. Since quality can be tangibly (though variably) experienced and sensually interpreted by people, in local settings where 'fair trade' coffee is taken up along the commercial chain, strengthening the association of 'quality' to 'fair trade' removes some of the abstraction in a relation of fair trade.

The *TransFair* certified label does not account for all the market knowledge collected, held, and used by roasters who participate in fair trade. Indeed, the marketing work done by roasters themselves is invisible in the *TransFair* certified coffee label. One of the selling features of certified fair trade coffee is that it is possible [albeit sometimes difficult] to contact an actual roaster 'person' to get information about how coffee is grown and who the farmer is that grows it. It is likewise possible to trace non-certified fair trade coffee back to the farm or co-operative where it is grown. In theory, certified fair trade roasters need only look for the *TransFair* certified logo to order product they are confident is 'fair trade.'[49] Non-certified fair trade roasters like Gary, Bill, and Jeff must have established a relationship of trust with the suppliers they deal with before they

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coffee is most salient. I am introducing this issue as a footnote not because it is unimportant or not pertinent, but because it is so broad it requires its own thesis to address.

[49] I am not implying that certified fair trade roasters are impersonal in their commitment to fair trade. In all fairness, I acknowledge that many TransFair certified roasters are deeply and personally committed to helping the farmers they are working with. My point is that it is possible to be a fair trade roaster without such a commitment when dealing in certified fair trade; Nestle's recent launch of a certified 'fair trade' brand is one highly controversial example.

are assured that the coffee they are selling has been 'fairly traded.'[50] This relationship begins by networking with roasters, suppliers and other coffee people in the business of fair trade. Where Jeff used coffee trade networks to establish relationships with suppliers who buy directly from farmer run co-operatives, Gary and Greta learned about the particular farms or co-operatives they buy from through talking with suppliers, one of whom sent them printed material and a CD about one of those farms. Bill goes to SCAA conventions to meet and talk with farmers, and also to learn about quality coffee. Bill acquires detailed information about how coffee is grown on their particular farms, estates or co-operatives, and then features them in the marketing of his coffee.

A key feature of the relationship all three roasters have with their suppliers is direct conversations with the people who visit the farms to verify that organic practices are being used, and that workers are treated and paid fairly. This is not a textually mediated relationship of fair trade like the one put in place by certification processes. I'm not saying direct relationships are not important to roasters who sell certified fair trade coffee, but that they are not central to establishing the legitimacy of 'fair trade' because that is done by properly filling in forms and submitting them to *TransFair Canada* for verification. The *Fairtrade* logo supersedes the particularities that arise from direct conversations as the determining factor of 'fair' trade.

This is not to say that textually mediated assessment mechanisms are entirely absent in the exchange of non-certified fair trade coffee. In fact, each bag of coffee that roasters receive has a number on it that is traceable to the region, co-operative, and farm

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[50] Gary and Jeff use a shortcut by looking only for certified organic coffees in their supplier's offerings lists. Organic certification is an area whose own unique debates and issues have been widely written about and studied (Raynolds 2004). Although many of the issues overlap with fair trade certification, the focus of this paper is strictly 'fair trade.' Organics have been mentioned only to the extent that they are part of a roaster's perception of 'farmer friendly' or 'fair trade.'

that the coffee comes from. If the coffee is certified organic, a certification symbol to this effect will also appear on the bag. Burlap coffee sacks, either full or empty, make up part of the décor of the coffee shop and are thus texts in themselves. The rustic folk art atmosphere is also a form of textual attraction. Roasters visit websites and read coffee association literature and magazines to keep abreast of what is going on in the coffee industry. The SCAA has an enormous influence on the language and knowledge base that Gary, Bill, and Jeff have in regard to quality coffee. Referring again to the SCAA's definition of 'specialty coffee,' I have highlighted below, some of the institutional language the roasters used in my interview summaries. By institutional language, I mean language that describes coordinated and intersecting work processes, taking place in multiple sites that different players perform to produce what can be formally recognized as 'specialty' or 'quality' coffee:

> The definition of specialty coffee begins at the **origin of coffee**, the planting of a particular varietal into **a particular growing region of the world.** The concept of 'specialty' includes **the care given** to the plant **through harvest and preparation for export**. Specialty coffee in the **green bean phase** can be defined as a **coffee that has no defects and has a distinctive character in the cup… to be considered specialty it must be notably good.** The **next phase is roasting … bringing out a coffee's distinctive character** is the roastmaster's challenge. In roasted coffee, most agree that **freshness is a part of the definition for specialty**. If the coffee is not highly aromatic then it no longer deserves to be called "specialty." **Then there is the brewing phase**. There are many different methods, and all are capable of brewing beverages that can qualify as specialty coffee, but only if done correctly. **The right ratio of coffee to water, the right grind suited to the method and the coffee's physical characteristics, the proper water temperature and contact time**, a good preparation of the coffee "bed" or "cake" are all fundamentals that must be satisfied to produce a specialty cup of coffee. **Specialty coffee is, in the end, defined in the cup. It takes many steps to deliver that cup into the customers' hands. Each of those steps can uphold the classification of specialty if quality has been maintained throughout all the preceding steps** (SCAA Backgrounder N.d.).

The SCAA's primary function is to set industry standards for growing, roasting, and brewing quality coffee. Explicitly stated as part of those standards is the SCAA's (2004b:2) commitment to "*total quality* [SCAA's italics], which encompasses quality of life, quality of the cup, and quality of the environment." The SCAA's *Fair Trade Position Statement* (SCAA 2004a; also Appendix III) acknowledges fair trade certification as "a valuable tool in providing integrity and transparency to coffee commerce and building consumer demand for fair trade coffee, [while at the same time recognizing] that there are other ways members can promote concepts of equitable trade, sustainability, and transparency. [The SCAA] encourages all members to source their coffees in ways that support these ideals." Equitable trade, sustainability, and transparency, along with 'quality of life and of the environment' are concepts that lend themselves easily to abstraction; the quality of the 'cup' does not. 'Cup' quality is a key and tangible feature of the standards the roasters I interviewed use to define their 'fair trade.'

Quality coffee is the first and foremost consideration for roasters like Gary, Bill, and Jeff. These roasters know about coffee beans. They know they are selling a quality coffee because they know how to differentiate among different kinds of green beans and how to choose quality green beans both by the physical appearance of the bean and by the region the beans are grown in. They know how to convert green coffee beans to a perfect roast, and how to grind and brew roasted beans to achieve optimum flavor. They experiment with blending and roasting beans, and keep track of every minute and every degree of heat used to roast every batch of coffee they produce. They know that taste will vary according to the region coffee beans are grown in, the expertise of farmers in

growing and harvesting beans, and the care taken in growing, harvesting, processing, shipping and storing green beans. Likewise, their own expertise in ordering green beans, and then roasting, blending, and grinding them, and finally brewing and serving coffee, will determine the quality and the taste of the coffee that they serve on-site.

A roaster knows that once coffee beans leave the roaster's site, taste is dependent on the customer's ability to grind and brew the coffee properly, and that taste will sometimes be compromised even when proper care has been taken to educate a customer in these skills. A roaster knows that because taste is a subjective thing, a customer's perception of taste may not agree with that of the roaster. While some customers prefer a strong, bitter edge, others prefer a well-balanced or milder taste, while still others have a sentimental attachment to a particular geographic origin which is their deciding factor in choice of coffee. Gary, Bill, and Jeff all carefully work to determine the tastes and needs of customers with fluctuating taste preferences, and then develop coffees that either stand on their own or blend to suit those preferences.

Part of the problem with textually based standards is that they reach in from the outside and organize local events in such a way that they become accountable to and by a system of written standards. In order to conform to standards, local contingencies must conform to the categories given in the standards. Local contingencies do not actually disappear from the local scene where events are happening in this process. Textual representations simply make particular aspects of local happenings appear the same. What is not the same is not represented in the textual production or reproduction of the event, so it becomes invisible. One of the advantages the SCAA has in organizing coffee trade is that its members know about, are interested in, and personally benefit from trade

in coffee. Because SCAA standards have been formulated by people who work directly with the processes involved in specialty coffee production, they make sense to coffee people who abide by them or look to them for guidance. Local contingencies *are necessarily* in accord with SCAA standards. What is generalized across particular local settings is the label 'specialty' coffee. How that label is earned is up to each individual roaster. Some will barely qualify while others will strive for the best quality possible. This accounts more realistically for the way people actually are in the world.

SCAA standards do not attempt to reproduce as the same for all practical purposes the local actualities that their categories and measurements account for. 'Specialty' and 'quality' are processes. There are many variations in their expression at each local level. Roasting is an art that does not lend itself to being textually replicated. As Gary explains, "It's not something you can read about – it's something you just have to watch." Although once a particular roast has been perfected, it can be replicated, each time a new shipment of green beans arrives, it requires 'cupping,' and possibly an adjustment to the roasting schedule to account for variations in the year-to-year supply. Bill believes that with agricultural products "quality can be a really significant factor now, [in fact] it's traded," he says. "[Farmers need to] understand the worth and value of their coffee and actually see that value themselves… They need to understand [that] the value of their coffee is tangible." Quality is not an abstract – it is there in the bean and can be recognized by everyone along the commercial chain. If quality is not an abstract, neither is the value that derives from it. It may not have the same meaning for everyone, but it can be seen, tasted, felt, profited from, and developed as market appeal.

With the informally regulated fair trade roasters I consulted, developing market appeal begins with suppliers who visit farms directly so they can grade and 'cup' the coffee beans they are going to supply. Suppliers then provide roasters with 'cupping notes' which tell them about the grade of coffee and how the coffee will taste. Beans that are irregularly sized, broken, or have too high a moisture content are graded lower because these types of defects affect the quality of the roasted bean. Gary, Bill, and Jeff know that taste is subjective, and that a supplier's 'cupping notes' may not provide the most useful information about the taste of the coffee they are getting. They are confident, however, that suppliers do not lie when 'cupping' coffees. Just as roasters have to be straightforward and trustworthy to keep their customers coming back, they know that suppliers have to be straightforward and trustworthy, or roasters will stop buying from them. The grade of the beans, to some extent, speaks to their conditions of production, and also of the care and the expertise of the farmers growing them. The suppliers used by the roasters I interviewed visit farms directly to find out about conditions of production and choose farms that will meet the criteria roasters expect in terms of working conditions and bean quality. This relation is not textually mediated, it is accountable in the bean.

Part of being trustworthy is being able to offer or order a consistent supply of coffee beans. Consistency is tied to weather, inventory control, and fluctuating patterns of supply and demand. Consistency is important all the way along the chain. If a farmer is going to work hard to produce quality coffee beans, they need to know they have a market for them at a premium price. This is where a certified fair trade system can fall short. Although farmers may grow coffee to be sold as FLO-certified, market conditions

may be such that they can get a better price selling it as good quality specialty or organic coffee without paying the fair trade premium. Conversely, they may not be able to find a market for their certified fair trade beans, in which case they have to take whatever price they can get. There is no guarantee that FLO-certified producers will be able to market all the coffee they grow as certified fair trade, and therefore, no guarantee that they will receive the fair trade premium on all the coffee they produce.

With non-certified fair trade, suppliers are dealing directly with farmers who meet certain standards of quality in their coffee beans, including the social and environmental growing conditions they were grown in, and also with roasters who want to buy that coffee. Here is an example of how direct relationships work more effectively than those which have been textually mediated. When the supplier makes a deal to buy coffee beans from a farmer, they buy the whole crop. The exchange of a consistent supply of good quality coffee beans enhances trust and can be the basis for a long-term trading relationship. In addition, once a consistent supply of good quality coffee beans has been established, issues of supply and demand become less pressing. The relationship is interdependent because trust and consistency are in everyone's best interests. Where a consistent supply of good quality coffee is a concern, trade relations are regulated by the actual lived consequences for all those involved in the relation. Textually mediated standards are not designed to ensure consistent supplies in the same way.

Since most green coffee beans have a shelf life of about 12 to 18 months, importers need to be able to predict how much coffee they can import and sell in any given year. Neither Gary, Bill, nor Jeff have the space or financial resources to stockpile pallets of coffee, so importers need to be able to store it for them, and supply it on

demand, usually within two to three days. Roasters like Bill and Jeff, with several years in the business and well-established 'portfolios,' are able to reserve particular crops of coffee with their suppliers and draw on them as needed throughout the year. Roasters like Gary, who are just starting out, have a more difficult time establishing consistent demand and supply, because they are still experimenting with flavors and establishing demand for their product. Regardless of whether they are just starting out or have a well-established business, whether selling certified or non-certified fair trade coffee, roasters of good quality coffee are held accountable to customers whose loyalty is built on a consistent supply of product, regardless of how it is labeled.

Gary, Bill, and Jeff know about the power and inadequacy of labels. By power I am referring to mainstream brands which distinguish their coffee by advertising image and taste, without ever accounting for the actual products being offered in the package, much less how they were produced, or the consumer's (unfabricated) experience of the products. The issue of *Starbucks* arose unsolicited in all three of the interviews I conducted. I was surprised to find that small business roasters do not associate *Starbucks* with the sort of power I describe above. Although all three roasters suggested that *Starbucks* served 'bad' coffee, they also recognized that *Starbucks* is run by coffee people who know how to establish a market for coffee that is accountable, at least to some degree, for its quality. While Starbucks is no match for these roasters where quality coffee is concerned, they do not equate *Starbucks* with mainstream brands like Nabob, MJB, and Maxwell House whose names appear on packages as if they mean something in themselves; names with meanings taken for granted, never specified. Although roasters are not present at Starbucks outlets (roasting is done centrally at a plant in the United

States), Starbucks baristas are on-site to deal directly with customers and to answer concerns about quality or conditions of production. While the roasters I talked to were not convinced that Starbucks was doing all it could to produce socially just coffee, the roasters did congratulate Starbucks for building a market where specialty coffee could be sold at $3.00 or $4.00 a cup. What has the roasting community learned from Starbucks? How to locate and organize a coffee business that provides customers with an appealing experience is the lession. Roasters need to be accountable to the customers they want to serve.

According to what I observed, roasters are accountable to the customers they serve, and accountability is expressed and measured in their capacity to provide a consistent supply of good quality coffee. The reputation they establish reflects on them locally and also in the coffee community at large. Mainstream brands are accountable to no one in particular, save for nameless traders on the New York Coffee Exchange. With mainstream brands there is no one in particular to contact for accountability. It is not possible to contact Mr. Nabob or Ms. MJB directly to find out information about their product. The labels can only be traced back to large corporations where one might find a 'customer service representative' available to answers questions about the product. There are no transparent standards and policies in place whereby a consumer, roaster, or retailer could trace the product back to its original producer so that one could find out about how a particular coffee was grown. In fact, the mainstream roasting process and roaster 'person' are completely invisible. It would require some effort to determine the identity of the roaster 'corporation' which actually packages these coffees. Yet, the mainstream

label stands on its own without having to justify its price at $1.99 to $3.99 per pound retail.

It is important to bear in mind that the expansion of specialty coffee was not initiated by the dominant coffee trade, but by small regional roasters who developed new sources of supply, and new modes and networks of distribution, and which allowed for more direct contact between roaster and consumer, and hence, a more direct contact between producer and consumer (Roseberry 1996). SCAA standards were developed from within the coffee industry by coffee people who know how coffee people work. They account for the work coffee people do and also for what is important to coffee people, including consumers with a preference for quality coffee.

The SCAA takes its definition of 'specialty' coffee seriously, including the social and environmental relations built into it. It neither associates with the NCA, nor invites NCA membership in. The SCAA does not want to have its fine-tuned definition of 'specialty' coffee watered down. Specialty coffee roasters do not compete on a level playing field, nor for that matter do certified or non-certified fair trade roasters. No amount of certification is going to make that field level. The coffee roasting business is not designed as a level playing field – the market is not even – local contingencies make all the difference. From site location to choice of supplier, from skill level with roasting to type of roasting machine used, from marketing appeal to length of time in the business, local actualities influence the way 'specialty,' 'quality,' or 'fair' can or will be expressed and experienced. Local contingencies are vital aspects of a roaster's success and profitability. Local contingencies are likewise vital to the success and profitability of farmers and importers. Quality coffee cannot be produced by people who cannot afford

to work, be it on the farm, in the importing business, or in a roastery. Fair trade standards' textual reproductions of events do not account for variations how production remains viable all along FLO's certification chain. Hence certification does not ensure that all conditions of production have been just.

The only actuality textualized certification guarantees is that a fair price, determined by FLO, has been paid to coffee farmers. The actual and varied lived experiences that FLO-certified fair trade stands for cannot be standardized, and therefore, cannot be captured by a *Fairtrade* label. I am not arguing that certified fair trade is ineffective in bringing social justice to the coffee trade, just that its method is incomplete, and should be cautiously heralded as the only verifiable means of attesting to the authenticity of fair trade. Developing mass-market appeal, especially through textually-mediated means, threatens to reduce fair trade's well-intentioned mission to a struggle for market share. Whereas a mass market for coffee arguably exists and must be served (at this time), mass marketing fair trade coffee may not be the most effective way to transform unjust relations of trade. Mass production itself, whether on the farm or at the level of the roaster, does not have an encouraging record of attaining social, environmental, or economic benefits for all involved. Small, local roasteries where fair trade coffee is produced and sold may have a greater potential for transforming unjust relations of trade. With moderate aspirations for growth and a commitment to principles they may be transmitting a more consistent message about fair trade.

8.2 Conclusion

Certification standards produce events in standard form so their value is accountable within the text-based ordering of the FLO system that produces them. Yet, as this study of the roaster at work demonstrates, a focus on the actual work done, and knowledge held by roasters reveals a degree of accountability that is lost in the institutional texts of *TransFair* certified fair trade. The strength of the *TransFair* certified logo lies in the knowledge held and the processes used by actual people working in the certification chain. When these are held up against a mainstream brand, the invisible qualities of *TransFair* certified coffee come to the fore. The same is true of informally regulated fair trade coffee, and is also one of its key strengths.

My research provides two examples that can be applied to the question of how well textual standards transfer to substantial objectives and interests outside of standard-setting bodies. The first is the way SCAA quality standards apply and are taken up in fair trade coffee, and the second is the way FLO-certified standards are formulated and applied. Notice that quality standards 'apply to' coffee. They originate from within the coffee trade and apply to the extent that businesses choose to use them, whether as SCAA members or not. Where there is minimal compliance, other roasters will know it by the quality of the coffee offered. Roasters talk amongst themselves. The roasters I talked to were interested in and informed about other roasters in the community. They had a sense of how their coffee measured up against others in the community, who their competitors were or were not. Their customers may or may not know, and may or may not care about the quality or terms of trade of the coffee they are buying, but the *TransFair* label alone would do little to change that. *TranFair* certification is organized outside of the coffee

trade, and reaches in to apply standards to it. FLO-certified coffee works with homogenized standards, and with logos produced from them. Although the crafting of, and compliance with standards is to a certain extent carried out on a consensual basis, FLO nonetheless represents an institutional structure whose textually-mediated homogenizing practices work to control coffee roasters according to certain internationally accepted norms both within and external to the FLO fair trade system. The norms are not specific to coffee, or even for coffee, yet they are universally applied to it. Although farmers' lives are improved in the process, the label stands in for the relations of that improvement. We cannot see what that improvement actually looks like, only what the label implies is there.

Quality is tangible and cannot be universally applied. Moreover, as Bill has said "...quality can be a really significant factor... it's traded." Bill's reputation in the Victoria area is as exemplary as his coffee; he should know. Of course not all informally regulated coffee roasters are as committed as Bill, and Bill does have the advantage of several years in the business on his side, but other roasters learn from Bill's experience. His work can be held up as an ideal. Bill's success was built on quality coffee and fair trade long before certified fair trade came to Canada. As a result, he does not appreciate an outside agency coming in and demanding that he pay a fee to do what he already knows how to do, and from what I could see, knows how to do better. Bill knows from his own experience that there are solutions within the coffee trade that could make quality coffee and fair trade shine as a craft. Jeff has had a similar experience and is now developing a fair trade model for coffee franchises. Gary is new in the business so the struggles are greater for him. By his own admission he is still feeling his way around and

developing the terms of their fair trade business. At this early stage both quality of coffee and quality of relationships can greater difference to him than a fair trade label. Quality standards apply directly to coffee, therefore they can be tangibly translated into substantial objectives and interests by coffee roasters. FLO standards, while they cannot be applied directly to coffee, reach in to organize the substantial objectives and interests of coffee roasters. The distinction between the two is agency.

FLO's certification processes are designed to be textually accountable so there is no need to explain the actual work being done to enact them. As such, agency is handed over to the label. Whereas the fair trade certified label is an avenue into the mainstream market, it ends up working like other labels in the mainstream market which hide from view the work being done to bring the product to the market. This is unfortunate because the quality of productive work that goes into fair trade is one of 'fair trade' coffee's most valuable assets. The *TransFair* label plays a role in drawing attention to, and justifying the possibility of fair trade, but it cannot talk about the way fair trade coffee actually is at any given local setting. With non-certified fair trade, roasters justify their product by carefully selecting and establishing direct relationships with suppliers, learning about the regions and locations that coffees come from, and developing expertise in roasting skills so that they can establish a market for quality fair trade coffee based on the reputation of the roaster, their coffee, and eventually their company name. Establishing a label that customers associate with their product is not an immediate goal for Gary, Bill or Jeff; establishing a quality coffee and customer loyalty is. These roasters know that it doesn't matter how they identify the coffee on their labels. If the quality is not there, the customer base will not be either. I have not done the research yet, so I can't be sure, but I

suspect from what Gary, Bill, and Jeff told me this would be true across the commercial chain that supplies informally regulated fair trade roasters with coffee. Of course, these roasters cannot be sure that all their customers buy their coffee because it is good quality, 'fairly traded' coffee, but they believe that that quality works, and that a company name, label, or brand will live or die by it.

As fair trade coffee reaches further and further into the mainstream, it is important to consider the limitations a system of standardized trade may have (including the alternatives it overlooks or discredits) to transform oppressive trade relations in a market built on consumer sovereignty and the colonial enterprises of an international economic system of which it is a part. If advocates and policy makers do not adequately consider how they create, categorize, implement, and monitor 'fair,' or consider how aspects of 'fair' change over space and time, disadvantaged coffee producers in the fair trade system may find themselves either side-swiped from or absorbed into a market place that is subject to the capricious desires and demands of an abstract economic system rooted in neoliberal trade relations.

Standardization expands the textually-mediated practice of fair trade, and paves the way for dissolution of the very relations FLO is trying to build. Fairtrade coffee is subject to many forms and relations of power in the space it is trying to carve out at the margins of a textually-mediated international system of trade (Otto 1996:12). While operating in a textually-mediated network of social relations, fair trade risks having its means of agency and effective resistance co-opted by dominant market forces. The emergence of bird-friendly, eco-friendly, and organic coffees which have not been fairly

traded, and whose claims to socially responsible practices are sometimes questionable, are prime examples.

I believe fair trade coffee offers great potential to move beyond abstract relations of exchange by re-inserting relations of exchange *between people* in its trade practices. Challenges and opportunities for fair trade coffee lie in a trade environment which functions primarily according to written standards and legislation. The challenge for fair trade coffee is to understand how written standards, which stand in for the knowledge and activity of people who perform the work of fair trade, limit the potential of fair trade to move beyond abstract relations of exchange. The opportunity for fair trade is to draw attention to valuable fair trade knowledge and activity made invisible by textually-mediated standards. By drawing attention to the way agency is, or is not organized around people within fair trade relations, the presence or absence of agency becomes visible in what people are actually doing, rather than in textual representations of their work. A focus on what people know, and the way they use that knowledge to 'do' fair trade coffee is not only fair trade coffee's greatest asset for transforming abstract relations of exchange, but also its greatest defense against co-optation by dominant market forces more concerned with profit than with social justice. Whereas fair trade's intentions can be co-opted by these forces, the actual work which translates those intentions into fair trade, made visible, cannot be, especially if it is fragmented and informally regulated. A focus on the knowledge, values and activity of people doing fair trade work makes visible the social relations of their work. When intentions become visible as actual lived experience, co-opted abstracts lose their invisibility. The quality of the relation shines through.

Post-Script

It was not until I began to review my thesis to prepare a presentation for my defense that I was able to effectively summarize my work. My committee has asked me to include that presentation as a post-script to my thesis.

Slide 1

Initially, this study was intended to be an exploration of the way written or textual standards are used to organize fair trade coffee. My earlier academic work and personal experiences with fair trade coffee informed me that the notion of standardized or certified fair trade was a contentious issue among fair trade coffee advocates [myself being one of them!] While certification is associated with growth of fair trade coffee market share, particularly in mainstream markets; some fair traders believe that by entering the mainstream market, fair trade coffee's potential for transforming unjust relations of trade is compromised. In the midst of this debate, are fair trade coffee roasters, with varying social justice ideals of their own, working to build and maintain a base of loyal customers who can appreciate the particular qualities of the coffee they craft. For varying reasons some roasters choose to deal in certified fair trade, while others prefer to establish their own versions of 'fair trade.'

Slide 2: Introduction

As I entered the field and began talking to informally regulated 'fair trade' coffee roasters, I began to see that written standards did not organize – or disorganize – the work of some fair trade coffee roasters the way I had imagined. In fact, it was difficult to find written standards that I could sit down and talk to these roasters about. The standard that loomed important among the roasters I spoke with was 'quality' and the way it organized 'trust' in relationships. My task then became one of discerning the connection between 'quality' and 'fair' trade.

The question of what makes fair trade coffee 'fair' is not easily answered. As I questioned the roasters about their work I glimpsed a complex weaving of 'quality' 'fair' and 'trade' through their daily doings. Although handsomely crafted, the weaving of these roasters' fair trade appeared frayed and full of holes when FLO-certified standards were applied to them. Likewise did FLO-certified standards appear full of holes when overlaid with these weavings. The question of what makes fair trade coffee 'fair' became bigger and bigger as I glimpsed numerous and conflicting ways of interpreting 'fair' intertwined with numerous and complex understandings of 'social justice.'

Fair trade coffee, and fair trade coffee roasters, are situated not only amidst complex understandings of 'fair' and 'socially just' trade, but also amidst the complexities of textually-mediated systems of internationally regulated, and de-regulated commodity trade. The way we understand 'fair,' especially in terms of North/South trade relations, and who is doing the understanding, is a key dimension of the kinds of political competencies fair trade coffee systems can work to enhance - or limit. That fair trade

coffee market share is currently growing is a measurable fact - in an increasing number of coffee growing regions, the daily lives of farmers, and their communities, are being improved in various ways by participation in fair trade coffee systems. It is important to be sensitive to this reality in any criticism of fair trade coffee. While my study points to some of the shortcomings of certified fair trade coffee, my intention is not to dismiss certification as a means of carrying out fair trade, or to imply that standards are an unnecessary part of imagining or enacting fair trade. My intention is rather, to give voice to other alternatives, and to illustrate how industry specific solutions, developed from the inside, and performed on smaller local scales can account for important aspects of 'fair' that may not be captured by, or integrated into programs designed by outside 'helping' agencies.

My thesis explores 3 key questions:

1. What forms of power remain embedded and active in the concept and realization of certified fair trade?

I have found that with certified fair trade, textually-mediated forms of organization reach in from outside to organize the way things are done. The result is a system of 'power-over' striving to be a system of 'power-with.' North/South power imbalances are challenged but not fully addressed. Likewise, aspects of the dominant market system are taken for granted – for instance, the idea of the supermarket, where certified fair trade coffee seeks market share, is left unchallenged

2. How do standardizing practices limit the potential of fair trade coffee to transform unjust relations of trade?

I found that standardized labelling schemes:

- Insert abstracts into relations between traders and customers
- They assume universality
- They lead to unrealistic or simplistic depictions of 'fair' trade
- They do not account for variations in daily lived life

And finally that

- Textual representations are limited because they fail to capture key aspects of the activities they represent – as such, key dimensions may be absent from consideration in the things they organize

3. The third question is the most challenging one to answer: How can we focus solutions to unjust trade relations to be politically effective for all involved? Can universal solutions be fair?

Certified fair trade cannot be politically effective for all involved for two reasons: the first is that it assumes a universal politics, and the second is that its politics are limited by textual representations of lived realities. Informally regulated fair trade, though much less universal in its scope and practice, does not guarantee political effectiveness for all involved either.

To avoid being drawn into the kind of universalizations I have problematized, I begin my answer to this question by drawing attention to three points that arise in my research. Although none of these points are conclusive, and none of them can be considered out of the context of particular local settings, taken together they suggest a possible answer to question #3:

Point #1

- Overarching agencies may work better as consultants or information gatherers than as overseers and organizers

Point #2

- Solutions that evolve internally capture dimensions of the field that outside agencies using textually-mediated instruments may not account for

Point #3

- Small localized schemes allow for creativity and innovation

The best answer I could come up with is that large sweeping changes may not be the most politically effective ones. Although small, incremental steps take more work, some of them may be more effective in the long run.

Slide #6

My research project itself consists of interviews with three informally regulated fair trade coffee roasters in the Victoria region. My initial search turned up 10 possibilities and included both certified and non-certified fair trade roasters. As my research progressed, I found it much easier to recruit non-certified roasters. Then, as I learned about the roasting business I decided to work with roasters whose 'fair trade' was not regulated by formal certification standards and whose market did not include mainstream retail outlets. I figured these would give me a snapshot of fair trade relations as they occur without formal standards.

Slide #7

The objectives of my research were twofold:

- To connect the 'accountability' of informally regulated fair trade coffee roasters to social relations both within and beyond the roaster's location in the business of fair trade coffee

- To discern how 'quality' coffee sets 'accountability' into motion in informally regulated fair trade networks

Slide #8

'Accountability' is a social relation that can be examined in the actual work done by any roaster claiming to practice 'fair trade.' I used Dorothy Smith's Institutional Ethnography to gather and formulate an account of the way fair trade processes deliver 'accountable' trade. Using IE I was able to explicate some of the ways accountability gets raised in the coffee trade, and also what it means to people who work with fair trade coffee.

Slide #9

My analytic framework is the textual mediation of 'ruling relations' – and the way textualized standards limit imagination by constructing a 'masquerade of universality' in standardized systems of accountability. The concept of 'ruling relations' refers to a distinctive mode of organization that transforms business and trade relations to objective forms that allow performance to be made systematically accountable. The problem we are dealing with in certified fair trade is that 'fair trade' becomes a textual reality and textual realities are constructed to facilitate the universal application of solutions.

My findings provide a glimpse of the way accountability works in different sectors of fair trade. My findings are not intended to apply universally to fair trade or 'fairly traded' roasters.

My research suggests that before fair trade can be politically effective for anyone involved, we need to rework small, localized forms of accountability into the way we imagine trade relations operating on a grand scale.

Slide #10: To this end, my research makes several valuable contributions**:**

Contributions:

- Literature:
  - ❑ Adds a new dimension to research of Northern fair trade
  - ❑ Contributes empirical information to the certified vs non-certified debate

- Adds to literature about the social organization of knowledge

- Method of Inquiry:
  - Demonstrates again that IE is a particularly useful tool for exploring accountability in market relations
  - While not generalizable, findings provide an enhanced understanding of the way fair trade works, especially in the informally regulated sector

- Theoretical:

The value of the work these roasters and I have done provides an empirical base from which we can begin to talk about the value of fair trade coffee work done outside of formally regulated fair trade networks. Theoretical contributions include:

- Concrete examples from which to explore:
  - Written versus experiential knowledge
  - Textually mediated standards and abstract relations of exchange
- Contributes to an understanding of the social relations of: universality, social agency, and political effectiveness
- Illustrates a way to insert food itself as one of the subjects in a study of food

This concludes the presentation I am making today – Thank you all for being here to hear it!

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Appendix I

Distribution of FLO-Certified Coffee Producers by Geographical Region (2005)

REGION	COUNTRY	NUMBER OF PRODUCER ORGANIZATIONS
ASIA	East Timor	1
	Indonesia	2
	Papua New Guinea	4
	Thailand	1
		8
AFRICA	Cameroon	2
	Congo Democratic Republic	1
	Ethiopia	3
	Ivory Coast	1
	Rwanda	6
	Tanzania	7
	Uganda	12
	Zambia	1
		33
CARIBBEAN	Dominican Republic	3
	Haiti	7
		10
CENTRAL AMERICA	Costa Rica	6
	El Salvador	7
	Guatemala	22
	Honduras	19
	Nicaragua	13
	Mexico	39
		106
SOUTH AMERICA	Bolivia	19
	Brazil	6
	Columbia	23
	Ecuador	1
	Peru	25
	Venezuela	3
		77
TOTALS	26 countries	234 Producer Organizations

Adapted from FLO Website at:
(http://www.fairtrade.net/sites/news/News%Bulletin%20January%202006.pdf).

Appendix II

Major Coffee Producing Regions of the World

Coffee Producing Countries

Most coffee sold in Canada comes from five leading coffee producing areas: Colombia, Brazil, Guatemala, El Salvador, and Peru.

Top Ten Coffee Producing Countries Worldwide

Brazil	Ethiopia
Colombia	Ivory Coast
Guatemala	Uganda
Mexico	India
Indonesia	Vietnam

Other Producers

Hawaii	Cameroon	Zimbabwe
Honduras	Angola	Costa Rica
Bolivia	Papua New Guinea	Ecuador
Dominican Republic	Puerto Rico	Cuba
Nicaragua	Yemen	Jamaica
Venezuela	Burundi	Sao Tome
Tanzania	Philippines	Principe
El Salvador	Panama	Peru
Haiti	Sudan	South Africa
Madagascar		

4

Source: Oxfam Canada's Fair Trade Coffee Workshop Resource: (http://www.oxfam.ca/campaigns/downloads/Coffeekit2.pdf).

Appendix III

SPECIALTY COFFEE ASSOCIATION OF AMERICA

STATEMENT
Last revised: 2004

Fair Trade Position Statement

CONTACT: Mike Ferguson, Marketing/Communication Coordinator 562/624-4192

The SCAA's mission is to be the recognized authority of specialty coffee, providing a common forum for the development and promotion of coffee excellence and sustainability. We do this through our commitment to quality; spirit of cooperation; dedication to continuing education for our members; sensitivity to the environment; consciousness of social issues; encouragement of sound business practices and ethics; and promotion of the value of specialty coffee to consumers.

The SCAA recognizes the Fair Trade business model as being consistent with our mission and how we accomplish it. We endorse the Fair Trade model as one effective way to:

- *Improve the lives of the coffee producers on whom we rely for our own livelihoods*
- *Encourage a consistent, long-term supply of the high quality Arabica coffees on which our industry depends*
- *Create environmentally and socially sustainable prosperity in the developing world*

Fair Trade Certification has proven to be a valuable tool in providing integrity and transparency to coffee commerce and in building consumer demand for Fair Trade coffee. The SCAA formed a Fair Trade Task Force in 2000 to serve SCAA members in understanding Fair Trade issues and opportunities. In 2001, the SCAA signed a Memorandum of Understanding with TransFair USA, a non-profit organization, which affirms our mutual goals and identifies areas of collaboration in our common effort to improve the livelihood of coffee farmers.

SCAA also recognizes that there are other ways for members to promote the concepts of equitable trade, sustainability and transparency. We encourage all members to source their coffees in ways that support these ideals.

SCAA Fair Trade Position Statement:

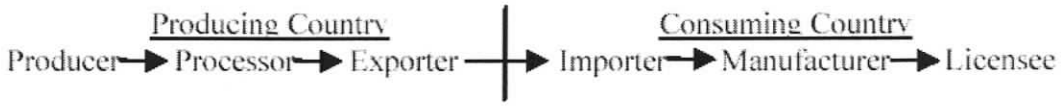
330 Golden Shore #50 • Long Beach, CA 90802
Phone: 562/624-4100 • Fax: 562/624-4100 • Email: mferguson@scaa.org

Appendix IV

2. THE FAIRTRADE CHAIN OF SUPPLY

2.1 Diagram of the Fairtade Supply Chain

The following diagram illustrates the actors in the FLO Fairtrade chain of supply.



2.2 List of Activities in the Fairtade Supply Chain

- Production of Primary Product
- Transport to Processing
- Processing, including Fairtrade Labelling for fresh fruit
- Exportation
  - transport to Port of Origin,
  - loading on the ship,
  - obtaining an export license if necessary,
  - preparation of export documentation
  - payment of FLO Fairtrade Farm-gate Price, if applicable (e.g. fresh fruit)
  - locating importers
  - receipt and distribution of FLO Fairtrade FOB Price
  - seller's risk (sale to importer)
- Importation
  - transport from Port of Origin to Destination Port
  - payment of FLO Fairtrade FOB Price
  - locating producers and/or exporters
  - buyer's risk (purchase from exporter)
  - clearing customs
  - locating customers
  - seller's risk (sale to licensee and/or manufacturer)
- Distribution to Manufacturer
- Manufacturing
- Fairtrade Labelling of Product (except fresh fruit)
- Distribution to Retail

Appendix V

University of Victoria

Department of Sociology
P.O. Box 3050
Victoria, BC V8W 3P5
Phone: 721-7572 **Fax:** 721-6217

Participant Consent Form

Fair Trade Coffee: An Institutional Ethnography of the Roaster at Work

You are being invited to participate in a study entitled: **Fair Trade Coffee: An Institutional Ethnography of the Roaster at Work** that is being conducted by DEBBIE DERGOUSOFF.

I am a graduate student in the department of Sociology at the University of Victoria and you may contact me if you have further questions by e-mail: manyad@uvic.ca or by telephone: (250-472-4292). This research is being conducted under the supervision of Martha McMahon. You may contact my supervisor at (250-721-6351).

This research will be part of my Master's Thesis in Sociology. I have had a long time interest in fair trade coffee. The purpose of this research project is to learn more about fair trade coffee roasters and the part they play in the process of fair trade.

Research of this type is important because it contributes to a clearer understanding of the benefits, challenges, drawbacks, and future hopes of people involved in fair trade. This type of research can provide activists, advocates, and roasters themselves with practical information they can use to promote the fair trade coffee cause.

You are being asked to participate in this study because I am trying to reach all fair trade coffee roasters in the Vancouver Island region. I believe roasters are an important segment in the fair trade commercial chain because it is roasters who choose to supply the market with either certified or non-certified fair trade coffee.

If you agree to voluntarily participate in this research, your participation will include approximately one hour of your time during which I will question you about how your work produces 'fair trade.' I am particularly interested in learning about your experience of fair trade practices including things like filling out logs, order forms, and such, and how fair trade standards work. I would like to conduct an audio- taped interview with you at your work site so I can learn about the everyday work life of a coffee roaster at work. I will be asking you for samples of printed materials that you use in the course of your everyday work and around which we will base the interview. Such samples will be used to assist me in my analysis, but will not be used in a way that would allow anyone to trace them back to your company. I do not require, nor desire, access to any type of confidential printed material. It may be necessary for me to request a

follow-up interview to clarify some of the data collected. This consent form does not oblige you to participate in a subsequent interview. If you do consent to a follow-up interview I will add the subsequent date and signature to this form for your approval.

The potential risks to you of participating in this research are minimal. Nonetheless, steps will be taken to ensure confidentiality in this study. I will protect your privacy, as well as that of your roasting company, by using pseudonyms, or speaking only generally about types of business in the write up of my research. Although care will be taken to ensure that no individual or company will be identifiable from the contents of my report, confidentiality may be limited where participation was obtained by referral. All identifying material will be removed from stored data. It is not my intention to use this research to police fair trade standards. Data that could potentially harm you, your business, or the fair trade cause will not be included in my report. In addition, your confidentiality and the confidentiality of the data will be protected by keeping all tapes, transcripts, field notes and computer disks in a locked file cabinet at my home. Where data has been entered into a computer or database, password protected files will be used.

The potential benefits of your participation in this research include: an opportunity for you to talk about your work and to share your knowledge about fair trade coffee; an opportunity to make a contribution to a clearer understanding of the way fair trade operates at the grass roots (such information can have policy benefits); and a chance to contribute ground level knowledge to debates regarding labeling and certification within the realm of fair trade and organics.

Your participation in this research is completely voluntary. If you do decide to participate, you may withdraw at any time without any consequences or any explanation. If you do withdraw from the study, you may also choose to have your data withdrawn from the study as well.

It is anticipated that the results of this study will be shared with others in the following ways: published in my Master's Thesis; copies of parts of the research product may be given to participants; the results may be published in academic articles; they may be presented to classrooms or at scholarly meetings; the results may also be disseminated to organizations working to promote Fair Trade

Data from this study will be disposed of in December/2010. At this time electronic data and audiotapes will be erased and paper copies shredded.

In addition to being able to contact the researcher and the supervisor at the above phone numbers, you may verify the ethical approval of this study, or raise any concerns you might have, by contacting the Associate Vice-President, Research at the University of Victoria (250-472-4545).

Your signature below indicates that you understand the above conditions of participation in this study and that you have had the opportunity to have your questions answered by the researchers.

_____	_____	_____
Name of Participant	*Signature*	*Date*

A copy of this consent will be left with you, and a copy will be taken by the researcher.