

5 Conceptual reflections on a cultural paradigm shift:

The example of Fair Trade

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It is so easy! At Coffeelovers we wanna make life enjoyable. Your life! Our coffee is just the thing to help us do that. (Slogan of a Dutch Coffeeshouse Chain, 2011)

Would coffee farmers agree with this advertisement slogan? Is it really that easy to serve the consumer his cup of coffee, thus enriching his life? Geographically coffee belongs to raw materials that can only be imported from developing countries, which means the coffee industry is naturally a sector in which poverty and unfair trading relations have been prevalent, since coffee became a luxury commodity in Western countries. It is a highly competitive market, where marketing strategies play a particularly important role. Furthermore, it is an industry where the future guarantee of supply is an issue that needs to be explored with more sustainable strategies in order to provide the market with the required quantity of coffee beans. Therefore, it is also one of the prime examples of an industry where Fair Trade is of high significance, being one of the first markets where Fair Trade mechanisms were applied.

Fair Trade emerged in the context of the opposition between neo-colonialism and anti-globalisation movements. It is therefore clearly not limited to coffee farms. The United Nations reports that four billion of the world's inhabitants live on no more than four dollars a day, and of those, one billion must survive on less than one dollar per day (De Carlo, 2007, p.3). Colonialism and imperialism of the past, and not least the capitalist structures of today, created a global situation of inequality. In addition, the recent financial crisis of 2008 once again revealed certain deficiencies in the globalised system. Furthermore, environmental disasters such as Fukushima and hurricane Katrina have illustrated the need to tackle resultant problems brought about by climate change.

Industries are responding with a newly emerging emphasis on Corporate Social Responsibility (CSR) that often includes Fair Trade certification and other sustainable concepts. Today it is not only environmentalists who point to the limited state of global resources. CSR became a popular term during the last decade. Business feels the need

to include CSR strategies, on the one hand due to an increasing awareness that global resources are limited. On the other hand because sustainability is also something consumers have increasingly become interested in. Businesses operate within a different context than two decades ago; when concerns about environmental issues and social justice were limited to political and social movements. Environmental and global issues influence the requirements that business needs to fulfil. Firms and companies are “expected to conduct business ethically” (Filho & Pawlak, 2009, p.61), instead of just selling goods and increasing their profits.

On the other hand, terms such as “green consumerism” or “ethical consumption” have emerged as popular concepts in social studies. There is an increasing number of people who are starting to become “a bit more selective about the goods they buy” (Woodman, 2011, p.2). It is now possible to express ethical values through shopping, i.e. consumer behaviour.

One of the concepts that aims to establish an ethical notion in economics is Fair Trade. Fair Trade is an alternative trading approach that emerged during the 1950s and attempts to establish fairer trading relations between rich and the poor countries, thus achieving a fairer distribution of wealth. Fair Trade as a label is defined by certain standards, such as minimum prices, in order to improve working and living conditions of underprivileged employees in Third World countries. It is a “trading partnership, based on dialogue, transparency, and respect, that seeks greater equity in international trade” (De Carlo, 2007, p.3) and furthermore, should enable the consumer to “reduce poverty through their everyday shopping” (FLO, 2011).

In 2006, Joseph E. Stiglitz, former head of the World Bank and Nobel Prize winner, wrote one of the basic works concerning Fair Trade as an alternative economic principle. He stressed the need to reform the international trading system and claimed that the economic system does not by necessity entail unjust power relations. However, Developing countries must be empowered to profit from a stronger and integrative world economy (Stiglitz, 2006, p. 21).

When looking at the expansion rate of Fair Trade products, there seems to be a growing appreciation of the Fair Trade concept. This is apparent as the number of Fair Trade products has tripled, hundreds of new producer-cooperatives have joined the Fair Trade system and Fair Trade sales have increased an average of 40% worldwide during the last couple of years (Fairtrade Deutschland, Fair Trade Weltweit: Zahlen und Fakten, 2011). Furthermore, there is a noticeable emphasis on CSR that was also “incorporated as an international goal in the action plan of the World Summit on Sustainability Development” in 2002 (Filho & Pawlak, 2009, p.61). Recently big market players such as *Nestlé* and *Kraft*

Foods have announced that they plan to shift parts of their import articles to more sustainable and responsible sources.⁷² It seems that there has been a shift in society towards a growing appreciation of sustainable concepts of production. We can perceive that business strategies have undergone some change on the one hand, and notice increasing consumer interest in Fair Trade products on the other.

Therefore the question arises: Where does this new interest in the “logos of ethical labelling” (Woodman, 2011, p.2) come from? Is the growing concern with Fair Trade rooted in the conviction to apply a new strong marketing tool? Fair Trade was once founded on humanitarian motives and today we are witnessing big companies using Fair Trade as part of their CSR strategies. Can this be seen as a sign of a significant paradigm shift in cultural and economic values? The central question this chapter aims to examine is in how far it is possible to speak of a “paradigm shift” (Kuhn, 1996) in Western societies towards a value system based on fairness, sustainability, and environmental and social responsibility. The term paradigm is used here as an analogy for the way in which the term has been used in the history of science, referring to “the entire constellation of beliefs, values, techniques ... shared by the members of a given community” (Kuhn, 1996, p. 175).

The Fair Trade initiative originated as a political movement (Micheletti & Stolle, 2007, p.162). Figures now indicate (see *Nestlé, Tchibo*) that big coffee companies are embarking on creating a label and thus on a market segment hitherto associated with the alternative sphere, maybe even referred to as counter-culture to the 1960s. Has there been a cultural paradigm shift that has taken place during the last two decades, which turned the Fair Trade label from an alternative label into a mainstream brand? What was this paradigm shift like, and what aspects in particular did it involve?

This essay presents reflections on the question of how product labelling and changes of cultural paradigms are intertwined. On the one hand, I will discuss whether there has been a paradigm change within the Fair Trade movement itself. To that end it will examine the niche where Fair Trade first emerged as a political and cultural movement. Did Fair Trade standards that were part of the original paradigm change over the last few decades? On the other hand, this chapter is also concerned with the values that define the Fair Trade movement; fairness, solidarity and sustainability. I shall deal with the question of whether and how these values have become part of mainstream society. It is this ‘mainstreaming’ of Fair Trade, that is the base of the paradigm shift that I discuss here. Therefore this chapter aims at describing and analysing the character of a (cultural) paradigm shift in general

72 Cornel Kuhrt, Senior Manager Food Corporate Responsibility Tchibo, interview with the author, 16 May, 2011

and in the context of the Fair Trade movement. I base my argument mainly on sources from those engaged in Fair Trade (including interviews). The claims that I make about attitudes and practices of the consumers are thus of an indirect and somewhat hypothetical character. It will be left to future empirical research to substantiate these claims, and the framework that is proposed in this essay by more detailed consumer studies.

Conceptual framework

In order to substantiate the cultural and economic changes of the Fair Trade movement and analyse the extent to which, and in what aspects the “counter-culture paradigm” has gone mainstream, this chapter will compare the motivation of the people who started the Fair Trade movement and the reasons why major companies use the label today. To examine the transition the Fair Trade movement has gone through, I will employ the conception of a paradigm shift, as it has been formulated by a historian of science, Thomas Kuhn.

Kuhn formulated his concept of a paradigm shift referring to the radical shifts in fundamental frameworks of scientific thinking or “scientific revolutions” (1996). The paradigms, as he calls these frameworks, guide and determine ongoing research. Accordingly “science enjoys periods of stable growth punctuated by revisionary revolutions” (Bird, A. 2004, p.1), which remove the old established paradigm, and a new one is held to be true from then on. I am not interested in the historical dynamics of science here, but I postulate that the term can also be usefully applied to account for changes in other spheres of culture. Paradigms can be regarded “as the constellation of group commitments” (Kuhn, 1996, p.181), given norms and values that determine human behaviour and constitute the consensus within a certain community. Thus, the standards of the Fair Trade movement originally served as a paradigm that directed the community’s behaviour, and more precisely anti-consumption behaviour.

Accordingly, I define a paradigm as a set of “community’s shared beliefs” (Kuhn, 1996, p.43), serving as a guideline for their behaviour and outlook on world affairs. By “shift” we understand that this set of rules is either totally or in parts adopted by, integrated into, transferred to other communities and at least partially also to the dominant culture. In this process these rules might have undergone a change themselves.

Paradigms have a cultural dimension because they constitute and express a community’s identity. It is therefore necessary to theoretically substantiate the relation between culture, especially the role of consumerism in a given society (since we are dealing with cultural labels and the selling and buying of products and labels), and collective and individual identities.

Culture can be defined as “the complex unity of those practices that produce sense” (Mulhern, 1980, p. 32). Humans have to make sense of their existence in order to exist; they must come to terms with their past and plan their future. In order to do so, they must identify with themselves and the community and/or social unit that they live within, such as their family, neighbourhood, social group, general, ethnicity, gender etc. This is necessary in order to construct their identity.

Attributing meaning to one’s existence, individually and collectively, is the essence of identity. But today the process of identity building is an increasingly complex and contradictory process. In the current period of increasing globalisation local and cultural patterns often conflict with different cultural idioms put forward by globalisation, that frequently and to a great extent include consumer behaviour.

Socio- anthropological research has been focussed on the dialectical relations of consumerism and culture for several years. In this context it is important to keep in mind that through globalisation, i.e. “the compression of the world and the intensification of consciousness of the world as a whole” (R. Robertson, 1992, 8), the notion of identity has changed, but also the concept of culture. Culture, too, is constituted on a global and on a local level. The dialectical relation between culture, identity and consumption within the context of the challenging global situation requires an examination of the construction of identity in Western society and the notion of consumption that is related to the process of identification.

Jean Baudrillard describes Western society as a “consumer society“ (Baudrillard, 1998) where “social relationships become more variable and less structured by stable norms” (Featherstone, 2007, p.15). The consumer behaviour thus constitutes an essential part of an individual’s identity and significantly shapes the latter. Consumption can, on the one hand, favour “collective class experience” (Hearn and Roseneil, 1999, p.3) and thereby offer a way of constructing one’s own identity; it can on the other hand also lead to a conscious rejection of conventional consumption and thus provide a mechanism of identification through resistance. I also claim that logos, such as the Fair Trade label, can form a base for the consumer’s identity. Logos, labels and brands represent certain standards, a certain lifestyle, or a certain extra- quality; for instance fairness or environmental friendliness. Therefore we choose products that we think match our identity. Here the question arises as to whether Fair Trade functions as a way of constructing resistance identities to globalisation or also serves to partially shape the identity of the mainstream consumer.

For more than fifty years various sorts of theories have tried to make sense of current consumer society as a feature of post modernity. Baudrillard’s socio-philosophical theory is one approach, trying to define the individual’s place within postmodern consumer culture,

which Baudrillard sees as a value-emptied society (Baudrillard, 1994). It is one theory, that tries to “make sense of the experience of life in the new urban spaces” (Featherstone, 2007, p.4) of consumer culture. More recently, scholars have started to distinguish between different spheres of consumption: green consumerism, ethical consumerism (Woodman et. al), and political consumerism (Micheletti, 2003).

In this context, labels have emerged as a major research field. Labels serve as mechanisms to identify a product with certain standards. Shopping has thus become one way to express one’s identity, and labels work as identification tools. That is nothing new. However, we now believe that we can “express our personal ethical value through our choice of coffee” (Woodman, 2011, p.2) and this is in fact something new. In short, consumption is an essential part of the sense-creating process that we call culture, consumption is part of “all those practices (or activities) that signify” (Bennet, 1981 p. 79), or in other words attribute meaning to our life. Culture as “signifying practice” (Easthope, 1991) will therefore serve as a framework to analyse Fair Trade in the context of consumer society (Baudrillard, 1998) and postmodern identity construction.

The method applied to find substantial answers to the central questions this chapter puts forward is qualitative interviewing. I talked to a number of people in Germany, both representatives of industry as well as of NGOs involved with Fair Trade Labelling. As a representative of the business sector, I interviewed the Senior Manager of Food Corporate Responsibility from *Tchibo* and the former PR manager and spokesman of *Jacobs Kaffee* (later *Kraft Foods*), who now owns his own small coffee roaster. Furthermore, I conducted interviews with *TransFair Germany*,⁷³ the *Information Centre for Human Rights and Development Bremen*⁷⁴ (BIZ), the *Senator for Environment, Construction, Transport and European Affairs* (Bremen).⁷⁵ Lastly, I talked to the manager of the *One World shop*⁷⁶ Bremen, as someone who has been with the Fair Trade movement from the beginning. During my interviews I focused mainly on the coffee industry, since the Fair Trade initiative started with coffee and bananas, it is exemplary for the Fair Trade development and, as previously mentioned, is a sector where unfair trading conditions with developing countries have a prevailing tradition. Coffee therefore provides a good way to understand what Fair Trade stands for. Kuhn and Baudrillard will serve as a theoretical framework in examining the

73 Full name in German: TransFair – Verein zur Förderung des Fairen Handels mit der „Dritten Welt“ e.V.

74 Bremer Informationszentrum für Menschenrechte und Entwicklung (BIZ).

75 Senator für Umwelt, Bau und Verkehr Europa (Bremen).

76 One World shop is called *Weltladen* in German; it is a chain of Fair Trade stores, who purchase their products exclusively on a Fair Trade basis. Comparable to One World shops in the UK.

paradigm shift outlined above, in answering the question of whether there has been a mainstreaming of a paradigm, and the significance the Fair Trade label has had for the consumers' identity construction.

Before we turn to analyse these questions, it is however important to look at Fair Trade standards, the development of the Fair Trade movement and the introduction of the Fair Trade label. It is crucial in order to understand internal and external changes of the Fair Trade movement. Additionally, it helps to determine the difference between the identity construction of Fair Trade activists during the vintage years of the movement, as well as that of consumers who purchase Fair Trade products in mainstream supermarkets today.

Defining Fair Trade

The Fair Trade movement consists of several Fair Trade initiatives spread around the world. The movement has its origins in various countries, including the US and the United Kingdom. Some of Fair Trade organisations developed out of post World War II efforts to fight poverty and hunger in Europe⁷⁷ and evolved into Third World initiatives at a later point (DeCarlo, 2007, p.73). One major Fair Trade organisation is the *Fair Trade Labelling Organization International*, an organisation based in Germany, which has 24 partners in other countries. There are currently nineteen Fair Trade Labelling Organisations, one of them is *TransFair Germany*. The labelling initiatives sign licensing agreements with companies in their countries. Those companies have to fulfil Fair Trade requirements (such as minimum prices and avoidance of child labour), if they wish certify a certain products with the Fair Trade label. Furthermore, the labelling organisations initiate campaigns and awareness-raising events in their respective countries (Fairtrade Deutschland, 2011).

When we think about the concept of Fair Trade, the question arises as to whether and how it is possible to define and standardise fairness on a global level. Looking at the semantic meaning, the term fairness means “in its broadest sense ... that any two individuals be treated equally” (Hooker, 2005), it also “precludes bias or inconsistency in the application of rules” (Hooker, 2005) and furthermore requires that “an allocation treats all economic agents fairly” (Black & Hashimzade & Myles, 2009).

77 Oxfam is one of the major Fair Trade organisations: *Oxford Committee for Famine Relief* was founded in the UK. Originally it was an organization that supplied women and children in occupied Greece with food during the Second World War. In 1995, several NGOs united and formed *Oxfam International*.

The manager of BIZ⁷⁸ emphasised the central aspect of Fair Trade as the attempt to achieve a decent humane life for small-scale producers in Third World countries. Thus leading to a situation whereby trading relations provide an appropriate and fair income for the farmers. Generally speaking, the Fair Trade label means “prices that aim to cover the costs of sustainable production, an additional Fairtrade Premium, advance credit, long term trade relationships, and decent working conditions for hired labour” (FLO, Standards, 2011). One great advantage *TransFair Germany*⁷⁹ underlined is the sustainability of the Fair Trade approach. It is not a beneficial charity project, but rather a participative concept, enabling the producers to improve their living conditions themselves. Moreover, it tries to guarantee permanent access to new markets and a way of production that enhances sustainability in terms of environmental issues and better, healthier working conditions for producers.

Moreover, Fair Trade approaches unfair trading relations by trying to “remove exploitive middlemen” (DeCarlo, 2007, p.14). Small-scale producers therefore unite in local farmer’s cooperatives which sell their products to importers (who are themselves organized as cooperatives).⁸⁰ These importers sell the coffee to roasters and retailers who then market the coffee as a Fair Trade certified product (DeCarlo, 2007, p.15). who in turn sell the Fair Trade coffee to those roasters and retailers that provide Fair Trade certified products (DeCarlo, 2007, p.15). As *TransFair Germany*⁸¹ explained, the global structures are of course intrinsically unjust and impossible to change as such. Fair Trade tries to work with the international trade system and the given circumstances, and thus tries to create fairer relations from within the system.

The first Fair Trade Label was initially introduced in 1988, when it was launched in the Netherlands. At this point, the first Fairtrade coffee from Mexico was sold in Dutch supermarkets. It was branded *Max Havelaar*, after a fictional Dutch character who opposed the exploitation of coffee pickers in Dutch colonies (The Fair Trade Foundation, History, 2011). After the Max-Havelaar-initiative was replicated in various countries during the early 1990s, the *Fairtrade Labelling Organization International* was founded in 1997 in Bonn, Germany.

78 Gertraud Gauer-Süß, Bremer Informationszentrum für Menschenrechte und Entwicklung, interview with the author, Bremen, 17 May, 2011.

79 Kathrin Schuster, TransFair Verein zur Förderung des Fairen Handels mit der “Dritten Welt” e.V., Telephone interview with the author, 19 May, 2011.

80 Such as the GEPA in Germany, which is an organisation that buys exclusively Fair Trade commodities.

81 Kathrin Schuster, TransFair Verein zur Förderung des Fairen Handels mit der “Dritten Welt” e.V., telephone-interview with the author, 19 May, 2011.

With regard to Western consumer culture and the impact that the Fair Trade movement had on the latter, it is important to note when the first Fair Trade Label was introduced. As said before, a label helps the consumer to identify the product with certain values, and at the same time the opportunity to express the consumer's attitude. It is especially important for the a consumer who does not purchase Fair Trade products in special Fair Trade stores, but rather goes to normal supermarkets. In the overwhelming mass of products, a label is required to single out Fair Trade products.⁸² I shall now look at Fair Trade consumers, both "vintage" and mainstream, and their identity.

Identity construction and Fair Trade consumption

Increased awareness in the political, environmental and consumption spheres of society was part of the cultural developments of the 1960s. People who were part of the counter-cultures during that time began to develop a new kind of awareness about globalisation, unfair hierarchies, political structures, neo-colonialism and environmental concerns. Additionally, the notion of fairer trading relations found support during that time. Consumption is not only part of culture; at the same time "it also produces culture and cultures" (Hearn and Roseneil, 1999, p.1). The Fair Trade movement was initially one of those so-called "sub-cultures centred around consumption" (Hearn and Roseneil, 1999, p.1).

From the 1960s up until the present, everyday life in the Western world has been to a great extent determined by consumption. Fashionable clothes and luxury goods have made attractive consumption commodities for a long time. If we look at the food industry, things have recently changed. Buying food is not merely about satisfying human urges and natural needs. Through all kinds of scandals, food has become part of the "risk society"⁸³ and has "turned into a source of potential practical incompetence" (Dürschmidt, 1999, p.138). Therefore, within the food industry labels have become highly popular. Through the Fair Trade label an additional, rather abstract value is added to a product. In other words,

82 Silke Goethe and Kerstin Dahlbergg, Senator for Environment, Construction, Transport and European Affairs, Interview with the author, Bremen, 24 April, 2011.

83 German sociologist Ulrich Beck's term for the present situation (which in Beck's view began to take shape in the aftermath of World War II), which in his view is defined by the expansion of uncontrollable risks, i.e. risks which have no straightforward or direct cause and therefore no obvious or easy means of attenuation (climate change is the best-known example of such a risk). Beck is particularly concerned with new types of risk that have arisen – or may arise in the future – as a consequence of human action. (A Dictionary of Critical Theory).

Fair Trade certified products, entails the quality of fairness and the ability to “change the world by sitting round drinking coffee” (Woodman, 2011, p.46). There are several niches for all kinds of different consumers in the food industry: the cheap brand, the high quality product, the biological or organic food and environmental friendly and ethically impeccable products. The food industry uses a variety of labels and logos in order to help consumers find their way to their desired product. This helps the consumer to become aware of certain special qualities that surpass normal natural needs. Instead they have become part of a certain lifestyle, express political convictions and individual identity.

Once again, consumption is not merely about buying, it is also to a great extent about identification and identity construction. Postmodern culture is constructed in terms of consumption practices and identification with certain labels conveying a particular image and defining a consumer’s personality. Symbols are one important component of cultures and cultural communities. They are essential to construct social identities and to create social coherence within a social group. In consumer culture, symbols also find expression in all kinds of labels and brands assigned to certain commodities. As Baudrillard says, “commodities are no longer defined by their use, but rather by what they signify” (Baudrillard, 1996, p.7), which also implies that objects are never “offered alone” (Baudrillard, 1998, p.3), but always as part of some sort of context. That is why consumers no longer define their relationship to the object through the utility a product provides, but relate the object to “a set of objects in its total signification” (Baudrillard, 1998, p.3) and meaning. Fair Trade coffee thus belongs to the whole range of Fair Trade products and the entire Fair Trade movement as a political conviction and social attitude. Fair Trade within the cultural context is “about shared meanings” (Hall, 2003, p.7).

Like Hall, Kuhn emphasises the importance of values that “do much to provide a sense of community” (Kuhn, 1998, p. 185). In fact, people no longer define themselves by reference to their religious or cultural community, but through means of global consumption. As time and space diminish and the world becomes a global village, the need to distinguish oneself from others becomes more important, although also more difficult. Through globalisation, the concept of (local) community has lost its significant meaning. Ulrich Beck sees the concept of globalisation and that of individualisation as antagonistic: “The individual is set free from the collective identities of class, family and nation into a life of one’s own” (Beck, quoted in Dürrschmidt, 1999, p. 135).

However, groups that share common consumption patterns can offer a way of recreating their own community and therefore partly their identity. And thus, today, consumption (or anti-consumption) provides a new tool of expressing one’s social identity and political attitude. That is exactly how the Fair Trade Label works: by selling “guilt-free

products” (Woodman, 2011, p.42), the consumer can express his vision about a fairer world and at the same time experience some kind of redemption, being sure that he is at least not making things worse.⁸⁴ Fair Trade is a social movement, but it is also a way of expressing a consumer’s identity. By buying Fair Trade products the consumer shows an awareness of social injustices. Through consumption he is able to give a political statement about the unjust global economy and expresses his beliefs and values, which is what Baudrillard meant when he stated that an object always comes within an *a priori* context.

Twenty years ago these postmodern identification mechanisms worked to a greater extent within the Fair Trade movement. Then, purchasing Fair Trade products was not only about expressing values; by buying Fair Trade products, the consumer immediately belonged to a social movement opposing mainstream culture and economic globalisation. Hence consumerism is very much about social membership in a certain group or distinguishing oneself from the latter. Naomi Klein argues that the success of a certain product depends primarily on producing brands instead of products (Klein, 2001). A brand entails much more than just the simple product; it is about a certain lifestyle and about identity construction. Brands are iconic symbols, “they construct meaning and transmit it” (Hall, 2003, p.4). Furthermore, Klein maintains that an alternative approach to consumption is as such also a brand. Counter-cultures are obviously a “cultural community”, defining themselves through different and alternative ways of consumption, which means “No Logo” (Klein, 2001) paradoxically turns into a logo, incorporating a certain attitude and lifestyle.

Fair Trade was initially an alternative approach that resisted mainstream consumption. The Fair Trade logo was of secondary importance; Fair Trade consumers would rely mainly on One World shops, where 100% of the products were traded under fair conditions.⁸⁵ Over the few last years conscious consumerism or ethical consumerism (Woodman, 2011, p.2) has become more popular; mainstream consumers have become interested in Fair Trade products, and as a result, mainstream industrial companies have incorporated Fair Trade products in to their sales pitch. The label has been established for more recognition in conventional commerce. “No Logo” (Klein, 2001), a group opposing mainstream culture, has essentially turned into a logo. For the Fair Trade movement that means that even though the movement was meant to oppose conventional consumption and mainstream culture, it has become some sort of brand, including a “distinctive name, logo, trademark, or design

84 Gertraud Gauer-Süß, Information Centre for Human Rights and Development Bremen, interview with the author, Bremen, 17 May, 2011.

85 Susanne Mewis, Weltladen Bremen, interview with the author, Bremen, 17 May, 2011.

... that signifies a particular company, product, or service” (Chandler & Munday, 2011, p.1). The Fair Trade label can be seen as one of the first steps towards the mainstreaming of Fair Trade.

Fair Trade – a cultural paradigm shift?

We have now reached the point where it is appropriate to further investigate the way in which Fair Trade developed from a counter-culture movement to a mainstream brand. There is sufficient evidence that there has been a value-change in society⁸⁶. For example, the emergence of Corporate Social Responsibility as an indispensable part of business strategies and company policies, which is a result of a certain “pressure to clean up the corporate act” (Filho & Pawlak, 2009, p.61). It is therefore important to have a closer look at this shift in business practices and the concept of CSR.

Big business and Fair Trade: changing patterns

Over the last few years, issues such as global warming, environmental destruction and financial problems have very much determined the media and were constantly in one way or another part of our everyday life. The emphasis on certain issues did not only change within the realm of politics, such as the recently shift from pro-nuclear energy politics to nuclear phase-out. When we look at corporate entities, such as big food companies, we perceive a shift in dealing with environmental and social issues. Global developments have urged big companies “to take the issue of corporate social responsibility seriously” (Iduwo & Filho, 2009, p.1). It is a development that seems to have been enforced by public opinion, and “societies’ expectations from corporate entities have increased” (Iduwo & Filho, 2009, p.1) during the last years. However, the CSR strategies vary from country to country and sector to sector. Sustainable growth is of special importance to the coffee industry in order to guarantee the future supply of coffee. The Fair Trade concept is one aspect of developing more sustainability. As the Senior Manager Food Corporate Responsibility of *Tchibo* explained, the big coffee companies realised that they “do have an issue in their sector”, i.e. challenges brought about by climate change and changing market structures (supply-driven market). In order to tackle these issues, companies need to “practise

86 As mentioned above: growing consumer interest in Fair Trade products, growing size of the Fair Trade movement, increasing Fair Trade sales (3,4 Billion Euro, i.e. sales increase of 15% compared to the previous year).

different ways of supply chain management”, a form of management that incorporates more sustainable links in the chain and also involves cooperating with initiatives such as Fair Trade, Rainforest Alliance⁸⁷ and other standard organisations: “Only as an integral whole and through cooperation will it be possible to bring about change to the coffee sector”,⁸⁸ stated the Senior Manager of Food Corporate Responsibility of *Tchibo*. Whereas twenty years ago, companies were expected to produce and sell goods and maximise their profit, they are nowadays “expected to be socially responsible” (Iduwo & Filho, 2009, p.2) and deal with global challenges. It is a shift in corporate policy, a shift Gadwin et al. refer to as “paradigm change” (Gadwin et al. in Filho & Pawlak, 2009, p.62).

According to Kuhn, a paradigm shift within the sciences “commences with the awareness of an anomaly” (Kuhn, 1996, p.52), in other words with a violation of the old established paradigm. The contradiction is explored and when the paradigm has adjusted to the new insights, the paradigm changes, and the anomaly has become norm (ibid).

In a cultural context, anomalies can be for example, natural disasters or financial crises, in other words events that reveal contradictions or malformations within the current economic and cultural system. In this sense a new paradigm can be regarded as the establishment of guiding principles and rules in business practices. Hence, considering Milton Friedman’s statement from forty years ago that “there is one and only one social responsibility of business... to increase its profits” (Friedman in Filho & Pawlak, 2009, p.61), we can safely assume that there has been a considerable paradigm shift in what business now understands as guiding principles and “shared beliefs” (Kuhn, 1996, p.182) in business practices.

Fair Trade is one important part of CSR strategies and the practical implementation of sustainability in general. The values and beliefs constructed around the notion of fairer trading relations were first limited to a very small community of people. Contradictions or “anomalies” within the mainstream system led to a questioning of the established value system and a rethinking of the “old” paradigm. Thus, parts of different counter-culture communities (Fair Trade, Organic Movement, Rainforest Alliance etc.) were incorporated into mainstream society and will play an increasingly important role in the future. Thus a new paradigm, constructed around the notion of sustainability, has been established at least partially in mainstream society.

87 An international non-profit organisation dedicated to the conservation of tropical forests. The Rainforest Alliance works to conserve biodiversity and ensure sustainable livelihoods by transforming land-use practices, business practices and consumer behaviour.

88 Cornel Kuhrt, Senior Manager Food Corporate Responsibility Tchibo, interview with the author, 16 May, 2011.

As Kuhn put it, “when paradigms change, the world itself changes with them” (Kuhn, 1996, p. 111). Therefore the question arises: What else changed? What are the cultural implications of the Fair Trade movement? How does this paradigm shift in business strategies affect the character of the Fair Trade movement itself?

Fair Trade – from the fringe to the centre

One of the central aspects that became obvious during the interviews is that Fair Trade has left the alternative niche and has become a broader movement. Industry, as well as Fair Trade organisations, emphasised that Fair Trade is no longer to be located exclusively in *One World* shops. Twenty years ago Fair Trade products “were still placed very much outside conventional retail”.⁸⁹ Today Fair Trade is experiencing significant growth and has extended its product range considerably. It started as a movement concentrated on coffee and bananas; in comparison, it now involves all sorts of products such as flowers, cloth, cocoa, footballs and so forth.

In 2008, *TransFair Germany* reported a per capita expenditure for Fair Trade products of almost 25% in Switzerland and 15% in the UK, which are the leading markets for Fair Trade products. In Germany Fair Trade sales on the whole increased about 4-5% in 2010, Fair Trade coffee sales increased from 0,8% to 1,18% during the last few years (Statement Kaffee-Standards, 2011). *TransFair Germany* expects an increasing expansion rate and a broadening of the Fair Trade certified product range in the following years.⁹⁰

Furthermore, the Fair Trade movement has professionalised in terms of marketing strategies, but above all in terms of product quality. Quality, and not only ethical motivation, is of course one requirement for Fair Trade to become part of mainstream commerce. “Quality first”⁹¹ is after all still the most important business principle for a company. However, it was not only the Fair Trade movement that professionalised, but also the so-called alternative niche. *One World* shops in Germany, for example, worked on a coherent appearance within the *One World* chain, in order to create greater recognisability. They increased their PR work and organised regular advertising events to spread awareness. As a result, “media attention increased significantly during the last years”⁹² as the head of the *One World* shop in Bremen claimed.

89 Susanne Mewis, Weltladen Bremen, interview with the author, Bremen, 17 May, 2011.

90 Kathrin Schuster, TransFair Verein zur Förderung des Fairen Handels mit der “Dritten Welt” e.V., Telephone interview with the author, 19 May, 2011.

91 Cornel Kuhrt, Senior Manager Food Corporate Responsibility Tchibo, interview with the author, 16 May, 2011.

92 Susanne Mewis, Weltladen Bremen, Interview with the author, Bremen, 17 May, 2011.

Twenty years ago, it seemed to be complicated to find common ground in negotiations between the coffee industry and *TransFair Germany*. The former PR manager of *Jacobs Kaffee* emphasised the antagonism between representatives of capitalism, the big industries, on the one hand, and Fair Trade-*Gutmenschen* on the other.⁹³ *TransFair* apparently did not want to cooperate with the coffee companies and dismissed their attempts to find a solution suitable to both parties. On the other hand, Fair Trade organisations claimed that companies did not take them seriously at all and “called off meetings”.⁹⁴ As a matter of fact, there were conversations between *Max Havelaar* and *Jacobs Kaffee* early in the 1990s. According to the former *Jacobs* spokesperson, it did not work out for two reasons: firstly, *TransFair Germany* did not “want to cooperate with big capitalist enterprises” and secondly, it would not have been possible to supply a big coffee company like *Jacobs* with the quantity of Fair Trade coffee it required. They would have needed 4,000 tons of coffee beans as a first consignment, which would have meant destroying the Fair Trade market at once.⁹⁵

Today, things have improved considerably in every respect. Even though *Tchibo* agreed that the negotiation situation twenty years ago was somewhat “confrontational at the beginning”, it is also a fact that “times have changed” and communication among the different stakeholders today is not a problem anymore: “Fair Trade did open up and made successful cooperation possible”.⁹⁶ In addition, there has been a change of thought as far as the coffee roasters are concerned.⁹⁷

Moreover, Fair Trade resources could acquire more contributors. There are far more cooperatives that trade coffee under fair conditions, which means big companies are able to purchase their coffee at least partly as Fair Trade certified coffee. However, it would still be impossible for one of the bigger companies to shift all of their products to Fair Trade coffee at once; there are still not enough Fair Trade resources. The movement needs some time to grow and develop to that extent.

93 *Gutmensch* generally refers to someone that does good things out of pure ideological and ethical conviction. The term contains a certain negative, ironic connotation.

94 Gertraud Gauer-Süß, Information Centre for Human Rights and Development Bremen, interview with the author, Bremen, 17 May, 2011.

95 Rolf Sauerbier, former PR manager and spokesperson of *Jacobs Kaffee/Kraft Foods*, interview with the author, 24 April, 2011.

96 Cornel Kuhrt, Senior Manager Food Corporate Responsibility *Tchibo*, interview with the author, 16 May, 2011.

97 Rolf Sauerbier, former PR manager and spokesperson of *Jacobs Kaffee/Kraft Foods*, interview with the author, 24 April, 2011.

As far as negotiations are concerned, the two parties converged to some extent, and similarities can even be found when we compare their marketing strategies. Fair Trade organisations today use marketing strategies that emphasise the “no-worries”⁹⁸ attitude of a Fair Trade product. Fair Trade image campaigns focus very much on the positive impact of Fair Trade, instead of pointing to poverty and misery. Fair Trade products “convey a positive attitude towards life” as the BIZ explained to me.⁹⁹ The Fair Trade movement used professional marketing concepts and thus “contributed to an image change of the Fair Trade label towards a mainstream brand” (ibid.). Fair Trade organisations focus on a positive feeling for the consumer, who can be sure of not doing damage to the producers but supporting them instead. Putting too much stress on the misery in Third World countries is mainly avoided. Mainstreaming is indispensable for the Fair Trade movement to really have an impact. It therefore also requires “classic brand marketing and “the right marketing mix” (Doherty & Tranchell, 2005, p. 174).

A change of thinking could be perceived on both sides. The former *Jacobs* PR manager emphasised that “there has been a rethinking on the coffee roasters’ side”,¹⁰⁰ and Fair Trade organisations stated that they do cooperate successfully with big companies, and whether companies apply “Fair Trade out of conviction or as part of their CSR strategies is still one and the same for the producer”.¹⁰¹ Moreover, BIZ acknowledged that “companies want to maximize their profits, which is not something that bad per se”.¹⁰² Figures underline the assumption of a rethinking, for example, a paradigm shift: in Germany alone, there are 180 companies who signed an agreement with *TransFair Germany*; on an international level, more than 2,700 companies provide Fair Trade certified products (Fairtrade Deutschland, 2011).

Companies became aware of the opportunity to improve their competitive forces through responsible action: providing information about CSR strategies turned out to be a good marketing tool to improve public perception and furbish the image of a firm. Furthermore, CSR has several advantages in addition to those of an ethical nature; NGOs

98 Cornel Kuhrt, Senior Manager Food Corporate Responsibility Tchibo, interview with the author, 16 May, 2011.

99 Gertraud Gauer-Süß, Information Centre for Human Rights and Development Bremen, interview with the author, Bremen, 17 May, 2011.

100 Rolf Sauerbier, former PR manager and spokesperson of Jacobs Kaffee/Kraft Foods, interview with the author, 24 April, 2011.

101 Kathrin Schuster, TransFair Verein zur Förderung des Fairen Handels mit der “Dritten Welt” e.V., Telephone interview with the author, 19 May, 2011.

102 Gertraud Gauer-Süß, Information Centre for Human Rights and Development Bremen, interview with the author, Bremen, 17 May, 2011.

have less to criticise them for, and customers will stick to the products of the company. Apart from being an attractive profit-maximising plan, CSR is also “no longer an option; it is now a business and moral requirement” (Iduwo & Filho, 2009, p.3).

According to Kuhn, a paradigm shift is always related to progress (Kuhn, 1966, p.167) and “puzzle solving” (Kuhn, 1996, p.36). Applied to the coffee-sector issue, we can definitely interpret the fundamental rethinking that took place as a strong indication of a paradigm shift in handling global problems, as well as in finding a common path for the different stakeholders involved in the process of creating a more sustainable market. The multi-stakeholder approach in the Kuhnian sense represents the “scientific community” that can be an “immensely efficient instrument for solving the problems or puzzles that its paradigms define” (Kuhn, 1966, p.167).

In general, as a result of a dialectical process Fair Trade values have been incorporated as attractive business principles into mainstream trade, whereas the members of the movement itself have learned their lesson from industry and modernised and professionalised, especially in terms of marketing and advertisement.

Civil society, Fair Trade and Fair Trade consumers

From an economic point of view, it is now a necessity for companies. Corporate policy today requires long-term thinking in order to guarantee a permanent share of the market and safeguard obviously limited resources. But CSR is also something society and, more precisely, the consumers seem to demand. Any company that does not demonstrate a responsible and proper handling of global resources and does not reduce its negative impact on producers and the environment “may not survive beyond the short term” (Iduwo & Filho, 2009, p.2). Therefore, Fair Trade and other initiatives that have a positive reputation, such as Rainforest Alliance and The Common Code for the Coffee Community (4-C Association)¹⁰³ have been incorporated into CSR strategies, especially in the coffee sector.

There is a large variety of different food-related labels that address the broader mass of increasingly conscious consumers nowadays, who perceive consumption as a “system of ideological values” (Baudrillard, 1998, p.15) and therefore find Fair Trade and fairer trading relations very pleasing. Fair Trade thus appeals to a broader range of more

¹⁰³ The Common Code for the Coffee Community project (4-C) was founded as a public-private partnership initiated by the German Federal Ministry for Economic Cooperation and Development (BMZ) in 2002 (4-C, 2009), it is lead by a multi-stakeholder Steering Committee of producers, trade, industry and civil society groups and aims primarily to develop a more sustainable coffee sector, it does not focus on fairer trading relations.

mainstream consumers today. “In order to leave the alternative niche, Fair Trade decided to incorporate conventional market segments into their strategies”.¹⁰⁴ Consumption in conventional supermarkets differs from purchasing products in *One World* shops. In order to better understand what has changed in terms of consumer behaviour, it necessary to look at an original Fair Trade activist.

From political activism to politicised consumerism

The central role of the consumer in establishing “unfair” exploitative production relations has been pointed out relatively early on in history. As early as 1800 activists, from the American Anti-sweatshop Movement protested against the exploitation of workers. The activists argued that consumers have an important share in producing unfair economic relations. In 1891, the New York Consumers’ League held consumers responsible for “some of the worst evils from which producers suffer” (Lowell in Micheletti & Stolle, 2007, p.161).

The Fair Trade movement focuses on an active and conscious consumer role and their responsibility in choosing ethically correct products. For both Anti-sweatshop activism and the Fair Trade movement, the market provided an “arena for politics” (Micheletti & Stolle, 2007, p.161), turning conventional consumption into “political consumerism” (ibid.).

The original Fair Trade movement is generally associated with the 1968 generation, the “*Gutmenschen* in woollen socks,” as described by several of my interview partners. The movement was concentrated around a rather small circle of convinced Fair Trade consumers who were at the same time political activists. Fair Trade back then was usually part of a political attitude. It was a movement that defined itself in being opposed to conventional, mainstream culture, thus a movement that belonged to what was then known as counter-culture. The first Fair Trade initiatives emerged either out of political or religious motivation. Fair Trade constituted a niche “of *One World* shops and religious groups”.¹⁰⁵ In Germany, Fair Trade products were then available in *One World* shops and church organisations, which supported the Fair Trade movement, for example by offering Fair Trade coffee after church.

The first Fair Trade Coffee, so-called “Nicaragua Coffee”, also referred to as the “Nicaragua shock”,¹⁰⁶ was a coffee of bad quality that was hardly drinkable. The former

104 Silke Goethe and Kerstin Dahlberg, Senator for Environment, Construction, Transport and European Affairs, interview with the author, Bremen, 24 April, 2011.

105 Susanne Mewis, Weltladen Bremen, interview with the author, Bremen, 17 May, 2011.

106 Rolf Sauerbier, former PR manager and spokesperson of Jacobs Kaffee/Kraft Foods, interview with the author, 24 April, 2011.

Jacobs PR manager claimed: “*TransFair* back then knew everything about politics and nothing about coffee” (ibid.). The political Fair Trade movement was concerned with unjust global structures and neglected the quality aspect of products. It therefore had no appeal to the mainstream consumer whatsoever. And that, of course, limited the group of consumers to a very small political community, where the Fair Trade paradigm provided the guiding principles for group behaviour, while providing meaning and “community structure” (Kuhn, 1996, p.176).

Twenty years ago, a consumer who bought Fair Trade products clearly stated that he was part of a counter-culture. That counter-culture constituted, to a large extent the personality and identity of those people. A paradigm shared by a given group always entails the notion of symbols, which can be regarded as “those expressions, deployed without question or dissent by group members” (Kuhn, 1996, 182). In the scientific community those symbols are mainly restricted to formula and laws. Symbolism of this counter-culture in the 1960s, and thereafter found expression in political activism; wearing woollen socks and specific consumption behaviour, for example purchasing Fair Trade products, thereby constructing the individual’s identity. In times of consumption-driven and homogenised needs and desires (Klein, 2001, p. 117), Fair Trade as a cultural pattern provided the members of the Fair Trade movement “with a moral and emotional framework” (Rex and Singh, 2003, p.7).

However, that has changed. Today the consumer does not need to belong to a political circle opposing globalisation in order to buy Fair Trade products; he does not even have to particularly visit a *One World* shop, that represents much more than just fair trading relations, but in fact “a piece of global politics” (Weltladen-Die Fachgeschäfte für Fairen Handel, 2011). Instead, it is possible today to just choose Fair Trade products in any conventional supermarket. The mainstreaming of Fair Trade products has resulted in an increasing number of Fair Trade consumers, and at the same time re-defines the consumer, or to be more precise diversifies the range of Fair Trade consumers. The political Fair Trade purchaser still buys Fair Trade products and still buys in *One World* shops. But today “different people have the courage to buy Fair Trade products”.¹⁰⁷ Buying Fair Trade today is not necessarily a political statement. It is rather an expression of consumer awareness and social and environmental responsibility. It can however still be interpreted in connection with the consumer’s identity, that still seeks to oppose the “seeming instability” (Baudrillard, 1998, p.7) of consumer culture by referring to ethically correct products. However, interest in Fair Trade is no longer entangled with membership in a certain group associated with a political, ideological attitude.

107 Susanne Mewis, Weltladen Bremen, interview with the author, Bremen, 17 May, 2011.

Once again, Fair Trade has left the specific niche that used to focus very much on the “alternative, left-wing-orientated, middle-class consumer”.¹⁰⁸ It now addresses a more mainstream, yet still conscious consumer. “It is not one particular group of consumers anymore”,¹⁰⁹ as the *Senator for Environment, Construction, Transport and European Affairs* stated. All of my interview partners agreed that the Fair Trade consumer today differs from the former Fair Trade consumer; the vintage Fair Trade consumer still exists today. However, a broader variety of people can be found in the category of the Fair Trade consumer. Particularly younger people, students in particular, are now interested in ethical consumption.

Whereas you immediately expressed a certain identity, i.e. to be a leftist, politically correct person, when you bought Fair Trade products before, now you are someone buying a labelled product that stands for social responsibility and environmental awareness. As such this is the expression of a certain lifestyle, but is not automatically associated with counter-culture. In fact it is a rather controversial question as to whether there is still such a thing as a counter-culture. Litrell and Dickson refer to the Fair Trade purchaser as “cultural creatives” i.e. “college-educated, middle-aged, and middle-class” (Litrell and Dickson in DeCarlo, 2007, p.34), in other words the new young middle class, who have a particular political penchant for the Green Party. Or as the former *Jacobs* PR manager has it: Previously the Fair Trade consumers were the “wild youth, today they are the new Green-Party voters”.¹¹⁰

As with most movements and concepts, there are always more strict and dogmatic followers and more conventional ones. Today we perceive a quite normal coexistence of politically convinced Fair Trade consumers and the more mainstream, less rigid ones. The concept of the ethical consumer underwent changes, foremost because there has been a significant increase in “ethical awareness on the high street” (Woodman, 2011, p.2): Whereas before, ethical consumer movements were followed only by small groups that rejected globalisation and Western consumerism, it has turned into a mainstream phenomenon that is socially accepted. It has become an important part of Western consumer culture.

108 Gertraud Gauer-Süß, Information Centre for Human Rights and Development Bremen, interview with the author, Bremen, 17 May, 2011.

109 Silke Goethe and Kerstin Dahlberg, Senator for Environment, Construction, Transport and European Affairs with the author, Bremen, 24 April, 2011.

110 Rolf Sauerbier, former PR manager and spokesperson of Jacobs Kaffee/Kraft Foods, interview with the author, 24 April, 2011.

Twenty years ago, identity was predominantly expressed by either associating oneself with a counter-culture or by following more mainstream cultural patterns. Today those spheres have merged to a significant extent. The Fair Trade consumer does not have to belong to a certain group to buy Fair Trade products or organic food. Fair Trade is part of a lifestyle, but it is much less dogmatic than it used to be and no longer so political. Fair Trade consumers can decide to what extent they want to support the Fair Trade initiative. They are not immediately followers of a social or political movement, and they can decide in how far they want to “incorporate and legitimise the engagement ... in the motivational and practical context” (Hearn and Roseneil, 1999, p.143) of their living situation.

When we have a look at the notion of “voting with your dollar” (Johnston, 2007, p.1), i.e. the notion of substituting basic civil duties like voting with conscious consumer choice, it is probably a way of enacting democratic rights, which is too simple. However, the point is that values today play a different, important role in consumer behaviour, especially concerning the purchase of food. We are now in a different position that enables us to “express our personal ethical values through our choice of coffee, or chocolate or bananas etc.” (Woodman, 2011, p.2). Consumers today “shop with their values and priorities” (DeCarlo, 2007, p.35). Again consumption is about identity expression; the consumer tends to identify with the values a product represents (expressed and certified through a label), because, after all, human beings find their identity by identifying. Certified products are important to the consumer because a label always guarantees certain standards and norms, which the consumer needs to “constantly sustain[s] certain personal standards of conduct” (Hearn & Roseneil, 1999, p.137) and to maintain a certain ease in everyday life.

To sum up, while previously the Fair Trade consumer was part of a political movement opposing globalisation and mainstream culture, it is now possible to just support fairer trading relations, without actively resisting globalisation and break with consumerism. In fact, the Fair Trade label and thus fairer trading relations have become part of consumption, whereas earlier the Fair Trade movement and the *One World* shops did oppose the notion of consumer society in general. What did not change is the importance of Fair Trade for all kinds of different people to attribute meaning to their lives. Fair Trade can either be part of a conscious lifestyle of the mainstream consumer, or it can be a holistic moral and ideological framework that guides individual and group behaviour (vintage Fair Trade community).

The paradigm shift did occur in as far as parts of the Fair Trade paradigm that were first limited to a very small community, have now been incorporated into mainstream society and thus become available to the mainstream consumer. The consumer’s “perception of his environment” is being re-educated, he is learning “to see a new gestalt” (Kuhn, 1996, p.112) and internalise different values in his consumption behaviour.

Problems and dilemmas: paving the way for sustainable Fair Trade

Before I conclude this chapter, I would like to devote at least a few paragraphs to problems within the Fair Trade System. Fair Trade certainly has its merits in making people aware of unfair trading relations and exploitation of Third World countries. As we have discovered, it is now part and parcel of consumer behaviour in Western cultures. Nevertheless, there are some current problems and dilemmas that hinder a more rapid spread of the implementation of Fair Trade practices as a sustainable principle in the long term.

As the BIZ pointed out, many systems run well on a certain small scale, but as they grow problems tend to become more complicated.¹¹¹ Control is for example one key issue, difficult to achieve when Fair Trade expands. Insufficient control is also something the former *Jacobs* PR manager criticised.¹¹² He claimed that the application of the Fair Trade label requires extensive administrative work for the licensee as well as for the Fair Trade producers. Nevertheless, it is quite unclear how much of the Fair Trade price the producer really receives.

Furthermore, Fair Trade aims to avoid the intermediary trade, because that is often where the exploitation starts. However, intermediary trade is often indispensable, since many coffee farmers are not able to transport their coffee to the big export companies. Therefore they unite in Fair Trade cooperatives that also receive and manage the Fair Trade premium. It is thus difficult to “measure the outcome for the individual farmer” (ibid.).

Opinions differ when it comes to the effectiveness of Fair Trade. As a matter of fact, it seems difficult to assess the efficiency of Fair Trade; additionally *Tchibo* confirmed that “impact measurement”¹¹³ is something that needs to be improved. Data for the licensee are hardly available and long-term surveys do not yet exist. With the increasing growth of the Fair Trade movement, companies also demand results on paper.

It is indeed the aim of Fair Trade to become a larger, more successful movement, which can change something economic structures. It is at the same time easier to work with small companies and enterprises, since small-scale producers are the focus of Fair Trade. The big coffee companies require larger amount of resources. It requires more Fair Trade

111 Gertraud Gauer-Süß, Information Centre for Human Rights and Development Bremen, interview with the author, Bremen, 17 May, 2011.

112 Rolf Sauerbier, former PR manager and spokesperson of Jacobs Kaffee/Kraft Foods, interview with the author, 24 April, 2011.

113 Cornel Kuhrt, Senior Manager Food Corporate Responsibility Tchibo, interview with the author, 16 May, 2011.

farmers to be able to supply bigger companies; supposing that the industry is willing to increase trade under fair conditions incrementally.

However, the central problem remains with the consumer. The main problem in Germany that hinders a faster expansion of Fair Trade is the lack of consumers' willingness to pay more money for food. Naturally, Fair Trade must gain distribution in order to be successful in the long-run. But when it comes to food prices, the German consumer has been spoiled with dumping prices for years.¹¹⁴ *TransFair Germany* claimed that "nowhere else are the discounter supermarkets as successful as in Germany".¹¹⁵ Awareness of the Fair Trade initiatives and the label has in fact increased, but the consumer needs to be willing to pay higher prices. In Germany the price difference between conventional products and Fair Trade products is often too high to convince the consumer. In Switzerland, especially in the banana market, it is almost impossible to buy bananas that are not fairly traded. If there is no alternative, the consumer accepts higher (Fair Trade) prices; but with a striking price difference, the German consumer is most likely to choose the cheaper product.¹¹⁶ The consumers' attitude is something that needs to change in order to make Fair Trade work. Here, Fair Trade organisations say it requires more education, initiatives like "educational events in primary schools for example, since consumption patterns are established very early in people's lives".¹¹⁷ Awareness-raising is one thing; time for people to get used to the notion of spending more money on food is another requirement in order to make Fair Trade successful in the long run.

Conclusion

Looking at the cultural, social and economic development of Fair Trade during the last two decades, one can conclude that there have been fundamental changes. Of course it is necessary to take into consideration that the question in how far this cultural paradigm shift is connected with consumer identities must be substantiated by future empirical

114 Rolf Sauerbier, former PR manager and spokesperson of Jacobs Kaffee/Kraft Foods, interview with the author, 24 April, 2011.

115 Kathrin Schuster, TransFair Verein zur Förderung des Fairen Handels mit der "Dritten Welt" e.V., telephone interview with the author, 19 May, 2011.

116 Kathrin Schuster, TransFair Verein zur Förderung des Fairen Handels mit der "Dritten Welt" e.V., telephone interview with the author, 19 May, 2011.

117 Gertraud Gauer-Süß, Information Centre for Human Rights and Development Bremen, interview with the author, Bremen, 17 May, 2011.

studies, generating data about actual consumer behaviour. However, when I attempt to sum up what my analysis has brought forward with regard to my central research question I can conclude that there has been a considerable paradigm shift. Mainstream culture has adopted many elements of what used to be shared beliefs of a counter culture.

From within, the Fair Trade niche had to come to terms with the new mainstream, competitive Fair Trade market. Even though Fair Trade products are still available in *One World* shops and people who promote the Fair Trade movement wearing woollen socks twenty years ago still do so today. However the alternative niche has changed or modernised and professionalised. NGOs and *One World* shops learned to appreciate professional marketing strategies and mainstream advertisement. Nonetheless, the mainstreaming of the Fair Trade paradigm did not lead to the elimination of the niche where Fair Trade originally emerged. *One World* shops will most likely exist in the future, if they continue to adapt to the new circumstances and the challenges a broader market of Fair Trade products entails. A smaller circle of convinced, maybe morally strict people will most likely continue to purchase their products in *One World* shops regardless, because these guarantee 100% Fair Trade products.¹¹⁸

A more noticeable transition is perceptible when looking at the industry. Today most of the coffee companies work with different sustainability concepts. In general, big companies have at least one product range that is Fair Trade certified with 4-C standards being applied to an even broader range of products. *Tchibo* plans to make sure that by 2015 25% of its coffee will be grown sustainably and responsibly. Additionally, *Kraft Foods* and *Nestlé* recently declared that they would work with more sustainable sources.¹¹⁹ There is obviously societal and competitive pressure that requires change in the companies' policy towards integrating strong CSR strategies. For industry, changing paradigms mean adjustment to fairer standards and environmental friendly requirements. On the one hand, Fair Trade offers access to new market segments; on the other, Fair Trade standards are also controlled by external organisations and may thus restrict the company's freedom. However, initiatives such as the 4-C Association, as a multi-stakeholder initiative, can be seen as signifiers of change, too. The cooperation of different stakeholders, even formerly antagonistic ones, that aim to create a more sustainable economy including social aspects and environmental issues, is something that was hardly imaginable twenty years ago. Whereas in the past there were still severe tensions between the Fair Trade movement

118 Susanne Mewis, Weltladen Bremen, interview with the author, Bremen, 17 May, 2011.

119 Cornel Kuhrt, Senior Manager Food Corporate Responsibility Tchibo, interview with the author, 16 May, 2011.

and big business, the negotiation circumstances now seem to be relatively ideal in order to establish long-term Fair Trade principles within business and society.

Does mainstreaming imply a softening of Fair Trade standards? Although major companies like McDonald's apply the Fair Trade label, the value-core and standards of Fair Trade have not changed. Fair Trade organisations still focus on the original standards. Those standards apply to every company wanting to sell certified products, no matter how powerful and influential they are.¹²⁰ It is, however, the image of the Fair Trade label that has changed as a result of its mainstreaming: "Today Fair Trade is just *en vogue*" (ibid).

An extreme change is also visible when we consider how Fair Trade is perceived and accepted in civil society. Consumers pay increasing attention to a company's environmental and production policy. A company's image highly important these days and the industry can no longer ignore social and environmental issues. To realise "profits and a good image among consumers" (Micheletti & Stolle, 2007, p.161), companies need to address global issues.

As far as the construction of consumer identities is concerned, I can conclude that Fair Trade is and has always been a way of expressing a certain conviction (differing in strength) that was true for the consumer of the early years and is still true today. However, the range of Fair Trade consumers has changed and also the degree to which an ideological/political view is expressed through the consumption of Fair Trade products. Identification with the purchased products in any case remains important for the individual who is "condemned to freedom" (Beck in Dürschmidt, 1999, p.136) to make sense of postmodern society. The individual thus uses consumption as a point of reference to make sense of everyday life. Fair Trade can provide guidelines that help the individual to create stability. But there has been a change in the extent to which Fair Trade defines identity. Today we have so many labels around us that we can choose from all of them and thus construct and combine a multifaceted identity with different sorts of labels and brands and political convictions. The Fair Trade consumer today is still someone who "cares about things like sustainability, global justice, and climate change".¹²¹ However, engagement in a consumer movement now does not necessarily mean resistance to globalisation, but is rather an "aspect of self-actualisation"¹²² in the context of a complex risk society" (Dürschmidt, 1999,

120 Kathrin Schuster, TransFair Verein zur Förderung des Fairen Handels mit der "Dritten Welt" e.V., telephone interview with the author, 19 May, 2011.

121 Silke Goethe and Kerstin Dahlbergg, Senator for Environment, Construction, Transport and European Affairs, interview with the author, Bremen, 24 April, 2011.

122 Language is a representation of cultural meaning, therefore it is enlightening to have a look at the semantics of a term like self-actualisation, which refers to "the realization or fulfilment of one's talents and potentialities, especially considered as a drive or need present in everyone" (Oxford Dictionary of English).

p.136). Consumption is “a statement of contemporary society about itself” (Baudrillard, 1998, p.193) and furthermore, consumption “has acquired the force of common sense” (Baudrillard, 1998, p.193). Nonetheless, what we actually consume is, according to Baudrillard, only the “idea of consumption” (Baudrillard, 1998, p.193). This assumption leaves the postmodern individual with almost nothing to refer to, just the mere “myth of consumption” (Baudrillard, 1998, p.193). Being part of a certain food-related movement “hands back to the individual some competence over one of the crucial issues of daily life” over the question of “what to eat?” (Hearn and Roseneil, 1999, p.139). Consumption-related movements are thus one way of finding points of reference in a world constituted by phenomena which have “no referent in everyday reality” (Chandler, D. & Munday, R. 2001). Ethical consumerism has become a popular way of expressing identity. The Fair Trade movement can be considered as an important movement that is part of our generation and can be seen as “part of a more general political process of creating new forms of responsible governance, locally, nationally, and globally” (Micheletti & Stolle, 2007, p.158). The Fair Trade consumer has undergone a change from a political activist to a conscious and aware consumer.¹²³

However, for Fair Trade to remain truly successful and continue to grow in size and magnitude, the consumer attitude, especially in Germany, still requires re-education and sensitisation. Even though the Fair Trade initiative and label have gained significant recognition during the last years, although “awareness of the need for a greener lifestyle” is there, it is also the case that “the involvement in everyday life is keeping them [the consumers] from realising their good intentions” (Dürschmidt, 1999, p.143). The German consumer in particular still needs to learn how to transfer awareness into shopping behaviour and increase his or her willingness to pay more money for sustainable products.

Here, I would like to come back to Kuhn’s thoughts once more. According to him, “scientists work from models acquired through education and through subsequent exposure to the literature often without quite knowing or needing to know what characteristics have given these models the status of community paradigms” (Kuhn, 1996, p.44). Applied to cultural paradigms, that means that we grow up and get used to certain standards, without knowing why and how these standards came about. In the case of sustainability and more explicitly the need to increase social justice as cultural patterns, i.e. paradigms, are still quite new. Even though parts of mainstream society

123 Gertraud Gauer-Süß, Information Centre for Human Rights and Development Bremen, interview with the author, Bremen, 17 May, 2011.

already recognise and appreciate the new paradigm, society, as a whole, might need some time to adapt to those new paradigms.

As the former *Jacobs* PR manager said, it might need two or three generations to grow up with the new, different standards and ethical consumption practices in order for Fair Trade to become a natural part of the ethically correct “set of rules” (ibid.). Considering the popularity of the organic food movement, we could hope for the same positive development for the Fair Trade market. The BIZ stated that it is quite probable, that the organic movement is ten years ahead of the Fair Trade movement,¹²⁴ and also the *Senator for Environment, Construction, Transport and European Affairs* emphasised that the green movement needed time to establish itself and gain distribution,¹²⁵ and today the Green Party can be considered as one of the leading parties in Germany. Again I could refer to the Kuhnian paradigm shift, that there is not one moment that brings about the revolution or shift; it is rather a (long) process (Kuhn, 1996).

One way or another, it remains up to the consumer, who needs to adapt to new consumption standards. “The fairer we wish to be, the more we have to share”,¹²⁶ said one of my interview partners quite correctly. Only then can “critical mass shopping” become an important part of the process “toward a more equitable world” (Micheletti & Stolle, 2007, p.166).

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