Abstract

This chapter explores the possibilities and limitations inherent in Fairtrade’s ethic of relationality. Drawing on in-depth studies of cocoa and Fairtrade conducted in Ghana and the Dominican Republic we examine how the principles of relationality such as dialogue, transparency and respect are expressed, materialised and ‘transgressed’ through Fairtrade standards. Like the boundary objects conceptualised by Star and Greisemer (1989), these standards aim to translate ethical ideals across diverse communities, circulating through and extending networks of moral practice. However, in contrast to other certification systems, where standards facilitate an ‘ethic of detachment’, Fairtrade aims to invest market transactions with values of partnership and mutual obligation. We suggest, however, that despite its paradigm of engagement and interdependence, the practices of Fairtrade can also generate an ethic of detachment. Focusing on standards that aim to engender ‘equal exchange’ such as the minimum price, social premium and long-term trading relations, we argue that Fairtrade standards echo Latour’s ‘immutable mobiles,’ objects whose meanings and forms remain stable as they engage diverse networks and geographies. This immutability raises questions on whether what consumers construe as an ethic of relationality should not also be considered one of disconnection, that is, a transgression of Fairtrade’s ‘ethics of care.’
Of Red Herrings and Immutabilities: Rethinking Fairtrade’s Ethic of Relationality among Cocoa Producers

Introduction

In the globalised food system, where the path from farm to fork is marked by complex and spatially dispersed production chains, northern consumers increasingly face what Eden et al. (2008: 1045) term “the distance problem of consumption.” For many consumers, far removed from the sites in which their food is produced, this ‘food from nowhere’ problem has thrown up a range of anxieties --- from greenhouse gases and food-borne illnesses to GMOs and labour abuses --- over the consequences of an ever more corporate and de-territorialised food supply (Giddens 1990, Polyani 1944).

Like other ‘alternative’ food networks (‘local’, ‘slow’, ‘organic’ etc), the Fairtrade movement emerged, in part, to address this distance problem by challenging normative suppositions about how markets are organized and the calculating, self-interested rationality upon which they reputedly rest. The movement confronts the alienating effects of modern capitalism by re-embedding sociality in hitherto impersonal market processes, seeking to forge a moral economy of enduring, inter-dependent, and direct producer-consumer relations. This relational ethic ‘transgresses’ the social and economic norms of conventional food systems and forms the crux of the Fairtrade promise, a promise embodied in the Fairtrade label that today dons thousands of products on supermarket shelves. Yet while the label replaces the complexity of food production and processing with a symbolic shorthand for trust and assurance (Eden 2009), it can also gloss over some of the emerging tensions and challenges to Fairtrade’s ‘ethics of care’ (Whatmore 1997).

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1 This paper is concerned specifically with Fairtrade products that are certified by the Fairtrade Labelling Organisations International (FLO) and not the wider ethical trade movement and market.
This chapter\textsuperscript{2} explores how the forms and practices of Fairtrade can create multiple, if not contradictory transgressions, at times radically challenging the normative structures of global capitalism and at other times re-conventionalizing the spaces of ‘alternative’ production and consumption (\textit{c.f.} Guthman 2004). Such transgressions have been recognized in the realm of marketing and retail where the boundary between Fairtrade’s seminal ethics and commercial imperatives are increasingly blurred through the ‘mainstreaming’ of Fairtrade products (Dolan 2010, M. Goodman 2010, Low and Davenport 2006, Renard 2005). Today the ethical space of Fairtrade is as likely to be populated by corporate manufacturers, retailers and supermarkets (Chiquita, Starbucks, Tate and Lyle, Nestlé, Cadbury’s, Wal-Mart) as by Third World, fair trade and/or independent shops. This wave of corporate engagement has been celebrated by some, lauded for presenting a welcome opportunity to grow market share and spread development benefits to a wider tranche of producers (Barrientos and Dolan 2006:181). For others, however, this ‘means justifies the ends’ consequentialism (Goodman 2007: 1), is less palatable, cast as an instrument for corporate self-interest that adulterates the moral landscape of Fairtrade under the mantle of ethical business. Yet aside from the ideological disjunctions and ambivalences associated with mainstreaming, the transgressions of Fairtrade’s moral vision also exist within the socio-material processes of certification itself.

Drawing on in-depth studies of cocoa and Fairtrade conducted in Ghana and the Dominican Republic we examine how the principles of relationality such as dialogue, transparency and respect are expressed, materialised and ‘transgressed’ through Fairtrade standards. Like the boundary objects conceptualised by Star and Greisemer (1989), these standards aim to translate ethical ideals across diverse communities, circulating through and extending networks of moral practice. However, in contrast to other certification systems,

\textsuperscript{2} The authors thank Michael Goodman for his constructive comments on this paper.
where standards facilitate an ‘ethic of detachment’ (Cross forthcoming), Fairtrade aims to invest market transactions with values of partnership and mutual obligation, values that implicitly accommodate differing viewpoints and negotiated understandings. We suggest, however, that despite its paradigm of engagement and interdependence, the practices of Fairtrade can also generate an ethic of detachment. By focusing on standards that aim to engender ‘equal exchange’ such as the minimum price, social premium and long-term trading relations, we argue that Fairtrade standards echo Latour’s ‘immutable mobiles,’ objects whose meanings and forms remain stable as they engage diverse networks and geographies.

While the cocoa commodity chain includes different groups of producers, traders and buyers, their capacity to shape Fairtrade’s ethic – to participate in defining, modifying and challenging the processes of Fairtrade – is often limited. This, we argue, challenges us to rethink what counts as a relationship in ethical networks and whether what consumers construe as an ethic of relationality should not also be considered one of disconnection, distance and detachment, that is, a transgression of its ‘ethics of care.’

**The Immobility of Attachment**

Several studies have shown how the branding and marketing of Fairtrade constructs Fairtrade relationality discursively, replacing the abstraction and anonymity of markets with metaphorical connections between northern consumers and southern producers. But the ethic of relationality is not simply a marketing strategy; it is embodied in the core ethos and mission of Fairtrade, as reflected in the International Federation of Alternative Trade definition of Fairtrade:

‘Fair Trade is a trading partnership, based on dialogue, transparency and respect, that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of,
marginalized producers and workers - especially in the South. Fair Trade organisations (backed by consumers) are engaged actively in supporting producers, awareness raising, and in campaigning for changes in the rules and practice of conventional international trade.\(^3\)

In a practical sense, Fairtrade constructs this relational vision of empowerment through a set of organisational principles and standards (e.g. long-term supply chain relations, a social premium, and a ‘fair’ price) that are communicated across diverse social and geographic sites. In theory these standards, and their associated practices, knowledge forms and meanings represent boundary objects, a term originally developed by Star and Greisemer (1989) to denote artefacts (physical or conceptual) that inhabit and connect actors in multiple contexts and act as translation devices to bridge diverse and often dispersed communities of practice (e.g. between producers and consumers) (Eden 2009, Hunter 2008). These objects are sufficiently elastic in meaning and/or form to render them recognizable (relevant) across contexts but yet “robust enough to maintain a common identity” within them (Star and Greisemer 1989:393).

The boundary object concept was originally developed to understand the coordination mechanisms in establishing Berkeley’s Museum of Vertebrate Zoology, but has been applied across disciplinary fields to unpack how diverse communities interact, collaborate and cohere around policy concerns, including the certification of food and natural resources.\(^4\) Eden (in press, 2009), for example, conceptualises the labels of food assurance schemes and the tick-tree of the Forest Stewardship Council (FSC) as boundary objects, detailing how each coalesces dispersed communities of regulators, scientists, retailers, auditors, producers and

\(^3\) http://www.maketradefair.com/en/index.php?file=21052002111743.htm&cat=4&subcat=1&select=5 accessed 09.08.10

consumers. In the same vein, Feldman et al. (2006) describe how organic certification in the USA serves as a boundary object that reconciles the conflicting interpretations of conventional and alternative agriculture networks to create shared understandings of ‘healthy’ food. Central to these studies is the capacity of a boundary object to encompass the perspectives, interests and needs of distinct communities “without necessarily fusing them into one” (Eden 2009: 384).

The capacity of a boundary object to “bridge” heterogeneous communities is, at first blush, highly relevant to analyses of Fairtrade, which aims to facilitate co-operation and collaboration and to surmount rather than strengthen boundaries between North and South (Star and Griesemer 1989: 414). Indeed, as shown in the IFAT definition, the seminal values of Fairtrade, and the locus of its moral legitimacy, lay in its ethic of solidarity that aims to extend universal rights while preserving the eco-cultural identity of producer communities.

However, in this chapter we suggest that Fairtrade’s capacity to accommodate ‘local’ meanings, social practices, and interests is mixed. What is deemed an ethical value, who deems it so and how values are calculated is often closed to producer participation despite the fact that interpretations of ‘quality’, ‘fairness’ and ‘equity’ differ across producer communities (c.f. Reineke 2010). The system therefore could be better conceptualised as what Latour (1987) terms an immutable mobile, a set of unmediated, standardized objects produced in “centres of calculation” that convey unchanging information as they pass “from one person or group to another” across geographic and temporal contexts (Neyland 2006:35, Mol and Law 1994). In contrast to many boundary objects, the static nature of the immutable mobile “stands above” particular contexts (Mosse 2007: 2), acting as a travelling vessel for the predetermined positions and agendas of specific social actors (Oswick and Robertson 2009). Unlike the FSC standard, for instance, which is customised to adapt to diverse national and regional ecosystems (Eden 2009), Fairtrade standards (with the
exception of price under certain conditions) do not recognise geo-cultural specificity and are largely developed by actors who have a more or less similar notion of what constitutes fair and ethical behaviour (Friedberg 2003). While these standards enable the coherence of a Fairtrade network across contexts, they do so through diffusion rather than co-ordination, radiating out from the Fairtrade Labelling Organisation (FLO) to communities that are spatially, organisationally and culturally distinct.

This has implications for the moral geographies and ethic of attachment that Fairtrade seeks to create. Certification standards are ‘technologies’ that facilitate co-ordination “at a distance,” replacing the complexity of food production with a “black box” of assurance that serves as a proxy for, rather than complement to trust (Miller and Rose 1990: 1, Barry 2004, Eden 2009, D. Goodman 2010, Dolan 2010, Shore and Wright 2000). These mobile universals, or what Craig and Porter (2006:120) might term “travelling rationalities,” mediate face-to-face relations through a phenomenal form --- a supra-cultural ethic that introduces uniformity and consistency across production spaces (Goodman et al. 2010: 11). Yet while they seek to bring producers, traders and consumers into ethical alignment, they also generate an alienated form of relationality that replaces domestic conventions of interpersonal trust with codified norms for social, environmental and ethical behaviour (Vandergeest 2007, D. Goodman 2010). As Lockie (2002: 283) notes, immutable mobiles do not simply “relay facts about the world but play an active role in the reconfiguration of the world in their own image” as they confront landscapes with different values, norms and interests. Standardised definitions and conventions of ‘quality’ are thus not simply transmitted from principal labelling institutions (e.g. FLO) to disparate production sites across the globe but shape and ‘govern’ them, often in unseen and unintended ways (Renard 2005).

The mark of a fair and ethical system, however, is not simply about the content of standards but how they are internalised and ‘practiced’ within different value chains
Tallontire 2009). In the following sections, we draw on secondary data, key informant interviews carried out in France and the UK, and anthropological fieldwork carried out by Berlan in Ghana (2001-2003) and the Dominican Republic (2009-2010) to examine three Fairtrade standards that reflect an organizational embodiment of the immutable mobile: the minimum price, social premium and long-term trading relations. Each of these criteria flow from what Latour (1987) terms a ‘centre of calculation,’ circulating a set of global policy ideals surrounding fairness, equity, and participation through the spaces of cocoa production in Ghana and the Dominican Republic. Yet while the immutability of these certification processes may generate an ‘ethics effect’ among Northern consumers, the privileging of the universal over the relational can exact a price on the values of solidarity that Fairtrade seeks to cultivate, often crafting relations of power as much as affection (Mosse 2007).

The Growth of Fairtrade Cocoa

Over the last decade Fairtrade has experienced impressive growth rates and increased levels of consumer loyalty. In the UK consumer awareness of the Fairtrade mark has grown from 20 percent of the population in 2002 to 82 percent in 2009, with consumers in Britain purchasing more Fairtrade-labelled products per capita than any other country (Fairtrade Foundation 2009). In 2008 UK retail sales of Fairtrade-labelled products topped £700m with over 4,500 Fairtrade-certified products for sale in retail and catering outlets (Fairtrade Foundation 2009; Mintel 2009). Sales of Fairtrade cocoa products have been particularly strong, increasing from 2.3 to 44 million GBP over the period 1999-2009 (Fairtrade Foundation 2010), and receiving an important boost from the commitments of global chocolate and confectionary giants to convert some or all of their chocolate brands to Fairtrade (e.g. Cadbury Dairy Milk, Nestlé UK’s Kit Kat, Ben & Jerry’s and Green & Black’s) (FLO 2010).
Ghana and the Dominican Republic are well-established cocoa-producing countries. They have both acquired strong reputations in particular segments of the global cocoa market, and particularly in the export of Fairtrade cocoa. Cocoa has been a mainstay of Ghana’s economy since exports began in the late 19th century and is currently the country’s largest cash crop and second-largest export earner. Importantly, due to the high quality of cocoa it produces, Ghana is the only country in the world which receives a quality premium on the international market for its cocoa. In 2009, it replaced the Dominican Republic as the world’s largest exporter of Fairtrade cocoa when Cadbury’s opted to certify its Dairy Milk bar as Fairtrade. The Dominican Republic remains a significant exporter of Fairtrade cocoa and is the largest global exporter of organic cocoa, which at times commands high organic premiums on the world market. Although long-established in the country, cocoa from the Dominican Republic did not acquire a strong global reputation until it successfully resolved important quality issues in the 1980s (as explained below) and began to certify its production as organic.

The reasons why Ghana and the Dominican Republic have emerged as the most significant producers of Fairtrade cocoa relate to the development of producer co-operatives in both countries. In Ghana, the cooperative Kuapa Kokoo incorporates over 60,000 farmers organised in village societies, a significant increase from its initial membership of 2,000 farmers in 1993 (Barrientos and Smith 2007). The cooperative was spearheaded by a far-sighted local entrepreneur, Nana Frimpong Abrebrese, with assistance from some UK-based organisations. It obtained Fairtrade certification in 1995 and has been exporting Fairtrade cocoa steadily since, although Fairtrade has at times only made up a small proportion of their exports (in 2001/02, for example, Fairtrade sales represented only 1.2 percent of Kuapa Kokoo’s total sales).5 Broadly speaking, the mission of Kuapa Kokoo is to work “at

5 Source: http://www.fairtrade.org.uk/producers/cacao/kuapa_kokoo_union.aspx accessed 18.08.10
improving the social, economic and political wellbeing of its members." In the Dominican Republic, exports of Fairtrade cocoa are led by CONACADO (the acronym of La Confederación Nacional de Cacaocultores Dominicanos). Founded in 1988, the co-operative brings together approximately 10,000 cocoa farmers who are organised into 182 local associations that form 8 regional ‘Bloques.’ Like Kuapa Kokoo, CONACADO was established as a local initiative (with Western support) prior to receiving Fairtrade certification. The creation of CONACADO also represented a significant step in the broader Dominican cocoa industry as it included setting up drying and fermentation facilities (an initiative since replicated by other Dominican cocoa export companies) which resulted in substantial quality improvements and resultant higher prices for producers (Berlan and Bergés 2010).

Both cooperatives have enjoyed remarkable success, comprising over 90 percent of global Fairtrade cocoa sales by 2003 (ICCO 2005). From their modest beginnings, they have grown to significant numbers and engendered both material and social benefits for their members (Berlan 2008, Berlan and Bergés 2010). The volume of Fairtrade sales has generated sizeable social premiums for investment in community development. For example, in 2007/2008 CONACADO sold approximately 50 percent of its production on the Fairtrade market, receiving a premium of US$888,478.50 with which they established a number of projects to assist their members. Both cooperatives have secured stable business relationships with major chocolate companies such as Cadbury’s and Green and Black’s. In the case of Kuapa Kokoo, they also own a significant share of the UK-based chocolate company Divine Chocolate. In doing so, the cooperatives have raised awareness globally of the needs of producer communities and they have increased the visibility of their respective countries in

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6 Source: http://www.kuapakokoo.com/index.php?option=com_content&view=article&id=48&Itemid=56 accessed 09.08.10
the international cocoa market. Beyond quantifiable returns, their cooperative nature and association with Fairtrade have also brought many intangible benefits to their members (Berlan 2008; Ronchi, 2003). These include, for example, participatory democracy and a long-term commitment to bring about gender equality in the case of Kuapa Kokoo (Berlan 2008: 179) and promoting higher quality and self-esteem among producers in the case of CONACADO.

The successes of the cooperatives have gained considerable attention in the UK and garnered widespread exposure in the media and in academic literature. However, coverage of their achievements has at times overshadowed some of the less obvious and often unintended dimensions of the Fairtrade cocoa supply chain. One example of this is the way in which Fairtrade’s emphasis on co-operation and partnership and producer/consumer linkages is affected by the instrumentality of Fairtrade standards. While standards construct fairness as a straightforward attainable goal by setting out particular criteria for stakeholders to meet, they can also work against Fairtrade’s relational principles, collapsing complicated and variegated social worlds into standardised concepts and categories (Dolan 2008). This raises questions about whether what consumers construe as an ethic of relationality, is not in fact, one of detachment, and whether Fairtrade’s model of economic solidarity is indeed more affective than the abstract transactions of conventional supply chains. More broadly, it challenges us to consider whether attempts to codify and standardise ‘fairness’, however externally appealing, have a realistic future in an increasingly complex and globalised world.

**Minimum Price**

The global minimum price carries considerable moral weight in Fairtrade discourse and is widely viewed as the ‘‘clearest direct benefit’’ from participation in Fairtrade schemes.
(Taylor et al. 2005). It is through the mechanism of price that principles of solidarity are integrated into hitherto impersonal market relations, thus distinguishing Fairtrade from mainstream trade by mitigating the price volatility of global commodity markets (Reinecke 2010) and extending economic justice to small producers around the world. As summarised by the Fairtrade Labelling Organizations International (FLO), the minimum price aims to: “ensure that producers receive prices that cover their average costs of sustainable production; provide an additional Fairtrade Premium which can be invested in projects that enhance social, economic and environmental development; enable pre-financing for producers who require it; [and] facilitate long-term trading partnerships and enable greater producer control over the trading process.”

The minimum price for cocoa beans established by FLO now stands at US$ 2,000/MT (FOB) plus a premium for social projects of US$200/MT (FOB). The price was raised in October 2010 (with effect from 1st January 2011) and represents a significant increase from the previous price of US$1,600/MT with a premium of US$150/MT. In cases where world market prices exceed the minimum of US$ 2,000 /MT, the Fairtrade price is calculated as the world market price plus the Fairtrade premium.

The establishment of a ‘fair’ return through the standardised, quantifiable and globally applicable criterion of price is central to the construction of ethicality and to creating identifiable norms that consumers can recognize and trust. For example, the Fairtrade Foundation website, which provides details of four cocoa producer groups globally (which include CONACADO and Kuapa Kokoo), cites the minimum price as one of the primary benefits of Fairtrade for each one of them. In the case of CONACADO the website states:

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‘[CONACADO] receives the Fairtrade minimum price of $1,600/tonne plus the Fairtrade premium of $150/tonne. If the New York price is higher they receive the world price plus the Fairtrade premium. Organic cocoa attracts an additional premium of $200/tonne. Cocoa accounts for 90 percent of members’ cash income, so the stable price from Fairtrade sales makes a significant difference in the farmers’ lives and allows the organisation to budget for its outgoings between harvests.’

As Reineke (2010:5) notes, however, the minimum price not only redefines how value is calculated, but “what it is it that should be valued and who values.” From the perspective of producers, how value is translated into the concept of a minimum price and the normative assumptions the price conveys about their needs can be problematic for a number of reasons.

Firstly, as the New York price has consistently exceeded the Fairtrade minimum price for the last three years, farmer cooperatives have not enjoyed the higher prices or price stability that Fairtrade claims to guarantee. This raises questions on the extent to which Fairtrade can be considered different from the conventional supply chains through which cocoa is normally exported from the pricing point of view (although Fairtrade is obviously different in other respects such as the fact that a social premium is paid). Furthermore, individual producers do not receive a higher price for their cocoa, even if it is sold via Fairtrade channels. Indeed, according to the International Cocoa Foundation, Fairtrade farmers selling to co-operatives “receive the same price for their cocoa as when the co-operative sells mainstream cocoa. In most cases, the co-operatives pay the same price to all farmers and they sell only part of their total trade volume under the fair-trade arrangement” (ICCO 2005). The reason for this is that farmer prices are set in country and not internationally. In Ghana the price is established annually by COCOBOD (the government-

run Ghana Cocoa Marketing Board) which offers the same price to all farmers throughout the year, irrespective of world market fluctuations (Berlan 2004, Berlan 2008). This fixed price policy was introduced following Ghanaian independence in order to stabilise the prices paid to farmers in the wake of volatility in the international cocoa price in the post-WW2 period (see Berlan 2004: 159-163). In the Dominican Republic, pricing arrangements are more complex. To summarise it broadly but succinctly, the price farmers receive is set daily by the individual export companies based on the world market price. The Dominican National Cocoa Commission (a multi-stakeholder consortium which includes the government, private companies and producer cooperatives) obtains prices from the cocoa exporters and releases daily averages which become the minimum reference prices for the farmers. Exporters voluntarily follow this price to protect against price abnormalities but are free to give additional quantity/quality bonuses to producers if they wish. Both in Ghana and the Dominican Republic, farmers selling to Kuapa Kokoo/CONACADO receive seasonal bonuses. However, this is due to the fact they are associated with a cooperative, which, although supported by Fairtrade, is not a direct pricing benefit of Fairtrade (Larbi-Jones 2001, Ronchi 2003). Therefore, it is important to note that the UK minimum price is the export price that cooperatives such as CONACADO or Kuapa Kokoo receive as export companies, but it does not determine individual producer prices.

Secondly, the Fairtrade minimum price, which as previously noted covers producers’ ‘average costs of sustainable production’, is a problematic concept. The US$2,000/MT price, which was announced in October 2010, represents a long-overdue increase from the previous price of US$1,600/MT, which was originally set in 1997. The stagnation of this price for such an extended period of time, coupled with the fact that the world market price for cocoa has consistently exceeded Fairtrade’s minimum price in recent years, raises questions on whether
the minimum price remains relevant for cocoa producer groups. Furthermore, if world market prices had fallen prior to the price increase and producer groups been forced to rely on the US$1,600/MT price, it is unlikely that this price would have been financially sustainable. When asked why the Fairtrade minimum price had not been reviewed for so long, key informants in Fairtrade organisations attributed this to it being an extremely complex consultative process because of the wide range of stakeholders involved (such as alternative trading organisations, retailers, large companies, NGOs, producer groups etc). Problematically, these stakeholders are located in different countries across different continents, and they often have conflicting views and interests.

Aside from the failure to review and update the minimum price regularly, the very concept of a minimum price provides an apt illustration of Latourian (1987) immutability. The process of price setting takes place at FLO, what Latour (1987) would call a ‘centre of calculation,’ and is orchestrated by the Standards Unit, which serves as “impartial mediator between conflicting stakeholder interests” (Reineke 2010:8). In contrast to the implied sociality of Fairtrade, price setting is a highly rationalistic exercise based on a Cost of Sustainable Production methodology (CoSP), which is constructed to mirror real cost-covering prices based on objective facts (Reineke 2010). As Reineke writes in reference to Fairtrade coffee (2010:8), “determining a fair price was treated like a quasi-scientific problem that could be researched and, eventually, objectively defined.” While the Standards Unit feeds price proposals to National Labelling Initiatives for consultation, the extent to which producer groups globally are integrated into this process is nominal. In effect, producer

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10 Similarly, the price for Fairtrade coffee was not adjusted for inflation until a minor increase in 2007/2008 and has lost 30–60 percent of the original (1988) purchasing power. For many producers, Fairtrade prices remain below cost of production (Bacon and CLAC 2006, Jaffee 2007).
cooperatives act as ‘spaces of calculability’, that is, de-contextualised environments that facilitate the capacity for economic calculation (Callon 1998). Yet while price-setting may entail the technical and asocial processes of marketisation, one may question whether a price which was not reviewed for 13 years can be said to reflect market dynamics. Nevertheless, the technical price setting process, coupled with the standardisation and quantification of fairness, can subvert the notion of relationality by removing the process of value determination from the arena of producer decision making. The assumption that costs of production can be reduced to a global ‘one-size-fits-all’ by detaching the costs of production from the political, social and ecological context thus divests Fairtrade of its mutuality, while depoliticising the fundamentally political question of economic justice (c.f. Ferguson 1994).

It is not only the meaning of fairness embodied in the minimum price that is problematic but that the price itself can favour producer groups in regions with lower production costs. Ghana has lower production costs for cocoa than the Dominican Republic and therefore producers do not gain equal profits from trade based on a standardised price. However, a regionally specific price would inevitably lead buyers to purchase from the cheapest supplier, thus disadvantaging producers in regions with higher production costs. The issue of minimum price is especially problematic when pegged to accommodate varying regional production costs (e.g. tea and fresh fruit, including bananas) (Dolan 2010, Smith 2008). As Dolan’s (2010) study of Fairtrade tea shows, regional price variations provide an advantage for producers where country of origin matters to brand and marketing differentiation (e.g. Kenyan coffee) but can disadvantage co-operatives who produce products and/or ingredients that are blended, and are thus more easily substituted with lower-cost alternatives. Such ‘race to the bottom’ practices appear to have become more pronounced with the increased numbers of certified producers and participating supermarkets in Fairtrade; as evermore producer groups become Fairtrade certified, those supermarkets without
agreements/partnerships with specific producer groups enjoy considerable flexibility to source from a pool of lower cost countries (Smith 2008). In this context, a floor price is not only somewhat meaningless as it encourages buyers to source from producers with the lowest minimum price (Blowfield and Dolan 2010), but can transgress the associational supply chain relations Fairtrade espouses and potentially pit producer groups against each other (c.f. Mutersbaugh 2002). In essence, in both Ghana and the Dominican Republic, the minimum price can act as a sort of red herring, diverting consumer attention from the enduring challenges producers face in the global economy.

We suggest that the assumption that a single model of fairness can have any cross-cultural validity, an assumption that lies at the heart of consumer expectations and of the rhetoric of the Fairtrade movement, may require reconsideration. While other scholars have drawn attention to the fractious nature of Fairtrade’s relational claim in light of visible disparities between the ethical dispositions of northern consumers and the realities faced by Southern producers (Berlan 2008, Jaffee 2007, Dolan 2010), here our emphasis is on an additional structural problem with relationality. It is not simply the branding and marketing of Fairtrade products that undercuts the ideal of partnership by parlaying the subjectivities of producers into a source of economic value (Dolan 2008). As evidenced by the issue of the minimum price, the Fairtrade system itself can circumscribe the potential for collaboration, simultaneously calling for and negating true engagement with producer groups. Such contradictions, or indeed transgressions, are not unique to Fairtrade, but rather have become archetypal features of ethical regulation. All contemporary CSR systems (codes of practice, sustainability guidelines, performance indicators etc.) subordinate socio-economic and cultural variability through supranational standards that render ethics globally applicable. This is productive (for both activists and business) as standardizing heterogeneous production spaces through universal criteria creates a legible trading process and commensurability
among producer groups, thereby facilitating the global dispersion of ethics, whether Fairtrade, organic, bird friendly or otherwise. Yet such productivity rests on extending “economic precepts” and market criteria “to a whole spectrum of human practice” (Lemke 2001), producing a model of development premised largely on market rationalities, one that recasts social relations in terms of an economistic notion of human behaviour (c.f. Chopra 2003). Hence, though standards create the efficiencies needed to universalise Fairtrade’s alternative politics of food production, they may also reframe producers’ understandings of themselves as economic actors, thereby inducing social as much as political change (see Dunn 2005, Mutersbaugh 2005).

This redrafting of subjectivities in economic form is a signature feature of neoliberalism, where social relations are deemed anathema to the rational and efficient functioning of markets (Biggart and Castanias 2001). Under the weight of neoliberal rationalities, individuals around the world (citizens, consumers, workers) have been recast as objects of economic calculation, as calculative rationalities are extended into the hitherto non-economic spheres of social relations. Scholars of development, for example, have drawn attention to the way ‘informal’ and ‘subsistence’ workers are re-purposed as entrepreneurial ‘clients’, as development practice in a neoliberal context shifts from state- to market-led approaches such as microcredit (Elyachar 2002, Rankin 2001, Sharma 2006). Anthropologists (Cross forthcoming, Dolan 2010) have shown how CSR’s ethical protocols (standards, guidelines, auditing practices) increasingly replace face-to-face social interaction with the routinized exchanges of codified information, ‘disembedding’ (Polanyi 1944) affective bonds in the process of ethical regulation. That this spectre of neoliberal capitalism should emerge in the practices of Fairtrade should thus not surprise us, particularly as the neoliberal drive for rationality, calculation, and standardisation becomes even more pronounced with spatial/knowledge distance (Goodman personal communication). Yet the
increasing rationalisation of Fairtrade unsettles precisely because Fairtrade emerged as a palliative to this sort of economic abstraction and generated a global movement premised on rendering the social world of production *more* visible. The tendency towards immutability and rationalisation in certain Fairtrade supply chains thus sits uneasily with an ethic that has acquired considerable resonance in consumer markets, and risks diluting the distinction between conventional and ‘alternative’ food systems (Dolan 2008).

**Social Premium**

The social premium also acts as a fundamental ‘marker’ of the difference between Fairtrade and the abstracting, impersonal nature of conventional forms of trade. As previously outlined, the social premium has generated significant sums of money and boosted social development by funding an impressive number of projects in many cocoa-producing communities. However, these virtues notwithstanding, there is often a significant gap between the way the social premium is presented to consumers and how it is conceptualised by cocoa producers. Like the discourses surrounding the minimum price, there is a tendency to publicize widely recognised, ‘typical’ social development benefits rather than the less emotive and often technical projects adopted by producers. Broadly speaking, there has been a disproportionate emphasis on health, gender, education and clean water in marketing material issued by UK Fairtrade organisations on the use of the social premium. From the perspective of communities interviewed, while social projects relating to these issues were valued and welcomed, the producers also expressed many ‘non-orthodox’ preferences for how the premium should be spent ranging from wanting better roads, cars, televisions, places of worship or simply a cash transfer in place of a community project.
The significance of this is not to cast doubts on the effectiveness of the social premium but rather to challenge the way in which it is presented. While communities are able to select and vote on the projects they wish the premium to fund, there is clearly a selective bias towards, and wider dissemination of, the projects which are particularly amenable to Western audiences. Yet while messages about clean water, women’s empowerment or building school blocks resonate well with Western consumers (by casting producers as needy and poor [Berlan 2008, Dolan 2007] and evoking themes common to charity appeals), such projects do not necessarily reflect the most pressing needs and aspirations of producer communities in different regions. Indeed, as Dolan and Blowfield (2010) note, the perception that certain development benefits are worthy can often-times shape community desires, particularly where FLO and other northern Fairtrade organisations articulate the preferences, or even the parameters for legitimate projects. Indeed, while the rationale of the social premium is founded on an ethic of collective participation and redistribution, in practice it is not always as amenable to local specificity and negotiation as implied. In fact, like the minimum price, the celebratory discourse surrounding the social premium can camouflage the inflexibility that is sometimes at work, a rigidity that transgresses the aspirational parity of Fairtrade relations (Dolan 2008).

Aside from the paternalism that can accompany the execution of the social premium, the focus on projects appealing to Western audiences can marginalise areas that could enhance the overall potential of Fairtrade. For example, one of the main (but largely underreported) global challenges at the heart of cocoa production is increasing productivity. Berlan and Bergés (2010) found that the productivity of many cocoa farmers in the Dominican Republic was approximately half what it could be while a recent study of Ghanaian cocoa found that the sector averages “350-400 kilograms per hectare (...) as compared with rates of 1000 kilograms per hectare and over in some cocoa-producing
countries’ (Barrientos et al 2008: 78). The reasons behind low productivity in cocoa vary according to the context but often include a lack of farm maintenance (such as weeding), low use and poor understanding of the potential of hybrid trees, under-usage of grafting techniques, pest-related losses, poor control of cocoa tree disease (such as Black Pod disease), the high cost of hired labour and other factors. Yet such issues are of limited interest to a majority of cocoa/chocolate consumers who are accustomed to more socially-resonant (and often sexier) messages about clean water or women’s empowerment. However, both in Ghana and the Dominican Republic, these are crucially important issues for farmers as low productivity results in low earnings from cocoa, and this perpetuates a cycle of poverty, underinvestment in farm maintenance and low productivity.

In both countries (although to varying extents) this is an area where the Fairtrade premium has benefited farmers by funding vital agricultural extension support and other services. However, there is considerable scope to expand such initiatives according to the individual needs of particular producer communities. Doing so could signal Fairtrade’s existing achievements on the issue more clearly to Western audiences, and demonstrate that it can engage with issues of key relevance to the livelihood of farmers and to the overall sustainability of the cocoa trade. The technicalities of cocoa production may seem far removed from the aesthetics of commodity biographies found on UK supermarket shelves and the priorities of producers envisioned by Western consumers. However, unless some of the production issues listed above are addressed and the vicious cycle of low productivity and underinvestment is broken, cocoa farming will not be attractive to younger generations and the global chocolate industry faces an uncertain future (Berlan, in preparation). In this respect, there is a pressing need for Fairtrade to adopt the flexibility and dialogue its ethic implies, encompassing rather than resisting novel interpretations and uses of the social premium.
Long-term Direct Trading Relationships

In the Fairtrade model, abstract situations of exchange are re-socialized and re-spatialised through networks of trust and collaboration (Appadurai 1986, D. Goodman 2010. However, in the case of cocoa, where supply chains are often dispersed and fragmented, enhancing producer control over the trading process and facilitating long-term trading relationships is challenging. The producer cooperatives interviewed had clearly benefited from the long-term and consistent business support of key Fairtrade organisations and companies in the UK and elsewhere. They gained access to new networks, advice and funds for business expansion, governance and organisational strengthening, assistance with certification issues, and crucially, new markets for fairly-traded cocoa. In this respect, the Fairtrade aim to build long-term trading partnerships was being realised, and realised very successfully. However, the ethical and relational coherence of Fairtrade was also weakened by some of the more distant stakeholders in the supply chain. For example, one of the cooperatives, when asked about their engagement with a particular retailer, answered that they had had no dealings with them, even though the name of the cooperative, pictures of their producers and the Fairtrade logo appeared on the retailer’s own-brand bars of chocolate. Upon investigation, it emerged that the cooperative had no direct contact with the retailer but rather had a long-term contract with a chocolate manufacturer who made the chocolate for the retailer in question. This was not an isolated example; several situations emerged in which particular retailers in different countries were using the names of Fairtrade cooperatives on their products (thus implying a sense of partnership, especially as the wrappers often stated that Fairtrade brought socio-economic development) without having had direct contact with them. These episodes illustrate how producer groups can be objectified and commodified in Fairtrade transactions,
their names and faces providing surplus value for retailers that do not necessarily commit to long-term engagement or support (see also: Wright 2004, Goodman 2004, Dolan forthcoming). While this did not contravene the letter of the Fairtrade standards --- the appropriate prices and social premiums had been paid to the producer organisations --- it falls foul of the Fairtrade ‘spirit’ and churns up questions about the nature of relationality the label connotes.

While Fairtrade emphasises long-term relationships, it does not stipulate who the relationship should be with, and this introduces tolerance for intermediaries which undermines the very relationality Fairtrade aims to promote. For example, under existing FLO rules, supermarket own-brand products may carry the Fairtrade logo without the supermarket itself being licensed as long as products are sourced from the FLO register. While Fairtrade does not prevent a retailer from registering as a licensee as long as they comply with Fairtrade standards, in practice it is not supermarkets but their own labelled suppliers who are the Fairtrade licensee (Doherty and Tranchell 2007). This exempts retailers from the sustained collaboration and ongoing supply chain interactions that Fairtrade exhorts, providing latitude for engaging in untoward practices such as ‘parallel production,” in which retailers purchase only a small proportion of products under Fairtrade-certified terms whilst leaving their conventional sourcing strategies intact (Ransom 2005, Mutersbaugh 2005: 398). The capacity of certain retailers to exploit this loophole is problematic as it not only overshadows the genuine and valuable long-term partnerships that Fairtrade-certified cooperatives have with some of their international partners and corporate clients, but also risks rendering Fairtrade “a supply chain standard that is passed down the chain, rather than an opportunity to work in partnership with particular buyers” (Tallontire 2009: 1012).

While both producers and Fairtrade licensees enjoy increased visibility by appearing on the products of big retailers, this visibility overshadows the fact that their interests remain
a marginal part of the trading exchange and reaffirms rather than challenges the power asymmetries in global trade. Like the prisoners in Bentham’s Panopticon prison—as articulated by Foucault (1977: 200)—producers are highly visible but de-individualised objects of information rather than subjects in communication or in this case, agents of change.

Conclusion

Fairtrade aims to re-moralise the economy by challenging the unequal trade relations that characterize the contemporary global economy. In contrast to other certification systems, where standards and auditing technologies facilitate governance at a distance, Fairtrade is premised on an ethic of relationality that aims to reconfigure the meanings and materialities of exchange by embedding affective ties in abstract market relations. As Goodman et al (2010: 19) note, it is through this idiom of reconnection that consumers are able to strip away the effects of their consumption and ‘see’ and ‘know’ the ‘other’, thereby countering the depersonalizing forces of the global economy.

This ethics of care is fostered through a set of standards that draw diverse communities into the moral fold of Fairtrade. Like the boundary object conceptualized by Star and Greisemer (1989), standards simplify information while enabling “collective work across worlds with different viewpoints and agendas” (Fujimura 1992: 169), thereby mitigating geographical, social and economic distinctions (Goodman et al. 2010: 11). Yet the spatial mobility of this ethics notwithstanding, Fairtrade’s politics of reconnection is constrained by a number of factors, from the absence of producer participation to the ethical normativity of certification requirements. While the stability and coherence of Fairtrade standards allow the process to maintain integrity as it moves from one geographic and
cultural setting to another, simultaneously routinizing and extending its moral reach, they are also bounded instruments that are closed to situated meanings, social practices, and interests. The notion of what counts as ethical and who lies within or beyond the boundaries of moral considerability provides little scope for ambiguity. Indeed while Fairtrade seeks to redress the impersonality of a mainstream unregulated market, it can also crowd out alternative readings of ethical practice with the black box of the Fairtrade label, a label that supplants rather than fosters producer/consumer linkages. As this discussion of cocoa production reveals, the praxis of relationality can be more calculable than affective as processes of standardization and certification replace sociality with the devices of ethical regulation (Dolan 2008). This constitutes, in effect, the double transgression of Fairtrade. While the movement emerged to remoralise economic relations through transnational forms of care and responsibility (Lawson 2007), some of its efforts to do so have reproduced the alienation and detachment it once sought to address.

This is not to suggest that Fairtrade does not engender concrete material benefits among producers or give rise to new ethical dispositions among consumers in the north. It has captured unprecedented interest among consumers, policy makers and researchers, and carries considerable symbolic and moral weight in the panoply of ‘ethical’ and ‘alternative’ food networks. But given the gap between its development aspirations and actualities, described here and elsewhere, we might ask why the movement shies away from critique, repeating rather than rectifying some of its less sanguine practices when exposed by the media, academics and practitioners. Marres and McGoey (2010) use the term “entropic failure” to describe this sort of phenomenon, that is, where a failed approach inevitably leads to the use of the same methods that precipitated problems in the first place, whilst leaving the ideational roots of the problem unnoticed and unexamined (Rieff 2006: 34). Like Michael Power’s (1994) insightful work on failed auditing systems, where he describes how the
response to failed audits is not an indictment of the methodology but a call to do more of the same (i.e. conduct more audits), the fallibilities of Fairtrade do not compel a rethinking of the legitimacy of its ethic but rather call for a more robust process of implementation (e.g. improve the rigour, transparency, and accountability of monitoring and certification systems). Yet this bias toward success, which focuses on improving the effectiveness of instruments (for example, better metrics of sustainable price calculation, more proficient auditing systems, enhanced stakeholder participation), rather than examining the contradictions that arise from ‘external’ immutable solutions such as certification, is not only self-reinforcing (McGoey 2009) but crowds out different ways of thinking and speaking about Fairtrade. In particular, it sidesteps discussions of how power shapes and reproduces the inequalities of Fairtrade, leaving the stubborn chestnut of privilege and politics hidden from view.

This view may appear unduly harsh, denying Fairtrade the latitude to experiment and falter as it finds its feet as one of the world’s most powerful consumer movements. Clearly, Fairtrade is not a failure, as its rapid diffusion across political, social and ecological geographies of production and consumption attests. Nor is the movement emptied out of its seminal trangressive meanings or its praxis completely disembodied from the moral imaginings of Northern consumers. But as this chapter suggests, certain forms of Fairtrade do risk replicating “what it set out to oppose”, sustaining the potency of market forces in commodity agriculture (Guthman 2004:3), and potentially polarising the ethical landscape between ‘real’ and ‘faux’ Fairtrade. Such a division could potentially hollow out the moral authority Fairtrade has come to enjoy, broad-brushing the entire movement as cosmetic at best and harmful at worst. It is therefore important to gain greater purchase on the conditions under which Fairtrades’ radical vision of transnational economic justice is actualised and those under which it is transgressed and subverted, allowing its achievements as well as its ambiguities to come into full view.
References


