COFFEE CONSUMERS AND FAIR TRADE COFFEE: ATTITUDES AND ACTIONS FOR SOCIAL AND ENVIRONMENTAL CHANGE

by

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The fair trade system attempts to address social inequality and environmental degradation in the global South linked to export products such as coffee. Through economic, social, and environmental standards, fair trade aims to empower producers to improve their livelihoods and environments. While not without its limitations, research shows that fair trade coffee has had generally positive impacts. However, demand for fair trade coffee in the global North currently lags far behind supply, limiting the system's effects. This study investigated coffee consumers' perspectives using a survey of Eugene, Oregon, residents and revealed some factors that may contribute to or hinder support for fair trade coffee. Fair trade coffee supporters have a greater understanding of the system than non-supporters, while both groups lack awareness of its environmental dimension. While they share similar perspectives regarding the environment, these groups hold divergent political and economic ideologies.

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CHAPTER I

INTRODUCTION

The coffee offered on supermarket shelves and expertly brewed by coffee shop baristas in the United States has a story of its own. This story begins thousands of miles from the U.S., where approximately one quarter of the world's coffee is consumed (International Coffee Organization [ICO], 2007a). It begins in hilly, mid-elevation landscapes in countries like Bolivia, Brazil, the Dominican Republic, Ethiopia, Guatemala, Indonesia, Rwanda, Thailand, and Uganda – some of the many countries throughout Latin America, the Caribbean, Africa, and Asia where coffee is grown. It begins with coffee farmers, who are estimated to number between 60 and 125 million (Wild, 2004), and their families and communities. Most coffee is grown not on large plantations but on small landholdings, "scattered across remote and rugged landscapes within the tropics" (Rice, 2001, p. 40). Many of these small growers cultivate coffee in biodiverse agroecosystems including canopies of shade trees, creating coffee "forests" which support many plant and animal species, help to maintain good soil and water conditions, and provide multiple livelihood assets including income from coffee sales, firewood, and food crops (Barry, Rosa, and Cuellar, 1996; Ellis, 2000).

Around the world, these growers – along with their families, communities, and the land they cultivate – are vulnerable to the vacillations of coffee prices on the world market. Volatile prices translate into unpredictable incomes and the inability of small growers, who often lack access to credit or other assistance, to invest in the maintenance of their coffee "forests" ("Fair enough," 2006). In recent decades, the mechanisms that had existed to regulate the coffee trade and reduce its variability have fallen away as the "free market" ideals of neo-liberal economic theory have come to dominate the conditions of the global economy. Coffee prices responded accordingly: they dropped

dramatically in the early 1990s, rebounded later in that decade, and then dropped again, so dramatically that in 2004, coffee farmers received 80% less than they earned in 1997 (Wild, 2004). Along with these price fluctuations, the distribution of benefits along the coffee commodity chain has shifted, with a disproportionately small share of the price paid for a pound of coffee reaching growers in coffee-producing countries. At the same time, the large companies which import, roast, distribute, and sell coffee have come to reap larger profits than they once did (Schmidt, 2002; Talbot, 2004; Wild, 2004).

The coffee market can be seen through the lens of Polanyi's (1944/2001) theory of the self-regulating market as an economic system that was "embedded" in social relations through previous regulatory mechanisms that ensured a certain degree of stability. However, it has become largely "disembedded" from concerns about the effects of market instability on society. Polanyi (1944/2001) sees the disembedding of economic systems from social relations as problematic movements which will result in the disruption of society and harm to the land. The effects of coffee's "crises" within the last two decades have borne out Polanyi's view. Declining and unstable prices have devastated small coffee farmers' livelihoods; rising debts have driven many growers and their families off their land; migration, poverty, hunger, and crime have increased in many coffee-growing communities; and biodiverse coffee forests have been abandoned or replaced with less ecologically-sound uses such as monoculture agriculture, cattle grazing, or urban development (Barry, et al., 1996; ICO, 2003; Talbot, 2004).

Within this global coffee context, the fair trade system has emerged as an attempt to "re-embed" the coffee economy within the social and ecological systems that circumscribe it. The fair trade system serves to "decouple the price [of coffee]...from the international commodities markets" ("Fair enough," 2006, para. 4), offering farmers a stable, higher price and low interest credit from the importers with whom they do business. Farmers adhere to a set of social and environmental standards which ensure that fair trade coffee production occurs in a democratically-governed and environmentally-sound manner.

Since its introduction in Europe in the late 1980s, fair trade coffee has impacted thousands of coffee growers and the land on which they grown coffee. Although challenges and shortcomings exist, researchers (e.g. Levi and Linton, 2003; Murray, Raynolds, and Taylor 2003; Raynolds, Murray, and Taylor, 2004; Riedel, Manzano-Lopez, Widdows, Manji, and Schneider, 2005) generally agree that participation in the fair trade coffee system has benefited these growers, their families, communities, and environments in numerous ways, by increasing the financial stability or families and coffee cooperatives, contributing to the development of community programs and services, and fostering improved environmental conditions.

Yet despite its successes, the fair trade coffee system faces a central challenge: while increasing numbers of coffee farmers are eager to participate in the system and have become fair trade certified, demand for fair trade coffee from major coffee-consuming countries such as the U.S. lags far behind the available supply. Estimates of the supply-demand imbalance indicate that there is seven times more fair trade certified coffee waiting to be sold than there is demand for this coffee (Murray et al., 2003; Taylor, 2005). This imbalance highlights the role of a crucial group of people within the fair trade coffee system: coffee consumers. It raises the question of why a tiny percentage of consumers choose to support fair trade coffee, which had achieved only a 2.2% share of the U.S. coffee market by 2006 (Allison, 2006), and what factors may be contributing to the lack of support for fair trade coffee on the part of most coffee drinkers.

This question is the central focus of my research, which consists of an examination of coffee drinker perspectives on fair trade coffee through a survey of residents of Eugene, Oregon. Research on "ethical consumption," a category that includes fair trade coffee, informed this examination by providing insights into the range of factors that drive or hinder ethical consumption behaviors, such as the purchase of fair trade coffee. Socio-demographic characteristics, attitudes, awareness and understanding, and other factors have all been seen as contributors to ethical consumption. However, research on this topic makes clear that none of these categories alone can be used to explain why people may choose fair trade coffee over other kinds of coffee, or vice versa.

Therefore, in this study, I approach coffee drinkers from multiple angles, investigating their socio-demographic traits, perspectives on coffee, awareness and understanding of fair trade coffee, and attitudes about fair trade coffee and its dual social justice and environmental dimensions. I examine each of these factors to determine their relationship with support for fair trade coffee among a sample of coffee drinkers in Eugene.

Like all research, this project has been shaped from its beginnings by my own perspectives and positionality. In choosing fair trade coffee as my particular area of focus, I entered into a particularly ambiguous position between the supposedly "objective" viewpoint of an academic researcher and my subjectively-motivated concern about the dominant forces shaping the world's economy. My concern has been sparked by my position as a member of the world's relatively privileged minority who has seen first-hand the poverty and environmental degradation that define the situations of the world's majority, and my understanding of this situation's deepening severity as a result of the dominant forces of global economic systems. Moreover, in choosing this topic I could not overlook the fact that the emergence of fair trade coffee is not a spontaneous phenomenon but a determined political statement, which decisively rejects the dominant neo-liberal economic model as unjust while proposing a unequivocally different path that is promoted as ethically superior. As Hale (2006) discusses, researchers who engage with such political struggles encounter the tension of their position in the intersection between activism and the scholarly ideal of non-biased observation, yet this tension produces deeper understanding:

> To align oneself with a political struggle while carrying out research on issues related to that struggle is to occupy a place of profoundly generative scholarly understanding. Yet when we position ourselves in such spaces, we are also inevitably drawn into the compromised conditions of the political process. The resulting contradictions make the research more difficult to carry out, but they also generate insight that otherwise would be impossible to achieve. (p. 98)

My position in this research has been, in Hale's formulation, one of "alignment with a political struggle." In the literature review that follows, I discuss the challenges,

shortcomings, and critiques of the fair trade coffee system, but my research itself ultimately responds to the assessment of fair trade coffee as an alternative which benefits people and the environment in coffee-producing countries more than it causes harm. The survey I wrote and implemented, described in the methods chapter, was therefore shaped by my own notions of fairness and justice, and my conviction that fair trade coffee is worth studying because it contributes to positive social and environmental change. This created some difficulties, for example, in my attempts to create questions that were not shaped by my own assumptions about and understanding of fair trade coffee. For example, in the findings and analysis chapter, I discuss the problematic nature of the data obtained from a question asking whether respondents believe that fair trade and free trade are the same or different, which I included in order to gauge the degree to which the two terms are conflated due to their semantic similarity. This question was shaped by my assumption that the only possible interpretation of an affirmative answer was that the respondent was, in fact, confused by the similarity of the two terms. However, as the analysis progressed I came to understand that this assumption was incorrect, and had been shaped by my own view that fair trade and free trade are entirely dissimilar. In fact, according to the neo-liberal perspective, free trade could logically be labeled "fair" because it is seen as a process which leads to a desirable outcome for all parties involved. Therefore, the data I obtained from this particular question were tainted by the underlying assumption that had guided its creation, and I was unable to analyze the data in the way I had planned.

Over, this kind of tension did, as Hale predicts, increase the difficulty of the research and analysis process, but I believe it has also, in a small way, "generate[d] insight that otherwise would be impossible to achieve" (Hale, 2006, p.98). This additional insight, I believe, comes from the inclusion of my particular perspective, as a student of environmental studies, in the research. While many scholars have studied fair trade coffee consumption and the factors that motivate it, few acknowledge or include in their research any consideration of fair trade coffee's environmental dimension. My focus on

this aspect of fair trade coffee is a result of my positionality, and adds an element to this study that is absent from most research in the area of fair trade coffee consumption.

The body of the thesis is organized into four chapters following this introductory chapter. In Chapter II, the literature review, I provide context for the study by outlining the dynamics and impacts of the world coffee market and placing it within several theoretical frameworks. I also describe the fair trade coffee system in detail, and review assessments of its impacts and the problem of low demand which limits its current reach. Finally, I turn to literature on ethical consumption, which lays the groundwork for my survey of coffee drinker perspectives on fair trade coffee. Chapter III focuses on my research methods and explains the research design, sampling methods, survey construction and distribution process, and the approach taken to analyzing the data. In Chapter IV, the data are integrated with analysis of the opportunities and problematic issues they raise for the fair trade coffee system, and the questions that they bring to light. Although the small sample size I obtained precludes broad generalization of the survey's results, in Chapter V, the conclusion, I discuss its relevance and implications in light of fair trade coffee's constrained progress toward the improvement of human and environmental welfare in coffee-growing regions.

CHAPTER II

LITERATURE REVIEW

The fair trade coffee system governs the production and exchange of an agricultural product grown throughout the "global South" and consumed heavily in the "global North." It represents an attempt to redefine the relationship between people of these two global regions, as well as the relationship of people to the natural environment in the coffee production zones of the global South. The labels "global North" and "global South" are used here to connote a generalized global divide based on factors beyond geography. The "global North" consists of the world's wealthier countries, often referred to as the "developed" countries or the "First World," which are predominately located in temperate climates in the northern hemisphere. The majority of the world's coffee is consumed in these countries, which includes the United States, the countries of Western Europe, and Japan. The "global South" consists of countries which are much poorer, and often referred to as the "developing," "underdeveloped," or "less developed" countries or the "Third World." They are predominately located in tropical areas around the world. Because coffee is a tropical crop, most of it is grown in these areas, including countries throughout Latin America, the Caribbean, Africa, and Asia. Although coffee is consumed in this region of the world, it is primarily an export crop, and most coffee is ultimately consumed in the global North (Bates, 1997; Schmidt, 2002).

In this literature review, I begin by examining coffee's role in the global South and the dynamics of the coffee industry. I review research on fair trade coffee's impacts in coffee-producing regions within the global South in the context of theoretical understandings of the fair trade coffee system. This assessment of fair trade coffee's impacts, as well as the challenges and critiques it faces, provides a foundation for outlining the relationship of coffee drinkers in the global North to fair trade coffee.

Because most researchers characterize the impacts of fair trade coffee as generally positive, this relationship is critical to the continued existence and expanded reach of those impacts to improve human and environmental welfare in coffee-growing regions. However, research shows that demand for fair trade coffee is extremely low relative to supply, highlighting the significance of an improved understanding of the relationship of coffee drinkers to fair trade coffee. Literature on "ethical consumption" provides an appropriate context for examining this relationship.

The Global Coffee Economy

Overview of the Global Coffee Trade

Coffee is the second most heavily-traded commodity worldwide, after oil (Wild, 2004, p.3), placing it prominently within the international economy. Most of the world's coffee is consumed in the global North; however, the coffee plant can only be grown in tropical climates, making coffee an important export crop for countries in the global South. Because of this divide between the sites of coffee production and coffee consumption, the coffee industry affects these two global regions differently. Coffee has generally flowed from its places of origin in the global South to its primary destination in the global North since colonial times, and this dynamic continues to shape the relationship between these two regions.

The coffee trade itself – and the fortunes of coffee growers – is shaped by the cyclical fluctuations in the price of coffee on the global market known as the "tree crop price cycle." Talbot (2004) explains that "because coffee trees don't begin to produce for three to five years after planting, supply responds very slowly to price" (p. 35). Repeating tree crop price cycles, in which responses to market conditions are subject to the lag time between the planting of and first harvest from new coffee trees, will occur when the coffee market operates without restrictions or intervention. When market prices are high, growers tend to plant more coffee trees, but these trees will not bear coffee for three to five years. When the trees begin to produce, a glut of coffee appears on the market from

the cumulative effect of the new plantings three to five years earlier. Prices fall in turn, and may decline to the point that they are less than the price of production for some growers; these growers, lacking the income from coffee, may stop tending their coffee trees, stop producing altogether, abandon their farms, default on loans and lose their land, or pull up coffee and plant other, sometimes more environmentally-damaging, crops. The cumulative effect of this economic, social, and environmental disruption is a worldwide decrease in supply, which raises prices again, creating conditions for a recurrence of the tree crop price cycle (Talbot, 2004).

The dynamics of the tree crop price cycle, while moderated at times by intermittent regulation of the coffee market (Talbot, 2004), shape the lives of the world's small coffee farmers, who produce more than half of the world's coffee, and their families (Levi and Linton, 2003). In general, the conditions in which small coffee farmers and their families farmers live and work are

> similar across continents [and are]...characterized by extremely limited access to land, financial resources, and political power....Farmers often receive less than the cost of production, and their only source of credit is their future harvests. (Levi and Linton, 2003, p. 412)

Coffee drinkers in the global North are connected, through a chain of economic exchange, to the small farmers, plantation workers, and others involved in the production of coffee. Seen in this light, coffee is part of

> a small subset of commodities that can illuminate capitalist transformations...[because] they link consumption zones (and the rise of working and middle classes that consumed the particular products in ever increasing numbers) and production zones in Latin America, the Caribbean, Africa, and Asia (and the peasants, slaves, and other rural toilers who grew, cut, or picked the products). (Roseberry, 1996, p. 770)

Indeed, coffee's linkage of "what used to be called the First World and the Third World,...the North and the South, the rich and the poor... [is] a legacy of colonialism" (Talbot, 2004, p. 1). It represents the continuing manifestation of production and trade patterns that developed during the colonial era (Wild, 2004). Coffee's cultivation began in eastern Africa, where the plant evolved, and spread through colonized areas in the

tropics as "a project of European colonizers" who profited from the growing demand for coffee in their home countries; meanwhile, the coffee-growing areas "were first integrated into the world economy as suppliers of coffee, and some became stuck in that niche" (Talbot, 2004, p. 1).

Increases in coffee consumption in countries such as the U.S. during the nineteenth and early twentieth centuries paved the way for the current dominance of the coffee roasting industry in the global North by a small number of large companies (Jimenez, 1995; Roseberry, 1996). As a few roasting companies became the providers of coffee to a large market of U.S. coffee drinkers, they adopted the practice of blending available coffee varieties to create a homogenous blend of "coffee of the lowest common denominator," a strategy which maximized earnings and minimized the risk of fluctuations in the prices they paid for "green" – unroasted – coffee beans (Roseberry, 1996, p. 766). This treatment of coffee as a homogenous product, with little recognition of grades or quality differentials, persisted in the U.S. coffee market into the late twentieth century, when that dynamic began to change as "specialty" coffees emerged.

Some scholars argue that specialty coffees, which include flavored and gourmet coffees such as espresso and espresso-based drinks, have transformed coffee from a homogenous, "average 'cup of joe'…to an elegant beverage" (Schmidt, 2002, p. 30), available in a wide range of specialized flavors attributed to specific places of origin and particular growing conditions. Specialty coffees have driven a transformation of the U.S. coffee market since the late twentieth century. Schmidt (2002) notes that "while conventional coffee has experienced stagnation in growth, the specialty coffee segment has grown rapidly, attracting new drinkers as well as stealing away conventional coffee drinkers" (p. 2). Specialty coffee is a lucrative market niche, as well: while it accounts for only 20% of total coffee sold by weight, it makes up 42% of total sales earnings (Schmidt, 2002, p. 25). Fair trade coffee is generally seen as a sub-segment of the specialty coffee market, sharing the distinction of generally higher quality and prices, and stronger growth in market share, than conventional coffee (Schmidt, 2002).

The global commodity chain approach (Hopkins and Wallerstein, 1986) provides a useful lens for examining the dynamics of the coffee industry from production through consumption stages. Commodity chains consist of "the entire range of activities involved in the design, production, and marketing of a product" (Gereffi, 1999, p. 1). The global commodity chain approach entails the study of the whole production and exchange process, from "input of raw material to the final, consumed product" (Stewart, 1992, p. 11). Gereffi (1994) categorizes commodity chains as either producer-driven or buyer-driven, depending on which actors hold the power to coordinate and govern the structure of the chain. In producer-driven chains, such as the automobile industry, large manufacturers "play the central roles in coordinating production networks," while in buyer-driven chains, such as the apparel industry, large retailers and other trading businesses "play the pivotal roles in setting up decentralized production networks in a variety of exporting countries, typically located in the third world" (Gereffi, 1999, p. 1). Taylor (2005) notes that this framework is useful in pointing out "that surplus or profits accrue at the pivotal points or nodes of the labor and production process rather than at the level of national economies" (p.130). The coffee industry, Taylor (2005) argues, is a buyer-driven commodity chain because most governance and coordination power is located at the consumer end of the chain, especially with large roaster-distributors based in the global North.

Figure 1 shows the links in the coffee commodity chain. Small producers and plantation workers are at the beginning of the chain. Small producers groups generally sell their green coffee to local middlemen, and the benefits of plantation workers' labor is captured by the large landowners for whom they work. Both local middlemen and large landowners generally sell, in turn, to processors, who add value to the green beans through drying and de-pulping, and sell the processed beans to exporters. Through brokers, exporters sell processed green coffee to importers, who sell to roaster-distributors. These companies roast, grind, and package the coffee and sell to retailers (although some roasters are also retailers), whose sales of coffee beans or brewed coffee to consumers complete the commodity chain (Taylor, 2005).

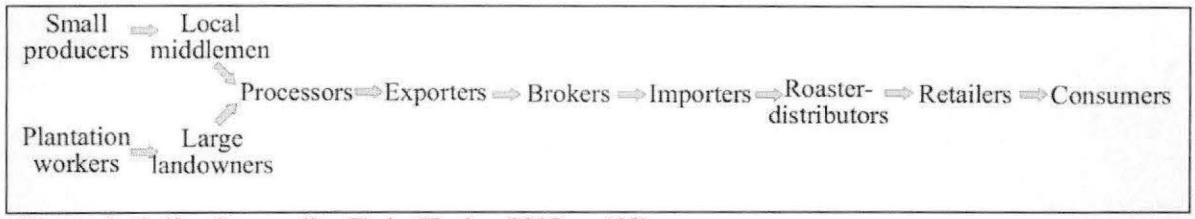


Figure 1. Coffee Commodity Chain (Taylor, 2005, p. 133).

Talbot's (2004) analysis of the accumulation of income and surplus along the coffee commodity chain illustrates shifting dynamics of the chain towards a highly unequal system in which actors farther along the commodity chain – who are more often based in the global North – have come to reap a larger share of the benefits from coffee over time. Within producing countries, the major beneficiaries of coffee production, in terms of income, were once growers and the state, which earned income from coffee production through taxes. Within consuming countries, the major beneficiaries were roaster-distributors (Talbot, 2004). However, over time, a small number of large roaster-distributors (Proctor and Gamble, Philip Morris, Sara Lee, and Nestlé) have come to dominate the U.S. coffee market, making it a "highly concentrated…industry [that] behaves as an oligopoly" (Schmidt, 2002, p. 27). This growing dominance of a handful of large roaster-distributors based in the global North contributed to a shift in the distribution of income and surplus along the commodity chain, with roaster-distributors earning increasingly larger shares of the final retail price of coffee (Talbot, 2004). Talbot (2004) reports that

> in the early 1970s, a little more than half of the total income went to consuming countries, and about a third of it was surplus…[After 1989,] income in the consuming countries rose to about three-quarters of the total, while the income of producers fell to about 15 percent. Surplus in the consuming countries may have risen to about half of total income, while surplus in the producing countries fell to near, and sometimes below, zero…Many coffee growers were receiving less than it cost them to produce the coffee, and many states had withdrawn from market intervention and had relinquished their shares of the surplus. (p. 184)

The distribution of income along the coffee commodity chain in 1999 reflected the effects of this transition. As shown in Figure 2, out of the seven to twelve dollars per

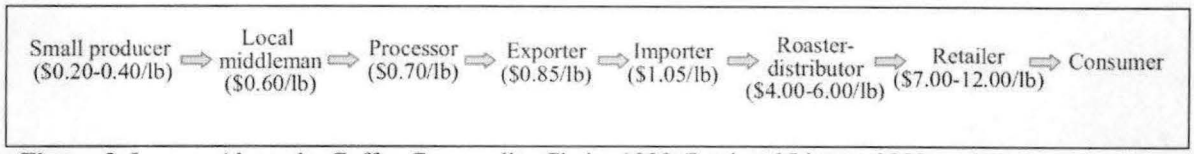


Figure 2. Income Along the Coffee Commodity Chain, 1999 (Levi and Linton, 2003, p. 411).
Note. Approximate gross amounts paid to each constituent are in parentheses.

pound paid by a coffee consumer, coffee farmers received about 20 to 40 cents per pound, while roaster-distributors earned up to six dollars per pound.

Because of this unequal distribution of benefits along the commodity chain, Talbot (2004) argues that the "free market" for trading of coffee is not truly free of restrictions and interventions. Instead, "giant corporations like Philip Morris get to decide how the chain of activities is organized, resulting in cheap, poor quality coffee that impoverishes the farmers and their countries and destroys their environment" (Talbot, 2004, p. 2). Talbot (2004) suggests that "the issue is not whether or not the market is "free;" instead it is who organizes this chain of activities, and who benefits from it" (p. 2). This observation is particularly salient in light of the rise of the fair trade movement, which asserts that the benefits and impacts of the coffee chain should be redistributed towards farmers and the environment.

Coffee's Role in the Global South

Coffee has profound impacts throughout the countries in which it is grown. Many of these countries are among the world's poorest. For example, coffee made up 19% to 70% of the export earnings of Guatemala, Madagascar, El Salvador, Rwanda, Uganda, Ethiopia, and Burundi in 2000 (Schmidt, 2002, p. 14), countries with per capita gross domestic products of $3,794, $825, $4,594, $1,039, $1,244, $636, and $622, respectively, in that same year (World Bank, 2006). Countries such as these are particularly affected by the mutually-reinforcing impacts of environmental degradation and poverty, described by political ecologists as cycles of degradation and marginalization (Blaikie and Brookfield, 1987). In addition, coffee has contributed to social discord in many of the countries where it is grown. For example, in Central America,

> the creation of wealthy land-owning coffee farmers to whom the nominal government was deeply beholden [because of their economic power as producers of valuable export crops] created a cycle of suppression of political debate and the press, the use of the police and bureaucracy as an instrument of fear, and the replacement of any government that failed to behave in an accommodating fashion towards the coffee oligarchy. (Wild, 2004, p. 235)

Within this context, coffee represents a significant focal point in terms of issues of social justice and environmental protection at a global scale.

At the macroeconomic level, coffee is not only the main source of foreign exchange for many countries, including some of the world's poorest, but it also plays a significant role in the economic fortunes of individuals and business within those countries. In terms of individual and business earnings, "it has been estimated that coffee provides employment for about 20 million people in 3-4 million enterprises in the 70-80 countries in which it is produced...[placing it among the] few commodities which have such domestic and international importance" (Stewart, 1992, p. 1). In 2002, the *Wall Street Journal* attributed even more economic significance to coffee, estimating that "some 125 million people depended on coffee" (Wild, 2004, p. 1). Additionally, the World Bank calculates that 25 million small producers rely on coffee production as their only source of income (Wild, 2004).

On a global scale, most coffee is produced by small farmers. Utting-Chamorro (2005) reports that almost 70% of the world's coffee is grown "on smallholdings farmed by peasant households" with less than ten acres of land (p. 584). In Tanzania, for example, farmers whose holdings average 0.5 hectares (1.2 acres) grow more than 90% of the country's coffee (Parrish, Luzadis, and Bentley, 2005, p. 179). Yet despite the numerical dominance of small growers, large plantation owners have historically reaped an overwhelming share of the benefits from coffee production, due to factors such as their ability to capture added value by processing coffee, their payment of low wages to workers, and their easy access to credit and markets (Roseberry, Gudmundson, and Samper Kustchbach, 1995). This pattern of socio-economic organization, especially

prevalent in coffee-growing regions in Latin America, has contributed to coffee's historically disparate impacts on large landowners, versus its impacts on the situations of small growers and landless workers. Wild (2004) asserts that coffee has been "the means by which the elite got and maintained their wealth, and conversely...[has been] the principal cause of the grievances of the poor and dispossessed peasantry" (p. 233). Because of this dual role – as a path to increasing wealth for the elite and to continuing poverty for the already-poor – coffee has historically influenced an "imbalance [which] lurks in the foundations of the political and social structures" of Latin American countries (Wild, 2004, p. 233).

When global coffee markets fluctuate, it is not large landowners but smallholders – especially those who depend mostly or only on coffee – whose livelihoods are affected most drastically. According to Ellis' (2000) livelihoods framework, the "livelihoods" of the rural poor include not only wage-earning activities but all of the diverse strategies in which the rural poor engage in order to meet their needs. Large landowners possess numerous viable livelihood assets (such as fertile land, plentiful capital, and access to credit on good terms) and therefore are less vulnerable to economic downturns. Small producers, on the other hand, may possess several livelihood assets (such as family labor, and subsistence farming), but still may not be able to comfortably endure times of sustained economic hardship. Therefore, when global coffee prices fall, the declining situation of small farmers and their families affects societal well-being in coffee-producing countries. For example, since 1989, when coffee prices fell drastically, societal well-being in coffee-producing countries has declined due to the amplification of phenomena including rural-to-urban migration, crime, rural poverty and malnutrition, abandonment or loss of farms, political unrest, and declining health and educational levels (ICO, 2003).

In environmental terms, coffee's impacts are complex and nuanced. The coffee plant grows best in the tropics between 3000 and 6500 feet in elevation and is often grown by small farmers on mountainous, easily-eroded tracts of land (Talbot, 2004).

Globally, coffee cultivation covers 11.5 million hectares of land (Donald, 2004, p. 23), in areas that coincide with the world's biodiversity hotspots (Philpott and Dietsch, 2003).

Coffee's environmental impacts vary depending on how it is grown. When grown on land already altered by humans for agriculture, under what Moguel and Toledo (1999) call "rustic" and "polyculture" production systems, coffee can be seen as an environmental "good." In other words, in these circumstances, coffee contributes positively to essential environmental functions, in comparison to other potential land uses, such as monoculture coffee production, other monoculture agriculture, cattle grazing, and urban development.

Monoculture systems of agriculture are associated with Green Revolution practices, which have been seen as a threat to the environments of the global South by environmental advocates (e.g., Shiva, 1992). During the second half of the twentieth century, the high-yielding, chemical-intensive techniques of the Green Revolution were promoted throughout the global South (Holt-Gimenez, 1996). Green Revolution methods involve the use of "improved" varieties of seeds requiring inputs of chemical fertilizers, pesticides, and irrigation to bring about high yields. In addition, such technology was promulgated within a matrix of policy prescriptions put forth as a path to "development" for poor countries (Yapa, 1996). For example, economic policies promoted the chemical-intensive production of export crops such as coffee in order to earn foreign exchange for indebted national economies. However, this focus caused widespread ecological degradation because the agricultural practices necessary to produce high-value export crops "intensif[ied]… pressure to increase the productivity of land," causing increased chemical inputs (De Groot and Ruben, 1997, p. 1).

Moguel and Toledo (1999) describe coffee production systems as a continuum from "rustic" systems, which are least environmentally harmful, to unshaded monoculture systems, which are the most disruptive of habitat, biodiversity, and ecosystem processes. Rustic systems alter forest ecosystems minimally, replacing only some plants on the forest floor with coffee, and do not involve agrochemical use. "Traditional polyculture" systems involve more manipulation of native forest

ecosystems: coffee and diverse food, medicine, forage, and fuel crops are grown together under the forest canopy (Moguel and Toldeo, 1999, p. 12). Farther along the continuum, "commercial polyculture" systems are created by the replacement of native forest canopy with shade tree species that improve coffee cultivation by fixing nitrogen in the soil or provide commercially-useful materials, such as rubber. Other food crops such as citrus and bananas are grown alongside coffee under this canopy, and agrochemicals are more frequently used than in traditional polyculture or rustic systems (Moguel and Toledo, 1999, p. 13). In general, polyculture systems have "a variety of ecological benefits," including the suppression of weeds, the provision of organic matter and fixed nitrogen for soil fertilization, and the creation of habitat (Talbot, 2004, p. 199). In addition, they maintain forest cover, which protects soil from erosion and contributes to the maintenance of ground and surface water supplies (Talbot, 2004).

At the opposite end of the continuum from the more environmentally-benign rustic and polyculture systems are monoculture production systems. Moguel and Toledo (1999) distinguish between shaded and unshaded coffee monocultures. In shaded monocultures, coffee is the only plant grown under a minimally-diverse canopy of shade trees, while in unshaded monocultures, it is grown in full sun. Both monoculture systems typically involve high usage of agrochemicals. The spread of Green Revolution technologies contributed to increases in monoculture coffee production in many coffee-producing countries (Talbot, 2004). This kind of production has been called "technified" because it requires agricultural technologies such as modified seeds and chemical fertilizers and pesticides (Talbot, 2004, p. 199). While "technification" allows for much higher yields – up to six times the coffee per unit of land – it has a variety of negative environmental consequences. These impacts include deforestation (since much "technified" coffee is grown in direct sun), water pollution and soil fertility loss associated with agrochemical use, increased pest problems, and health problems from chemical fertilizers and pesticides (Talbot, 2004, p. 199).

Figure 3 summarizes the environmental characteristics of coffee production systems along the continuum observed by Moguel and Toledo (1999). The negative

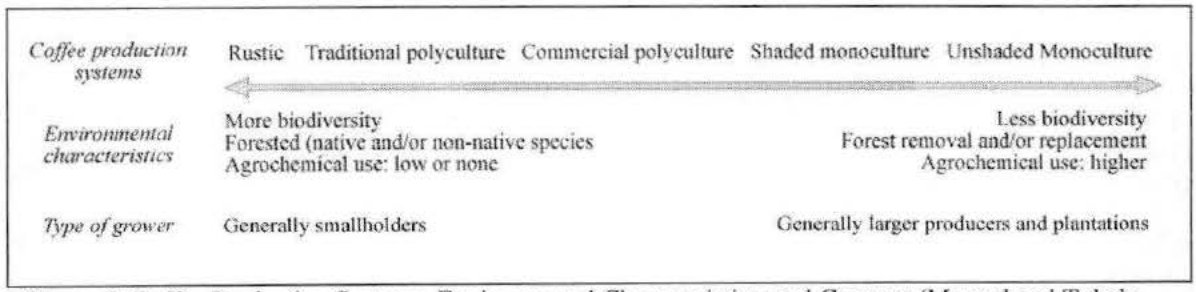


Figure 3. Coffee Production Systems, Environmental Characteristics, and Growers (Moguel and Toledo, 1999; Rice, 2001; Talbot, 2004).

environmental effects of coffee production increase along the continuum from left to right, with the fewest negative impacts in rustic and traditional polyculture systems. These kinds of systems are generally used by smallholders, as Figure 3 shows (Rice, 2001; Talbot, 2004). Smallholders are frequently unable to switch to "technified" monoculture systems because of the expense of the "improved" seeds and chemical inputs. Instead, the conversion of from rustic or polyculture coffee to monoculture cultivation has taken place primarily among medium- and large-scale producers. While small producers who "couldn't afford to technify were further marginalized" by declining harvests relative to those who could afford the changeover (Talbot, 2004, p. 200), they continue to comprise the majority of the world's coffee growers. Bacon (2005) refers to these growers as "passive organic" farmers since they adhere to the dictates of organic farming by not using chemical pesticides or fertilizers, but are precluded from either purchasing these inputs or obtaining organic certification due to poverty (p. 508). In Nicaragua, for example, an estimated 95% of coffee is both shade-grown and either "passive organic" or grown with very low chemical inputs (Utting-Chamorro, 2005, p. 587).

In the context of widespread deforestation in the global South, the continued usage of rustic and polyculture production systems by many small farmers has brought them acclaim as providers of an environmental "good:" shade-grown, "passive organic" coffee. Ironically, however, coffee itself was a major driver of deforestation in many producing countries after its introduction. In Latin America, the growth of the coffee export industry in the late nineteenth century contributed to widespread deforestation

along the expanding frontiers of "new [coffee] forests" (Roseberry et al., 1995, p. 15). Yet, in the contemporary context, in which researchers estimate that 95% of the earth's land area has been altered by agriculture and other human activities (Philpott and Dietsch, 2003, p. 1845), rustic and polyculture coffee "forests" are now considered to be environmentally beneficial, especially in comparison to the monoculture agriculture, cattle grazing, or urban development that might otherwise be taking place (Roseberry et al., 1995). In the highly deforested country of El Salvador, for example, Mendez (2002) writes that "shaded coffee farms have become the main providers of environmental services such as water, soil, and biodiversity conservation (p. 3).

Seen in this broader context, coffee produced in the rustic or polyculture systems used by many smallholders brings increased environmental benefits and reduced negative environmental impacts. In addition, the intercropping of subsistence foods with coffee can be seen as a boon to both farmers – whose assortments of livelihood strategies are strengthened – and to the environment, since intercropping provides a foundation for greater biodiversity and soil fertility, and may prevent the clearing of additional land for subsistence farming.

The "Double Movement" of the Global Coffee Market

Economic and social historian Karl Polanyi's (1944/2001) theory of the self-regulating market and the inevitable "double movement" between liberalized economies and protectionism provides a useful theoretical vantage point from which to consider the global coffee economy. Polanyi argued that there exists an indissoluble relationship between economy and society, and that attempts to sever the ties between economy and society represent an impossible quest which will result in societal breakdown. His thesis, rooted in analysis of nineteenth century market liberalism, remains relevant to the world coffee economy, as the resurgence of market liberalism – referred to as "neo-liberalism," or the drive toward "free markets" and "free trade" – has restructured the coffee economy since the 1980s. A liberalized market economy, or a "self-regulating market," in

Polanyi's words, is one which is "directed by market prices and nothing but market prices...[which organizes] economic life without outside help or interference" (Polanyi, 2001, p. 43). In contrast to the self-regulating market, Polanyi describes earlier economies as being "submerged in social relationships" (Polanyi, 2001, p. 48). Human behavior within these economies followed socially-prescribed rules and norms, which until recent centuries favored "reciprocity or redistribution" over individual profit and gain (Polanyi, 2001, p. 57).

The Industrial Revolution made possible the rise of market liberalism in the nineteenth century, which transformed the historic "embedded" relationship of economies within societies. In the liberalized market economies that arose, "instead of [the] economy being embedded in social relations, social relations [were] embedded in the economic system" (Polanyi, 2001, p. 60). However, the project of liberalization, defined in this way, is doomed to failure, Polanyi argues. The self-regulating market created by the disembedding of economy from society cannot "exist for any length of time without annihilating the human and natural substance of society" (Polanyi, 2001, p. 3) because it transforms "raw materials and labor – nature and man" into commodities, things to be bought and sold, whose value is determined solely by the market (Polanyi, 2001, p. 42). This transformation "disjoints man's relationships and threatens his natural habitat with destruction" (Polanyi, 2001, p. 42). In other words, attempts to free the market from the constraints of socially-imposed restrictions will result in harm to society and the environment.

In response to the destructive forces unleashed by a movement towards liberalized markets, Polanyi asserts, a protectionist "double movement" will arise. This response to liberalization, originating in civil society and politics, is characterized by measures that protect land, labor, and money from commodification, thereby shielding society from destruction. Yet, in doing so, the market is further impeded from functioning, leading to continued social dislocation and, in his analysis, global crises such as the rise of fascism:

> Inevitably, society took measure to protect itself, but whatever measures it took impaired the self-regulation of the market, disorganized industrial

> life, and thus endangered society in yet another way. It was this dilemma which…finally disrupted the social organization based on [the market]. (Polanyi, 2001, p. 3-4)

Moreover, because an inevitable tension exists between the drive to create a self-regulating market and protectionist counter-movements, society and nature are further endangered by the ongoing shift between trends of disembedding and re-embedding. The destructive impacts of this unavoidable back-and-forth movement demonstrate that a truly self-regulating market is an ideal which can never be fully reached (Polanyi, 2001).

In its history, the coffee economy has experienced multiple cycles of Polanyian double movements as the strength of the institutions governing it, primarily the International Coffee Organization (ICO) and its series of International Coffee Agreements (ICAs), alternately increased and waned (Talbot, 2004). Bates (1997) describes the ICAs as replacing the "anarchy" of the unregulated market with "'cooperation' – or at least collusion in the market;" in other words, "international behavior [in coffee trading] appears to have become rule governed" (p. 159). This description underscores the Polanyian tension between a self-regulating market for coffee and the protectionism of the series of ICAs.

The first version of the ICA went into effect in 1962, and was renegotiated several times in the following decades, until its eventual collapse in 1989. During the years in which they were in force, the ICAs regulated international coffee trade to protect producers and consumers from drastic fluctuations in coffee prices by specifying a target price range for coffee, between $1.20 and $1.40 per pound during its later years of existence (Bates, 1997). When prices fell below that range, export quotas were tightened to limit supply and drive prices up; when prices rose above the target range, quotas were relaxed to increase supply and lower prices (Bates, 1997; Talbot, 2004). The fluctuation of coffee prices between 1960 and 2003 is shown in Figure 4. Prices are shown in cents per kilogram of green coffee, adjusted according to the manufactures unit value index, which serves as a proxy measure for changes in the prices of a homogenous class of goods over time (Hallam, 2003; United Nations, 1981).

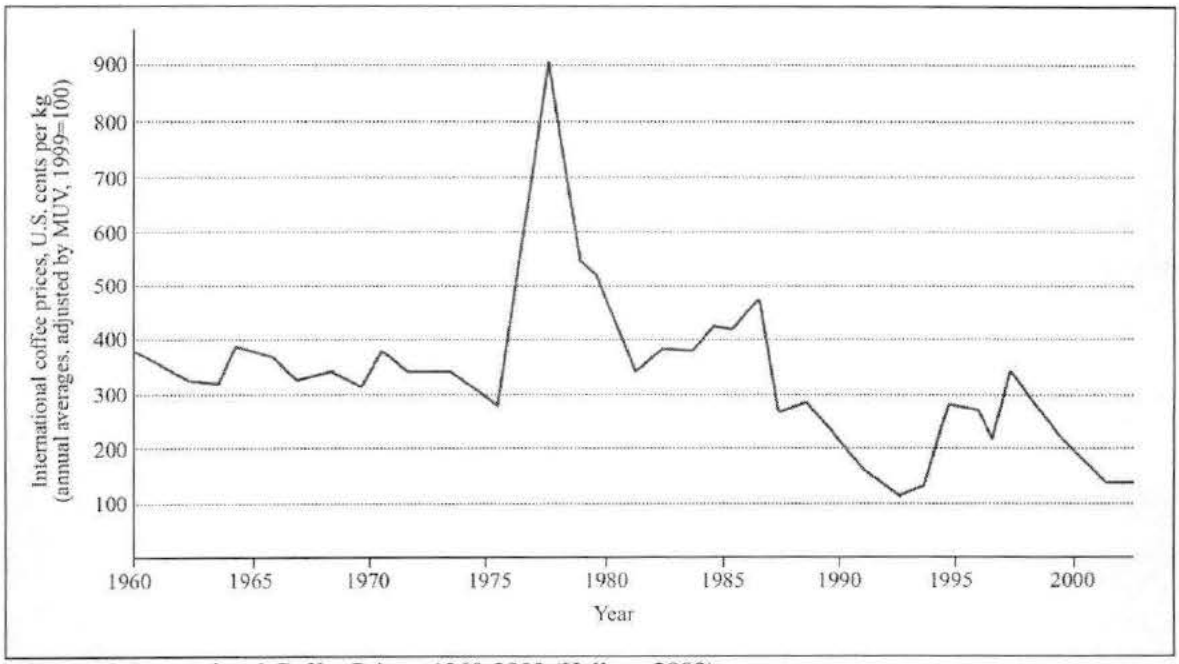


Figure 4. International Coffee Prices, 1960-2003 (Hallam, 2003).

From 1962 until 1972, under the first two ICAs, prices remained relatively constant, allowing "production and consumption…[to become] more evenly balanced… [and contributing] significantly to strengthening the economies of the coffee-producing countries," according to the ICO (2007b, p. 1). The quota system was dismantled in 1973, and a devastating frost in Brazil in July 1975 decreased world coffee supply and drove a dramatic increase in prices in 1976 (Talbot, 2004; ICO, 2007b). A re-negotiated ICA subsequently took effect in 1976 and remained in force (with revisions in 1983) until 1989, when the agreement collapsed.

The ICO argues that while the 1976 and 1983 ICAs were in effect, they were "largely successful in maintaining prices within the agreed range of 120-140 US cents/lb" (ICO, 2007b, p. 1). Both Talbot (2004) and Bates (1997) agree that protectionism under the ICA created a more favorable outcome than market liberalism for coffee farmers. Talbot (2004) argues that "all things considered, a politically regulated market is better than a free one, at least for coffee" because during ICA-regulated times, farmers could depend on more stable prices (p. 2). In addition, Talbot (2004) notes that the ICA, when it

was in force, "dampened the swings of the tree crop price cycle" (p. 36). However, after the ICA collapsed in 1989 "and the self regulating market was allowed to operate, the tree crop price cycle returned," leading to declining prices and dramatic fluctuations (Talbot, 2004, p. 36). Bates (1997) analyzes the functioning of the ICA over several decades and concludes that it was "an effective institution" in maintaining coffee prices within its target range (p. 25).

The ICA collapsed in 1989 due to a variety of factors, including the unresolved and conflicting interests of the U.S. and major producing countries. Bates (1997) concludes that some of the strategic interests that contributed to the success of the ICO in implementing the ICA also led to its collapse. In other words, "the ICO appears to have broken up in part precisely because it was successful" (p. 172). For example, the ICA had succeeded in gaining support from the largest producing countries, Brazil and Colombia, in part because those countries were allocated large export quotas, which ensured foreign exchange earnings and greater economic and political stability. Yet the competing interests of these two major producing countries in ensuring high quotas for themselves ultimately contributed to the downfall of the ICA (Bates, 1997). In the U.S., the ICA had been politically acceptable in part because it allowed the U.S. to "reward its friends [and] punish its enemies" in the geopolitical struggles of the cold war (Bates, 1997, p. 173). Brazil's economic and political stability, aided by high export quotas under the ICA, was seen by the U.S. as a deterrent which could help prevent the growing influence of leftist politics in Brazil. However, by the late 1980s, the U.S. did not see Brazil as a political threat; instead, the U.S. "saw the primary threats to hemispheric security as originating in Central America," where opposition movements and U.S.-backed state forces were engaged in armed conflict in several countries (Bates, 1997, p. 173). In the 1989 negotiations, the U.S. pushed for a restructuring of the quota allocations that would bolster the strength of its Central American state allies, a move resisted by the major producers. In the end, those negotiations to renew the ICA ended without success (Bates, 1997).

Following this collapse, coffee prices dropped drastically in the early 1990s, rose in the mid-1990s, and then dropped again at the beginning of the twenty-first century, as shown in Figure 4. In short, the fluctuations which the ICA had attempted to prevent returned to the coffee market; after decades of regulation, "a free market in coffee [returned]" (Roseberry, 1996, p. 772). The collapse of the ICA, then, represented a shift back towards the self-regulating market disembedded from protectionist restrictions imposed by society. However, during the 1980s and 1990s, a broader shift towards market liberalism occurred in the coffee market, as it was swept up in the larger globalizing trend of the world economy following the neo-liberal model (Talbot, 2004). The neo-liberal model adheres to the basic tenets of nineteenth century market liberalism described by Polanyi, with a focus on the removal of restrictions and barriers to trade (Stiglitz, 2001).

As it resurged in the 1980s and 1990s, this economic ideology "encouraged poor countries to...pursue export-led growth in their areas of "comparative advantage;" however, many of these poor countries shared coffee as an area of comparative advantage, causing a "flood of coffee" to global markets, and diminishing the return to national economies (Oxfam, 2002, p. 2). For example, Vietnam's entry into the coffee market – promoted through World Bank loans after the Vietnam war and culminating in Vietnam's rise to the status of the second-largest coffee producer in the world in 2000 (Wild, 2004) – jolted the world coffee market by creating an oversupply of coffee and drop in prices, amplifying the fluctuations unleashed by the ICA's collapse (Schmidt, 2002).

Vietnam's entry also highlights the adverse environmental impacts caused by the growing dominance of the neo-liberal economic ideology. In Vietnam, had been no history of coffee production in rustic or polyculture systems (Donald, 2004). Therefore, as coffee was promoted as an area of "comparative advantage" that could improve the country's economy, it emerged in the form of "technified" unshaded monoculture coffee plantations, not as rustic or polyculture systems. The environmental consequences have

been significant: Donald (2004) observes that "technified coffee represents a major cause of deforestation in Vietnam" (p. 25).

Talbot (2004) notes that in the 1980s and 1990s, many of the coffee-producing countries which followed the neo-liberal model did so "under pressure of debt" and the mandates of structural adjustment programs put into place by the International Monetary Fund as a pre-condition for the re-financing of debt or provision of new loans (p. 96). In Latin America, Raynolds (2002) writes that the spread of neo-liberal policies has "caused a cutback in state support for coffee producers" (p. 10). Mendez (2002) corroborates this observation for El Salvador, where there has been "a shift in government investment from the agricultural sector towards the industrial export industry," in keeping with the country's structural adjustment program (p. 3).

In addition to these changes which removed state support for coffee producers, roaster-distributors based in producer countries consolidated into fewer, larger, wealthier companies. The loosening of restrictions on capital and investment allowed for an increase in speculative trading of coffee futures on the New York Board of Trade market known as the "C" market. Coffee prices thereby became more vulnerable to fluctuation (Talbot, 2004). In all, coffee producers were left at a disadvantage and large roaster-distributors at an advantage relative to their respective positions under the regulated market of the ICA years.

International Coffee Crises

The broadening influence of neo-liberal policies and the collapse of the ICA in 1989 are widely seen as precipitating an "international coffee crisis." Its starting point is seen as 1989, when the ICA was abandoned and prices dropped drastically and became more volatile (Bates, 1997; Schmidt, 2002). After a period of recovery in the mid-1990s, another "coffee crisis," characterized by drastically declining prices, occurred at the turn of the millennium (ICO, 2004). As a result of these successive market declines, earnings by coffee-producing countries dropped from $10-$12 billion per year in the late 1980s to

$5.5 billion in 2004, while the value of retail sales of coffee in consumer countries has continued to climb (ICO, 2004, p. 2). The results of this "radical, and for many, extremely painful overhaul" of the world coffee market have been profound (Oxfam, 2002, p. 1). The ICO believes that the coffee crises have created "a clear stumbling block to sustainable development in affected areas and countries" (ICO, 2003, p. i). I will review, in turn, the economic, social, and environmental impacts of the post-1989 coffee crises.

The dramatic decline of coffee prices in 1989, and subsequent fluctuations in prices, represent an "economy-wide shock" among the producer countries of the global South (Bacon, 2005, p. 501). Because coffee is "a vital source of foreign exchange, cash income, and employment in such countries," the decline of prices from an average of $1.20/lb in the 1980s to a little over $0.50/lb in 2003 caused "immense problems" for coffee farmers (ICO, 2003, p. i). In global commodity chain terms, the coffee crises have "shifted [power] to roasters relative to producers and other actors in the coffee chain...Producers' share of coffee income dropped from 20% in 1989 to 13% in 1995" (Taylor, 2005, p. 133). Prices have also been affected by the entry of Vietnam into the coffee market, which has increased worldwide coffee supply (Lindsey, 2003).

These changes in the economic dynamics of the global coffee market since 1989 have triggered devastating social impacts in coffee-producing countries. According to the United Nations (cited in ICO, 2004), the decline in prices "contributes to increased poverty" (p. 1). The coffee crises have also caused a reduction in the number of livelihood strategies available to coffee growers (Ellis, 2000). Bacon (2005) argues that the vulnerability of coffee growers to deepening poverty as a result of the loss of this crucial livelihood strategy "depends upon...their access to assets such as land, credit, employment, and social networks" (p. 503). In other words, those with fewer alternative livelihood strategies to begin with are most likely to feel the effects of the coffee crises most profoundly. In Nicaragua, Bacon (2005) reports that the coffee crises have disproportionately impacted small scale farmers. Overall, the number of people affected is estimated at approximately 125 million, spanning multiple continents (Murray et al.,

2003). The effects on smallholders in Nicaragua include loss of education and health opportunities, loss of employment, increased migration and the threat of property foreclosure (Utting-Chamorro, 2005, p. 587). The World Bank has estimated that in Central America and Mexico, permanent and seasonal employment opportunities have fallen dramatically (Murray et al., 2003). Increasing migration is also cited as an effect of the coffee crises. For example, in a region of southern Costa Rica, "much of the adult male population in the coffee zone has left in search of work in urban areas" or the U.S. (Murray et al., 2003, p. 3). The ICO (2003) has also documented the consequences of declining coffee prices in 14 major coffee-growing countries, which include increased poverty, loss of income and employment, migration, the weakening of education and healthcare, increasing malnutrition, and rising urban unemployment due to migration.

The environmental impacts of declining and volatile prices are linked to the worsening situation of small coffee growers, who have been most vulnerable to fluctuating prices and the removal of support mechanisms. In many coffee-growing countries, low prices and growers' losses of their coffee farms due to debt have led to the replacement of environmentally-preferable rustic and polyculture coffee systems with monoculture farming or cattle grazing, and deforestation has occurred as shaded coffee farms have been logged (ICO, 2003). For example, in El Salvador, where "shaded coffee farms have become the main providers of environmental services such as water, soil, and biodiversity conservation" due to widespread deforestation throughout the country (Mendez, 2002, p. 3), coffee "forests" have been rapidly lost due to the pressures of economic decline since 1989 (Barry et al., 1996). Other researchers also find that the economic and social consequences of the coffee crises have caused "increasing threats to the land and wildlife where coffee is grown" (Bacon, 2005; Murray et al., 2003, Rice, 2001; Utting-Chamorro, 2005, p. 584). In the context of this "landscape" of a liberalized global coffee economy, disembedded from regulation and falling into the kind of social and environmental crisis predicted by Polanyi (1944/2001), the fair trade coffee movement began to coalesce.

Fair Trade Coffee

The Fair Trade Movement and Fair Trade Coffee System

"Fair trade" is a product certification and labeling system which specifies conditions for both production and exchange. It goes beyond other common certification systems, such as organic certification, which define only the conditions of production (Raynolds, 2002, p. 5). Although various definitions of fair trade exist, I will begin with a widely recognized definition from FINE, an association of the four major fair trade organizations. FINE (cited in Moore, 2004) defines fair trade as

> an equal trading partnership, based on dialogue, transparency, and respect, which 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. (p. 74)

This definition places most emphasis on the social justice and equity goals of fair trade, and makes only an indirect reference to the environmental goals embodied in the certification requirements. The focus on social goals is representative of other broad characterizations of fair trade, such as that of Levi and Linton (2003), who state that "what [the fair trade movement is]...essentially trying to sell is the norm that people in prosperous countries should factor global social justice into their buying decisions" (p. 419).

The fair trade movement originated in Europe in the 1950s, as church charities created alternative trading organizations whose mission was to help impoverished countries through "trade not aid" (Raynolds, 2002; Rice, 2001). Alternative trading organizations spread throughout western Europe in the 1960s, and the first fair trade coffee organization, Max Havelaar, based in the Netherlands, began selling fair trade labeled coffee in 1988 (Rice, 2001). As the number of initiatives promoting fair trade products grew, the momentum emerged for a coherent framework and governance structure. The Fairtrade Labeling Organizations International (FLO), formed in 1997, currently serves as the major international overseer and standard-setter for the fair trade

system, and maintains standards for the certification of a growing list of fair trade products, including coffee. The FLO confers monitoring and certification responsibilities on a network of nineteen fair trade "certification initiatives" in consumer countries. In the United States, TransFair USA certifies and monitors fair trade producers and importers (TransFair USA, 2005a, p. 1).

For coffee, the fair trade commodity chain contains fewer links than the conventional coffee commodity chain, as shown in Figure 5. Small producers organize into cooperatives, which must be certified by the national certifying initiatives, such as TransFair USA. Cooperatives sell directly to fair trade-certified importers, who may also act as retailers, or sell fair trade coffee to retailers, who sell it to consumers.

In order to continue seeing increases in demand, the fair trade movement has adopted a "mainstreaming strategy which aims to achieve rapid growth in market share by encouraging corporations, governments, major retailers, and other large economic actors to support fair trade" (Taylor, 2005, p. 134). However, some scholars argue that the adoption of this strategy comes at the expense of the decentralized system from which fair trade originated, characterized by in-person interaction between Northern consumer groups and Southern producer groups, which rarely occurs under the mainstreaming model (Taylor, 2005).

It is important to place fair trade coffee in the context of coffee's other prominent certifications, organic and shade-grown. These three certification systems represent growing, and overlapping, niches for "sustainable" coffees (Taylor, 2005). While shade-grown coffee is sometimes referenced, observers of the fair trade coffee movement more frequently point to its relationship with organic coffee. Raynolds (2002) notes that "in



Figure 5. Fair Trade Coffee Commodity Chain

most countries, fair trade and organic consumption have grown in tandem, and 40% of the world's fair trade coffee is also certified organic" (p. 6). In the United States, she writes that demand for fair trade coffee

> is linked to the increased consumption of organic, shade-grown, and other specialty coffees. Fully 80 percent of the Fair Trade coffee sold in the U.S. is also certified organic and the vast majority would be considered gourmet coffee. In the U.S. market context it is thus virtually impossible to analytically separate Fair Trade coffee networks from pre-existing organic and gourmet coffee networks. (Raynolds, 2002, p. 7)

The convergence of fair trade and organic certifications in the eyes of consumers is problematic, in Raynolds' (2000) view, because "while some consumers may assume that purchasing certified organic products has progressive social implications, the organic trade in many ways reinforces the traditional subordination of Southern producers" (p. 304). Organic standards tend to be defined by actors in the consuming countries of the global North, and "marginal organic farmers in the South are likely to be as dependent on exploitative middlemen, corporate buyers, and volatile prices as conventional producers, unless they enter into fair trade networks" (Raynolds, 2000, p. 305). Raynolds et al. (2004) argue that the fair trade system does more than the organic certification system to support "socially just and environmentally sustainable...relations" (p. 1110). In contrast, Rice (2001) sees a convergence of organic and fair trade concerns, with concerns for social justice becoming a recent "hot topic" for the international organic certifying body International Federation of Organic Agriculture Movements (IFOAM), while the FLO has increasingly emphasized and tightened its environmental requirements (pp. 48-49).

The existence of this overlapping and more established certification presents a potential problem in the marketing of fair trade coffee. Riedel et al. (2005) caution that "an abundance of logos, labels, certifications, and regulating authorities can confuse consumers and may dilute the intended benefits" of fair trade coffee (p. 3); Levi and Linton (2003) point out that the lumping of fair trade, organic, and shade-grown coffee under the "umbrella term" of "sustainable coffee" leads to confusion which "could potentially undercut the market for each" (p. 425-426). In comparison with organic

coffee, fair trade coffee's relative newness in the U.S., along with its less stringent environmental requirements, presents a source of tension within its drive for expansion in market share.

The FLO is the major international umbrella organization that sets standards and oversees national fair trade certification and labeling organizations. Its requirements apply to both producers and importers; they regulate both ends of the coffee commodity chain. Producers are required to be organized into democratically-run cooperatives which uphold standards of participation, transparency, and non-discrimination, respect labor rights, and re-invest a portion of fair trade profits in community economic development; thus, the requirements stipulate a certain form of social organization and economic behavior among coffee growers. Although FLO standards for other products allow large plantations to receive fair trade certification, they are not currently included in coffee certification standards.

Producer organizations must also adhere to a set of minimum environmental standards and show progress towards more stringent requirements to reduce the negative environmental impacts of coffee production. The basic environmental standards call for the completion of an environmental impact assessment; the reduction of agrochemical use and elimination of all chemicals prohibited by the FLO; good waste management practices, with an emphasis on reduction of waste and recycling of materials; good soil and water conservation practices; and the elimination of genetically-modified organisms in coffee production (FLO, 2005, p. 2-21). These environmental standards, though less stringent in the area of agrochemical use than organic standards, do set a baseline for the reduction of adverse environmental impacts.

In order to use the fair trade label for coffee they sell, importers must also adhere to FLO standards which are focused on maintaining higher levels of income, security, and access to credit for small farmers than what they would receive in the conventional coffee economy. Importers must pay the floor price set by the FLO for all fair trade certified coffee they buy. For higher quality arabica coffee, the floor price is set at $1.26/lb, with an additional $0.15/lb premium for fair trade coffee that is also certified

organic. However, when the "C" price rises above $1.21/lb, the fair trade floor price also rises, staying $0.05/lb above the "C" price at all times. In June 2007, these fair trade prices rose by an additional $0.05/lb (FLO 2007). Importers must also maintain a long-term relationship with producer cooperatives to guarantee the cooperatives a stable market, and must provide pre-harvest credit at low rates to cooperatives, if requested (TransFair USA, 2005b, p. 1).

The costs of certification and labeling were, until recently, borne by importers, who paid an additional fee per pound to their national labeling organization. The fee went toward the operation of the fair trade governance organizations. Many scholars saw this system as an improvement over the organic certification system, in which producers pay fees in order to become certified (Raynolds, 2002; Rice, 2001). However, in 2006 the FLO announced that it would begin charging producer organizations a certification fee, in addition to the fees charged to importers, in order to improve the organization's financial stability (FLO, 2006). The change in the FLO's fee structure presents both practical and theoretical challenges for the fair trade coffee system. As background for assessing the impacts and challenges of the fair trade coffee system, I turn now to a discussion of the theoretical underpinnings of fair trade in relation to the free trade system it contests.

Fair Trade and Free Trade: Theoretical Perspectives

Fair trade represents an ideology which is in conflict and competition with the currently dominant ideology of neo-liberalism, often referred to simply as "free trade." Parrish et al. (2005) observe that

> fair trade is a market-based approach to smallholder development that attempts to use consumer demand as incentive to restructure global trading relationships. By contrast, free trade approaches to development emphasize liberalizing markets and increasing competition and smallholder efficiency as the route to improved smallholder well-being. (p. 177)

Raynolds (2002) also views fair trade in opposition to "historically unequal international market relations…[of] North-South trade" (p. 2), and Taylor (2005) posits it as a

challenge to "neo-liberalism's view of the economy as a level playing ground…[because it argues] that conventional market organization…can produce outcomes which are irrational for society," such as the post 1989 coffee crises (p. 139). Likewise, Fridell (2003) places "the imperatives of capitalism" represented by the conventional coffee market in opposition to "the imperatives of ecological and social justice" represented by the fair trade coffee system (p. 1).

Ideas of fairness, or justice, are central to the distinction between the fair trade system and free trade. Moore (2004) observes that "clearly, the concept of justice underlies many of the principles on which fair trade is established, and the assertion of injustice in conventional international trade is never far from the surface" (p. 80). Likewise, Fridell (2003) places fair trade in stark contrast to the "traditional, 'unfair,' system of coffee production" (p. 2). Yet it may be more accurate to say that the interplay between procedural and distributional concepts of justice differs within the two systems. Procedural justice is concerned with adherence to fair processes, rules, and procedures in the distribution of benefits or resources, while distributional justice focuses on the fair or equitable distribution of benefits or resources. In the free trade ideology, certain procedural measures – such as the removal of restrictions and regulations that constrain trade – are seen as essential to the just distribution of resources and benefits from trade. In the fair trade ideology, unwavering adherence to the procedural measures of free trade systems is seen as a cause of unjust distribution, and new procedural measures are promoted in order to achieve an equitable distribution of resources and benefits from trade.

In Polanyian terms, free trade represents the disembedding of economy from society, and fair trade can be seen as a protectionist double movement that "fosters the re-embedding of international commodity production and distribution in 'equitable social relations,' developing a more stable and advantageous system of trade…[for] goods produced under favorable social and environmental conditions" (Raynolds, 2000, p. 297).

Yet Polanyi's theory also predicts a problematic tension between the movement to liberalize economies and counter-movements that re-assert social relationships of

reciprocity and prevent land, labor, and money from commodification. Such counter-movements, which aim to shield society from destruction, simultaneously block the market from functioning freely, leading to continued social dislocation. In Polanyi's (1944/2001) analysis of the ultimate consequences of the nineteenth century shift to market liberalism, this continued social dislocation built to a point of collapse: global market failure during the Great Depression and the rise of fascism in Germany.

These ideas imply that fair trade cannot provide a full solution to the problematic system of free trade which it counters. It suggests that, instead, fair trade's countering of the dominant trading system may create tensions that result in destructive impacts on society or the land. However, the application of Polanyian theory to the fair trade system is limited by the distinction between the ongoing historical process of multiple counter-movements that Polanyi (1944/2001) describes and fair trade's position as one particular contemporary counter-movement. The extreme global consequences of nineteenth century market liberalism described by Polanyi (1944/2001) resulted from a layering of continual global processes; on the other hand, the of emergence fair trade is an example of one such contemporary process. Therefore, while Polanyi's (1944/2001) observations provide a lens through which to identify and analyze the kinds of "social dislocation" caused by the fair trade counter-movement, it is unlikely that fair trade by itself could drive the global economic system to collapse, as did the century-long tension of movement and counter-movement that Polanyi chronicles.

This analysis suggests that fair trade's contributions to "social dislocation" are likely to manifest in more subtle ways. For example, Alsever (2006) reports that a large British coffee shop chain was caught adding $0.18 to the price of their fair trade cappuccinos, while the coffee itself cost the company only a few cents more than conventional coffee. This instance of a retailer taking advantage of the implications of the fair trade label – that the farmer is receiving more money for the coffee and therefore higher prices are to be expected – might be seen as a small violation of the social code of redistribution that embeds the fair trade economy within social relations. In this case, most of the customer's "redistributed" money – the price differential between fair trade

and conventional coffee – went to the retailer, and not coffee farmers, as promised by the fair trade system. This situation can be seen as a subtle manifestation of the tension between protectionist counter-movements and the liberalized economy, predicted by Polanyi (1944/2001). Because fair trade, as a counter-movement, necessarily exists in the context of the dominant system it critiques, it is still subject to the patterns of that system – in this case, that when a business can increase its profit, it will do so.

Impacts, Challenges, and Critiques in Producer Countries

Fair trade coffee's impacts in coffee-producing regions have been studied by many researchers. They have identified its positive impacts as well as the challenges associated with implementing a system that embodies various problematic tensions, such as the tension between fair trade's position as a Polanyian counter-movement and its location within the dominant liberalized economy. Overall, however, most researchers agree that fair trade coffee's impacts on coffee-producing communities and landscapes are generally positive relative to the conditions created by participation in the conventional coffee trade.

Most fair trade certified coffee is produced in Latin America and the Caribbean, and major producing countries include Mexico, Peru, Colombia, Guatemala, and Nicaragua (Raynolds, 2002). For this reason, much of the research on fair trade coffee's impacts in coffee-growing regions focuses on Latin America and the Caribbean. Methodologically, researchers differ in their approaches to investigating the impacts of fair trade coffee. Riedel et al. (2005) describe a range of approaches which researchers have taken, including qualitative and quantitative research, participatory methods, and research based around livelihoods frameworks. In addition, they note that many indicators are relevant to the study of fair trade coffee's impacts, including directly measurable variables such as income and more ambiguous concepts such as "complex processes of change in the wider economy, culture, and political system" (pp. 18-19).

Generally, fair trade coffee is seen as improving the economic security of coffee growers, their families, and communities. Utting-Chamorro (2005) observes that the increased prices paid for fair trade coffee "have enabled many Nicaraguan small farmers to avoid the poverty trap…[because they] can now obtain a living income through a more stable price system" (p. 596). This outcome is also seen throughout other studies of fair trade coffee's impacts. For example, Riedel et al. (2005) review a number of such studies and note that improvement in coffee producers' financial situations, including their reduced vulnerability to market and non-market crises, is a common impact of fair trade participation. Parrish et al. (2005) quantify the financial impacts of fair trade coffee production for Tanzanian producers: fair trade provided a 38% increase in the value of their coffee (p. 182). Raynolds (2002) estimates that because world coffee prices were well below the fair trade floor price of $1.26/lb during the 1990s and early 2000s, Latin American fair trade coffee farmers earned an annual income of $2000 from coffee, versus the $500 they would have received from conventional coffee (p. 18).

Another important financial benefit of participation in fair trade is the opportunity for cooperatives to obtain pre-harvest credit on good terms. Mendez (2002) finds that for fair trade coffee cooperatives in El Salvador, having a "source of advantageous credit for the cooperative" is seen as a major benefit by members (p. ii). Taylor, Murray, and Raynolds (2005), likewise, find in a survey of coffee cooperatives in Latin America that access to credit is an important benefit of participation in fair trade.

Yet the economic benefits of fair trade participation are accompanied by challenges. Taylor et al. (2005) point out that the entire fair trade price per pound does not go directly to farmers but instead is paid to and distributed by cooperatives, and "participating cooperatives handle debt servicing, cooperative expenses, and distribution of social premiums differently" (p. 202). While higher incomes are generally seen by farmers even after cooperatives pay off debts, cover expenses, and distribute the remaining fair trade earnings, the uncertainties of the market are not entirely eliminated by participation in the fair trade system. According to Parrish et al. (2005), in Tanzania the fair trade "premium benefits went to whichever farmers were ready to sell at the time

fair trade contracts had to be filled," thus leaving out farmers without a sellable crop at that time (p. 182). In Mendez' (2002) study in El Salvador, cooperative members reported that a major challenge in fair trade participation was the "long time it takes to receive coffee payments" from fair trade buyers, leaving the cooperative without needed funds for months after harvest (p. iii). Mendez (2002) also cites "the limited size of the market" (p. iii) as a challenge, and Raynolds et al. (2004) observe that "given current market constraints, the characteristics…which historically fostered fair trade entry and success are likely to be necessary, but not sufficient, conditions for success today" (p. 1114).

These shortcomings in the amount of economic benefit received by farmers can be seen as further evidence of the ongoing tension, described by Polanyi (1944/2001), between the "disembedded" state of the conventional coffee market – in which debts, cash flows, and market share all affect financial success – and the "re-embedding" attempted by the fair trade system. Although the fair trade system intends to protect small coffee growers from the vagaries of the conventional coffee market by guaranteeing higher prices, this promise is not always fully realized because of the continual "disembedding" pull of the conventional coffee economy, and its problems of debt, cash flow, and market share.

An additional challenge embodied within the fair trade system is the issue of where surplus accumulates along the restructured fair trade coffee commodity chain (see Figure 5). Although fair trade networks contain fewer middlemen who retain surplus, Alsever (2006) reports that in some cases actors in the consuming countries capture a high proportion of the surplus from higher fair trade coffee prices paid by consumers: "critics say too many fair trade dollars wind up in the pockets of retailers and middlemen, including nonprofit organizations," such as the labeling and certification organizations (para. 2). Indeed, the recent change in FLO fee structures, which imposes initial certification fees and annual re-certification fees on producer cooperatives, has come under fire for posing a major challenge to the original ideals of fair trade and its promise to provide higher incomes for farmers (Parrish et al., 2005). The FLO (2006) contends

that it changed the fee structure in order to "make fair trade's certification and trade auditing operations more transparent" and to "improve FLO's financial stability by diversifying its sources of income by asking all stakeholders and benefactors of fair trade labeling to contribute to its costs" (p. 1). Despite this justification, it remains to be seen how the addition of these fees will impact fair trade producers. The FLO's change in fee structure can be seen, in Polanyian terms, as an additional instance of the protectionist counter-movement being brought into check by the forces of market liberalism: the FLO (2006) asserts that the imposition of fees on producers, which may decrease the benefits they receive from fair trade coffee, was necessary to ensure its financial solvency.

Despite these challenges within the financial structure of the fair trade system, fair trade coffee is seen as a source of a "basket of [social] benefits" for fair trade coffee cooperatives and communities (Rice, 2001, p. 44). For example, Murray et al. (2003) describe community improvements which help to build social capital, such as the creation of a training center for women's literacy, an increase in the individual self-esteem of coffee growers, improved educational infrastructure, and reduced migration rates in fair trade coffee-growing communities. Raynolds (2002) observes that cooperatives have invested fair trade coffee earnings into community projects such as schools and health services. Empowerment of coffee growers and coffee-growing communities is an oft-cited benefit of participation in fair trade networks. Rice (2001) asserts that coffee producers who participate in fair trade are able to act as "protagonists, taking advantage of opportunities within the larger specialty coffee market" (pp. 43-44). Riedel et al. (2005) conclude that empowerment is a beneficial impact on producers and occurs through the enhancement of human and social capital which comes along with increased income to spend on education, health, and other services. The evidence that fair trade coffee contributes to broad improvements in social stability, as cooperatives invest earnings to satisfy community needs, echoes Polanyi's (1944/2001, p. 48) description of pre-industrial economies which were still "submerged in social relationships," and thereby ensured social harmony through systems of redistribution.

Yet the social structure required by the fair trade system, that growers must be organized into democratically-run cooperatives, which receive and distribute earnings, also leads to challenges of governance and accountability for cooperatives. Riedel et al. (2005) note that the benefits of higher fair trade earnings "are dependent on the competency of the individual organization and the interests represented when making investment decisions" (p. 3). In other words, it is not guaranteed that cooperative decision-making about social investments will reflect the "interest[s] of relatively poor and marginalized producers" (Riedel et al., 2005, p. 9). Raynolds (2002) concurs that the pooling of a portion of fair trade benefits at the cooperative level for social investment creates difficulties, and that positive and equitable use of the social premium depends on how cooperatives are run, and how well they consider the interests of their most marginalized members. Indeed, Utting-Chamorro (2005) finds that in Nicaraguan fair trade cooperatives, producers do not perceive any impacts on community development due to fair trade participation; this indicates that information about the use of the social premium is not well communicated to those whom it is intended to benefit.

Fair trade coffee's record with regard to gender equity also reveals room for improvement. Researchers find that while fair trade participation allows women "a certain degree of empowerment" (Utting-Chamorro, 2005, p. 595), women are overall less likely to have access to the fair trade system because they are less likely to "own land, have access to unpaid household labor, or have capital for investing in coffee production" (Raynolds, 2002, p. 17).

Benefits to the natural environment from fair trade participation are both direct and indirect. Murray et al. (2003), Raynolds et al. (2004), and Riedel et al. (2005) cite general improvements in environmental conditions and producer health due to fair trade's environmental standards. According to Raynolds et al. (2004), participation in fair trade promotes investment in better land management practices, especially in soil conservation. Murray et al. (2003), Raynolds et al. (2004), and Riedel et al. (2005) also observe that the higher earnings by cooperatives and individuals allow for increased investment in environmental projects and training. For example, one cooperative cited by Murray et al.

(2003) used cooperative earnings to hire a community organic farming promoter. Riedel et al. (2005) and Utting-Chamorro (2005) also observe that fair trade participation can be a pathway to organic certification: farmers following the FLO's environmental standards are close to meeting organic certification standards and earn a higher income from fair trade certification, which can allow them to pay the fees for organic certification. Mendez (2002) also finds that the fair trade participation promotes "convergence with organic and shade-grown markets...[which] could open opportunities for a larger number of growers to be able to benefit from the combination of these markets" (p. 22).

Yet the complicated, lengthy list of fair trade environmental standards, which already include provisions such as the elimination of many agrochemicals and genetically modified organisms and the use of good soil, water, and waste management practices, "are becoming ever more stringent" (Utting-Chamorro, 2005, p. 597). The tightening of these standards can present a challenge to small farmers who "may not have the knowledge or resources to meet them" (Utting-Chamorro, 2005, p. 597).

In addition, Parrish et al. (2005) are cautious in attributing environmental improvements to fair trade alone:

> the low price of coffee did more to maintain the integrity of [the environment in the region studied in Tanzania]...than can be attributed to fair trade. Although fair trade prohibits the most toxic chemicals, most...farmers [in the study] did not use any chemicals because it did not provide a meaningful financial return. (p. 185)

This finding suggests that fair trade's environmental requirements may simply reinforce the practices of impoverished small farmers who cannot afford agrochemicals in the first place. On the other hand, as these farmers' incomes increase due to fair trade participation, their continued fair trade certification requires that they do not begin to use agrochemicals, and tends to encourage the eventual attainment of organic certification.

The overall organization and strategy of the fair trade coffee system are also grounds for critique. The shift towards a strategy of "mainstreaming," which attempts to scale up fair trade's market share by increasing commercialization and the involvement of large companies in fair trade coffee, has been one area of critique by fair trade

researchers. Taylor (2005) expresses the concern that the mainstreaming strategy, while it has "fueled rapid growth in fair trade's market share" in the U.S., represents a "depersonalized niche market plan" (p. 134). Riedel et al. (2005) comment on the "significant issue" presented by the "increasing influence of big business" in fair trade (p. 4). Raynolds (2000) sees the mainstreaming strategy as problematic, suggesting that large coffee corporations will seek "to capture the value added at the point of sale from alternatively labeled products" like fair trade coffee (p. 304). Taylor (2005) comments on the possibility of large coffee companies using fair trade to improve their images without significantly changing their practices: "with 1% of its coffee certified as fair trade, Starbucks has reinforced its corporate image as socially responsible while maintaining its conventional agro-industrial suppliers" (p. 141).

To a certain degree, these critiques reflect Polanyi's (1944/2001) observation that the bi-directional forces which constantly pull the economy between the poles of complete self-regulation and a protected economy create an unavoidable tension because the ongoing counter-movement ultimately causes additional social disruption. While in Polanyi's historical example, the ultimate outcome was market collapse, in the case of fair trade's "mainstreaming" strategy, the possible social disruption predicted by scholars is less drastic. They view the drive to expand the system's protectionist influence as a strategy that will result in the weakening of its outcomes as the system becomes more closely tied to the conventional coffee industry (Raynolds, 2000; Riedel et al., 2005; Taylor, 2005).

Critiques of the "mainstreaming" strategy which fear that the presence of larger actors from the global North will subvert the fair trade movement's principles resonate with critiques that focus on who controls and directs the goals and strategies of the fair trade movement. Raynolds (2000) expresses the views of some scholars that imbalance between producers and consumers in shaping the direction of the fair trade movement:

> There is clearly a risk that…[fair trade] will lose its progressive thrust if the purchasing practices of self-interested wealthy consumers are permitted to guide the movement, undermining its democratic basis and

> reinforcing the traditional subordination of Southern producers to the dictates of Northern consumers. (p. 299)

Others echo this concern that the distribution of power within the movement reproduces longstanding inequalities. For example, Taylor (2005) comments on the formal governance structure represented by the FLO: it "is still characterized by a pyramid decision-making structure, where the top often does not communicate with the base," leading to complaints that "governance of the fair trade coffee movement has been dominated by Northern interests" (p. 140).

Yet these comments raise a central paradox of the fair trade coffee system: while the continuation of the longstanding power imbalance between North and South is problematic, without the sustained and widespread participation of Northern consumers and non-governmental organizations, fair trade's impacts in the Southern producing nations would be severely limited. In other words, these critiques suggest a tension among scholars regarding fair trade's ultimate aims: to stay true to the movement's principles and accept a smaller market share, or to attempt to broaden the movement's reach and make fair trade coffee the norm, while potentially compromising its original principles. Raynolds' conflicting comments in two publications capture this tension – and demonstrate the difficulty of resolving the dilemma of aiming for commitment to principle versus attempting to broadening the movement's impacts. In 2000, she argued for the retention of the underlying principles of fair trade at the expense, perhaps, of market share: she wrote that fair trade's "true significance lies not in [its] market share (which will presumably always be relatively small), but in the challenge [it] raises to the abstract capitalist relations that fuel exploitation in the agro-food system" (Raynolds, 2000, p. 298). Yet in 2004, she and other authors identified the need for a broadening of the movement and its impacts, asserting that "fair trade standards must become the norm in North-South relations" (Raynolds et al., 2004, p. 1119).

Possible confusion among consumers about what fair trade coffee is and what the label means is another area of critique. Along with confusion stemming from the multiple labeling systems discussed earlier, Riedel et al. (2005) point out that the current emphasis

by many governments on neo-liberal free trade policies and agreements can cause consumers to confuse "fair trade as improved relationships between consumers and producers" with "changes in trade policy to make trade *fairer* as it relates to tariffs and openness" (pp. 3-4, italics in original). This tension inherent in the word "fair" is a product of the differences between the free trade ideology and the fair trade ideology: proponents of free trade assert that it results in fair outcomes for all, while fair trade advocates counter that free trade has contributed to increasing inequality, and therefore an alternative, fairer, system of trade is necessary. In addition, Alsever (2006) points out that even when purchasing fair trade coffee, consumers may not understand that the premium price they pay does not entirely go to the farmer: "the coffee farmer who produced the one-pound bag of coffee purchased by…[a consumer] received $1.26…but whether [the consumer]…paid $10 or $6, the farmer gets the same $1.26" (para. 13).

Despite a wide range of challenges and critiques, however, most researchers present a positive overall assessment of fair trade coffee. Riedel et al. (2005) cite a "predominance of positive benefits" from fair trade (p. 21), and Murray et al. (2003) conclude that while "proponents of fair trade must acknowledge that considerable issues, obstacles, and problems confront fair trade…the range of benefits is wider and more significant than previously imagined" (p. 27). According to Levi and Linton (2003), fair trade certification "has already improved the lives of more than half a million coffee farmers" (p. 417). Yet, as will be discussed in greater detail below, the participation of these first half a million coffee farmers is, ultimately, not enough to overcome the "most fundamental concern expressed by producers" regarding the fair trade coffee system: "the limits of the market in the North" (Murray et al., 2003, p. 27). Thus, I turn now to consider the critical topic of fair trade's place within the markets of coffee-consuming countries in the global North.

The Fair Trade Coffee Market in Consumer Countries

The extent of fair trade coffee's success in positively impacting coffee-growing communities and the environment in producer countries is shaped not only by the workings of the fair trade coffee system in those countries but also by the dynamics of the market for fair trade coffee in consumer countries, located primarily in the "developed" global North. In this section, I discuss fair trade coffee's emergence within and integration into the coffee markets of consumer countries, primarily the United States.

For businesses in consumer countries, fair trade coffee presents various opportunities to increase both their sales and public images. Riedel et al. (2003) suggest that companies which enter into the fair trade system as roaster-distributors of fair trade coffee stand to benefit in several ways, including increased sales revenue, increased investment in the company as ethical investment criteria gain adherence, and enhanced public image. Schmidt (2002) agrees that fair trade provides companies with "a commercial opportunity as well as a good corporate social responsibility image" (p. 38). These enticements have both helped to draw larger companies into the fair trade system as the movement has entered its "mainstreaming" strategy and caused dissent within the ranks of companies which sell fair trade coffee. Due to TransFair USA's inclusion of Starbucks, despite that company's low percentage of fair trade coffee as a share of its total coffee imports, a group of small coffee roasters which had been among the organization's founding members left TransFair USA, asserting that "the TransFair label has become too corporate-friendly" (Riedel et al., 2005, p. 13). On the other hand, some commentators note that for the fair trade movement to achieve its goal of "norm change" – changing the expectations and values of consumers so that fairly traded coffee is not the exception but the rule – the participation of larger companies is necessary to ensure that "major retail outlets offer fair trade coffee as a choice" (Levi and Linton, 2003, p. 408). Again, the tension between maintaining the commitment to the movement's original principles and expanding its impacts is apparent. These two outcomes are seen as

incongruous: the fair trade coffee movement can achieve one, scholars imply, only at the expense of the other.

Despite disagreements over efforts to recruit large roaster-distributors such as Starbucks, fair trade coffee's entrance into markets in Europe and the U.S. has resulted in rapid growth in market share, in percentage terms. In Europe, fair trade coffee was available starting with the creation of Max Havelaar in 1988, and sales were strong (Levi and Linton, 2003; Rice, 2001). In the United States, despite the later entrance of fair trade coffee into the marketplace in 1999, growth in percentage terms has been strong: on average, fair trade coffee sales increased by 72% annually between 1999 and 2004 (TransFair USA, 2005a, p. 1). Between 2000 and 2004, fair trade coffee's market share within the U.S. specialty coffee market grew by 533%. However, in absolute terms, fair trade coffee's market share remains small: it accounted for 2.2% of the total U.S. coffee market in 2006 and 3.8% of the U.S. specialty coffee market in 2004 (Allison, 2006; TransFair USA, 2005b).

In addition, despite its early rapid growth, in percentage terms, in both Europe and the U.S., fair trade coffee may not be able to continue overtaking conventional coffee at the same rapid rates. In Europe, growth of the fair trade coffee market leveled off after reaching 1-3% of the total coffee market, and researchers predict that the U.S. market will experience this same trend: "we can expect market growth [in the U.S.] to slow once fair trade labeled coffee has captured 1-3 percent of [the U.S. market]...as it has in Europe" (Raynolds, 2002, p. 11). The issue of low demand for fair trade coffee clearly looms as a critical factor in the movement's long-term success.

The global commodity chain approach would begin to assess the significance of this low demand by classifying the coffee industry as a producer-driven or buyer-driven chain. Taylor (2005, p. 130) has argued that coffee, along with other agricultural commodities, form buyer-driven commodity chains because control over the chain rests disproportionately "in the hands of actors based in consuming countries in the industrialized North" (Taylor, 2005, p. 130). While the large roaster-distributors are frequently recognized as the major players in the coffee commodity chain, others argue

that coffee consumers themselves, in aggregate, comprise an extremely powerful group of actors within the chain when it comes to fair trade coffee: for example, Riedel et al. (2005) point out that, in the case of fair trade coffee, the influence of coffee consumers shapes the decisions of large roaster-distributors, who will only take on the risk of a non-conventional product if they perceive sufficient demand. Rice (2001) concurs with this assessment of the power of consumers in the fair trade coffee commodity chain, noting that "consumer-driven shifts in appetites linked to concerns over environment, health and safety, ethics, and diet figure prominently into the growth" of demand for fair trade coffee (p. 41).

The problem of insufficient demand for fair trade coffee from consumer countries including the U.S. is well documented in the literature on fair trade coffee. According to FLO estimates, production of fair trade coffee exceeded demand sevenfold (Murray et al., 2003; Taylor, 2005). The "excess capacity" of fair trade growers leads to sales of fair trade certified coffee into conventional markets, earning the current "C" price or less, and without the additional fair trade guarantees of a stable trading relationship and pre-harvest credit (Raynolds, 2002, p. 8). Bacon (2005) found that "due to low demand and high quality requirements many fair trade certified cooperatives must sell close to 70% of their coffee into the lower paying conventional markets" (p. 507). This imbalance between supply and demand exists despite rapid early growth of fair trade coffee markets in the 1990s because "they did not grow fast enough to match the growth of new fair trade coffee cooperatives" (Fridell, 2003, p. 3).

A common conclusion of fair trade coffee researchers in the face of this supply-demand imbalance is captured by Bacon (2005, p. 507): "assuming that one accepts fair trade as one model that can help reduce vulnerability, the next question is on how to scale up." Indeed, despite the serious challenges and critiques of the fair trade coffee system discussed above, researchers agree that it has "demonstrated that more socially just and environmentally sound production in the South is possible, and that [some] Northern consumers will pay more for these products" (Raynolds, 2000, p. 306). The impacts of

fair trade coffee are seen as positive, overall. The challenge, then, is to increase those impacts by expanding demand for fair trade coffee.

My research builds off of the recognition of this challenge, by assessing why coffee drinkers do or do not express support for fair trade coffee through both their attitudes and actions, with a focus on the underlying attitudinal factors – such as values, beliefs, knowledge, and concepts of identity – and socio-demographic factors that may affect attitudes and actions. This approach is informed by literature that investigates "ethical consumers" and "ethical consumerism," as well as research from other fields.

Ethical Consumption

Perspectives on Ethical Consumption and Ethical Consumers

The term "ethical consumption" is a commonly-used description for the consumer actions of a group that has received many labels: "'ethical consumers,' 'green consumers,' 'political consumers,' 'socially responsible consumers,' 'cultural creatives,' and 'vigilant consumers'" (Schmidt, 2002, p. 89). Consumption of fair trade coffee can be seen as part of this larger category of ethical consumption (Levi and Linton, 2003, p. 408). In this section I will discuss scholarly perspectives on ethical consumption – used here to represent the actions of all the variously-labeled groups above – and the size and demographics of the ethical consumer population.

Barnett, Cafaro, and Newholm (2005) provide an overview of three approaches to ethics in the field of moral philosophy which are applicable to ethical consumption: consequentialism, deontology, and virtue ethics. Consequentialism is "concerned with defining ethical conduct by reference to the consequences or outcomes of actions" (Barnett et al., 2005, p. 12). It shapes ethical consumption "campaigns and policies…[which] assume that ethical decision-making works through the rational calculation of ethical obligations, for which the provision of knowledge, advice, and information is an essential prerequisite" (Barnett et al., 2005, p. 12). Fair trade coffee promotions which make a case for fair trade coffee by outlining injustices in conventional

trading systems and emphasizing that consumer choices can make a difference in correcting those injustices rely on consequentialist ethics to persuade coffee consumers that purchasing fair trade coffee is their ethical obligation.

Yet, as Barnett et al. (2005) point out, this reliance on "the idea that ethical consumption can work simply by bringing to view the chain of consequences and connections between consumers and producers is highly simplistic" (p. 14). The notion of the Northern consumer's individual ethical obligation to Southern producers as a whole tends to overlook the extent to which individual consumers are "in a position to actually change outcomes" and therefore "ends up being overwhelming as well as highly unfair in its ascription of obligations to change things" (Barnett et al., 2005, p. 14). Fair trade coffee's connection to large and complex global systems may tend to have this overwhelming effect on consumers.

A second set of ethical frameworks which are relevant to ethical consumerism broadly, and fair trade coffee specifically, are deontological approaches, which "define right action as independent of its contribution to…favored goals," such as those "good" outcomes pursued by consequentialists (Barnett et al., 2005, p. 13). According to these authors, ethical consumption sometimes

> contains elements of deontological understandings…[when it invokes] highly universalized arguments about people's responsibilities to care for others – whether this is other people, other creatures, the environment, or future generations. (Barnett et al., 2005, p. 13)

The fair trade coffee standards for democratic and inclusive social organization, respect of labor rights, and environmental stewardship rely on such "universalized" definitions of right action. In addition, the use of the word "fair" to describe this kind of coffee signals to consumers that the product is, in a broad sense, ethically superior to coffee that is not labeled "fair."

A third ethical perspective from which to consider ethical consumerism is that of virtue ethics. Virtue ethics theories concentrate on the pursuit of "personal excellence and societal flourishing" rather than striving to define "our duties to others;" they do so by

"redefin[ing] the overarching question of ethical theory away from 'what ought I do?' to 'what sort of person ought I strive to be?'" (Barnett et al., 2005, p. 17). Barnett et al. (2005) write that "there is empirical evidence to suggest that 'ethical consumers' are motivated primarily by a sense of personal integrity," thus involving virtue ethics in assessments of ethical consumption (p. 17).

Barnett et al. (2005) note that ethical consumerism campaigns which adopt of a virtue ethics approach are "likely to alienate the sorts of people with whom ethical consumption campaigns" are trying to connect, because in this virtue ethics-based analysis those who do not purchase ethical products are implicitly seen as "selfish unethical consumers" (p. 18). This concern highlights the perception of ethical consumers as an elite who can afford to purchase more expensive products that are seen as signifying a superior moral standing, while others are unable to express similar values because they cannot afford to. For example, Dickinson and Carsky (2005) suggest that if consumption is akin to voting with one's money, "clearly…wealthy individuals have more potential votes than the poor," raising the problem of ethical consumption's de facto exclusion of many consumers (p. 31).

Viewing fair trade coffee consumption as a subset of the larger phenomenon of ethical consumerism necessitates an assessment of how many ethical consumers exist, and who they are. Estimates of how many ethical consumers there are in a given country are subject to variation based on the methods used for making the estimate and how ethical consumption is defined. Using a broad definition, the Natural Marketing Institute (2003) estimated that in 2003, 63 million adults in the U.S. (or approximately 30% of the total adult population) based purchasing decisions on "how the products they consume affect the world" (para. 1). In an earlier study using the term "socially responsible consumption," Roberts (1996) found that 18% of the U.S. adults in his study purchased "socially responsible" products always or most of the time, while an additional 43% did so sometimes (p. 81). De Pelsmacker, Dreisen, and Rayp's (2005) study of Belgian consumers also finds that although the segment of the population which was extremely supportive of fair trade products was somewhat small, when combined with the segment

that was somewhat supportive, the group included about half of all consumers. These studies suggest that although committed fair trade buyers may comprise a small percentage of coffee consumers, latent support for fair trade coffee may exist within the larger population.

In studies of ethical consumers, there is in general a lack of consensus about the socio-demographic profile of this group. Some researchers find that women are more likely to be ethical consumers (Loureiro and Lotade, 2005; Moore, 2004, Roberts, 1996), while others find that gender does not play a significant role (De Pelsmacker et al., 2005; Vermier and Verbeke, 2006). In general, higher socioeconomic status is found in association with ethical consumption (Loureiro and Lotade, 2005; Moore, 2004; Vermier and Verbeke, 2006), yet Roberts (1996) finds "a negative relationship...between income and socially responsible consumer behavior, which casts doubt on the theory that socially conscious consumers are members of the upper socioeconomic stratum" (p. 81).

Age, educational attainment, and occupation are additional socio-demographic characteristics around which the literature reviewed here does not provide consensus. Loureiro and Lotade (2005) and Moore (2004) find that older people are less likely than younger people to behave as ethical consumers while Roberts (1996) concludes that age is positively correlated with ethical consumption. A higher level of educational attainment is found to be a significant characteristic of ethical consumers in some studies (De Pelsmacker et al., 2005; Vermiere and Verbeke, 2006); its effect is unclear or not significant in other studies (Loureiro and Lotade, 2005; Roberts, 1996). Vermier and Verbeke (2006) consider occupational status and find that more "prestigious" occupations are associated with ethical consumption (p. 161), while Roberts (1996) concludes that occupation is not statistically related.

These disparities in socio-demographic findings among prior studies on ethical consumption may exist because of differences in research methods, sample populations, or the operationalization of variables. Because of these disparities, it is not possible to conclude here what consistent relationship, if any, exists between socio-demographic characteristics and ethical consumption.

Beyond the Socio-Demographic Profile

Many researchers argue that socio-demographic characteristics alone may not motivate ethical consumption. In addition to socio-demographic characteristics, they postulate that additional factors such as consumption-related preferences, awareness and understanding, and a range of attitudinal variables may contribute to ethical consumption.

Consumption-related preferences include discernable attributes, such as price, quality, brand, and availability, which can be detected during the process of buying and consuming a product. Fair trade coffee carries these attributes as well as attributes, such as its impacts on coffee growers and the environment, that cannot be discerned by the consumer either before or after consumption, making it a "credence good" (Loureiro and Lotade, 2005; Schmidt, 2002, p. 39)

According to "standard economic theory," people make purchasing decisions rationally, based on calculations of how the discernable attributes of products will allow them to most efficiently achieve "the goal of maximizing utility" for themselves (Dickinson and Carsky, 2005, p. 27). However, in the case of ethical consumption, the credence attributes of a product may also enter into the decision making process, along with the discernable characteristics such as price, quality, brand, and availability. Dickinson and Carsky (2005) argue: "clearly there are many kinds of value that a consumer might find of particular interest," (p. 27) such as the intangible qualities of a product like fair trade coffee. Shaw and Shiu (2002) agree that models for explaining consumer decision-making which are based on standard economic theory are "only partly satisfactory, as they tend to emphasize hedonic, self-interested outcomes," in contrast with the more societal-centered viewpoint of ethical consumers (p. 286).

Many commentators highlight the role of awareness of ethical products and understanding of what they signify in motivating ethical consumption. However, there are differing points of view regarding the efficacy of educating consumers about ethical products as a way to spark ethical consumption. TransFair USA (2005a, p. 1) asserts that consumer education is critical: "50% of those aware of [fair trade certified products] will

purchase [them]." Yet in 2004, only "15% of U.S. consumers were aware of the [fair trade certified] label" (TransFair USA, 2005a, p. 1), suggesting that while awareness of fair trade products is, logically, a central factor guiding fair trade purchasing, a significant proportion of U.S. consumers lack basic awareness of fair trade.

Beyond awareness of the fair trade label itself, researchers suggest that consumer understanding of what it signifies is essential to fair trade purchasing. Schmidt (2002) finds that "most consumers do not understand the ethical dimensions of the products they purchase" (p. 92). In the case of fair trade coffee, "a majority of the public does not know about the price crisis in the coffee industry because the price at the supermarket has not changed" significantly (Schmidt, 2002, p. 92). Likewise, Vermier and Verbeke (2006) argue that "consumers often have limited knowledge of agriculture and its production processes and a lack of insight into the implications of their food purchase decisions" (p. 175). The fair trade coffee movement, which derives its ethical dimensions from a complex analysis of global economic, social, and environmental systems, therefore appears to face significant challenges regarding coffee drinkers' understanding of its meaning. Indeed, Taylor (2005) hypothesizes that lower fair trade market share in the U.S. stems from the fact that "unlike in Europe, [fair trade's]...introduction was not preceded by a large campaign to explain to consumers the meaning of the label" (p. 141).

Along with the issue of a general lack of awareness and understanding of the meaning of fair trade coffee, there is also the possibility that coffee drinkers hold mistaken perceptions of what fair trade is and what it represents. Writing about perceptions of global climate change among the American public, Leiserowitz (2006) points out that "the public's...inaccurate mental models of climate change causation...[can] lead to logical, but mistaken inferences that" a certain non-solution is "an effective solution to climate change" (p. 47)

Whether or not such misperceptions play into consumer decision-making regarding fair trade coffee has not been a subject of significant research, yet there is reason to believe that the relationship of fair trade and free trade – both semantically and in terms of the positioning of fair trade as an alternative to free trade – may contribute to

the common conflation of the two terms. For example, academic researchers Thompson and Arsel (2004) incorrectly use the term "free trade coffee" twice in their discussion of "Starbucks' decision to sell fair trade coffee" (pp. 48-49). Anecdotal evidence (including my conversations with various people and a poster produced by a University of Oregon internship program advertising an internship with a "free trade cooperative" which "markets unique Amazon fair trade handicrafts") suggests that this conflation of the terms may be prevalent.

On the other hand, according to the neo-liberal ideology which promotes free trade, it is logical to equate the term "fair trade" with "free trade." According to this view, liberalized economies in which trade can freely occur, without regulatory interference or market-distorting elements such as tariffs and subsidies, are more fair than markets whose operation is constrained by such restrictions, leading to less efficient outcomes. Lindsey (2003) expresses this view that alternatives to free trade such as the fair trade system are ultimately unfair because they impede the free operation of the market, preventing it from achieving in the best outcome for society:

> However well-intentioned, interventionist schemes to lift prices above market levels ignore those market realities. Accordingly, they are doomed to end in failure – or to offer cures that are worse than the disease. There are constructive measures that can help to ease the plight of struggling coffee farmers, but they consist of efforts to improve the market's performance – not block it or demonize it (p. 1).

Lindsey's argument highlights the possibility that the label "fair trade" may be seen as a misnomer by those whose views are in alignment with the neo-liberal ideology that promotes free trade.

While awareness of fair trade coffee and understanding of what it claims to signify are seen as influences on behavior, other commentators caution that education alone does not drive behavior. Barr (2003) argues that global-scale issues such as environmental problems "are constructed in such a way that behavior is dependent on a greater range of influences than merely a linear process of information to action… [Instead,] knowledge…[is] interpreted in terms of an individual's previous experiences"

and relations to others in society (p. 228). In other words, information and education, while perhaps contributing to behavior, are mediated through "a range of determinants – situational, psychological, and value-based factors that combine to provide a complex behavioral response" (Barr, 2003, p. 237). Langeland (1999) agrees that "a persistent myth is that consumers lack information and that, once it is provided, they will act on it" (p. 86). Moreover, she notes that several studies which have investigated the link between awareness and ethical consumption have found no causal relationship.

Attitudes about products such as fair trade coffee have been posited as an additional factor which affects purchasing decisions. However, like education, research suggests that supportive, positive attitudes alone "are generally poor predictors of buyer behavior" (De Pelsmacker et al., 2005, p. 364). Many researchers have described the phenomenon known as the "attitude-behavior gap," in which people voicing strong support for particular products do not buy them (e.g. De Pelsmacker et al., 2005; Roberts, 1996; Schmidt, 2002; Vantomme, Guenes, De Houwer, and De Pelsmacker, 2005). Various explanations for the attitude-behavior gap exist. Vantomme et al. (2005) suggest that "consumers may still need to be convinced that their purchase behavior can make a difference in ethical terms," indicating that perceptions of individual inability to effect change hinder behavior (pp. 4-5). At a more practical level, Roberts (1996) argues that price, quality, and convenience "are still the most important decision factors" for ethical consumers (p. 80). Stets and Biga (2003) propose another explanation for the attitude-behavior gap, positing that identity plays a role. These disparate explanations for the attitude-behavior gap indicate that further research can help clarify the reasons for this phenomenon.

The attitude-behavior gap presents a challenge to Ajzen's (1991) often-cited theory of planned behavior, which links together psychological and attitudinal factors as drivers of behavior. Shaw (2005) summarizes the components of the theory of planned behavior: it posits a "fixed causal sequence" in which "attitudes, subjective norms, [and] perceived behavioral control," or perceptions of an individual's ability to choose a particular path of action, are the factors which create "behavioral intention," or a person's

plan to take a certain action, which in turn leads to behavior (p. 138). Researchers have tested the theory of planned behavior in the context of ethical consumption, and in addition to findings of an attitude-behavior gap, some propose additions or modifications to the theory for use in explaining ethical purchasing behavior. Shaw (2005) reflects the point of view of others (e.g. Sparks and Shepard, 1992; Stets and Biga, 2003) who have also argued that "the tendency of the theory to focus on the self-interested concerns of individuals may be limiting" in the case of ethical consumption, and additional measures may be needed to appropriately modify the theory of planned behavior (p. 139). I will discuss in turn several such additional factors that may influence ethical consumption in general and fair trade coffee consumption in particular: identity, concern, affect, perceived consumer effectiveness, values, and ideology.

Identity is a frequently-cited factor that is seen as an appropriate addition to the theory of planned behavior in the context of ethical consumption. Stets and Biga (2003) define identity as "a set of meanings attached to the self that serves as a standard or reference that guides behavior in situations" (p. 401). Behavior, according to this concept of identity, is undertaken with "the goal of matching environmental inputs [or what a person perceives of the world outside of the self] to the internal standard" (Stets and Biga, 2003, p. 402). In predicting behavior such as ethical consumption, Stets and Biga (2003) believe that "we need to examine the identities that individuals claim...[since] many studies have identified the identity-behavior link" (p. 398). Sparks and Shepard's (1992) study confirms this link, finding that "self-identification with green consumerism...[does] contribute independently to the prediction of [behavioral] intentions" (p. 395).

A person's concern for issues linked to ethical products such as fair trade coffee is another factor that researchers view as significant. Shaw and Newholm (2002) note that ethical consumers may "adopt behaviors that go some way to assuage their concerns" about the products they consume (p. 180). Leiserowitz' (2004) study of attitudes toward global warming further subdivides concern into two components: a general sense of concern for an issue, and "active worry about it" (p. 27). He finds a disconnect between

general concern and active worry about global warming among the U.S. public, which "helps to explain the seeming paradox between public opinion surveys that show Americans expressing high concerns about the issue yet giving it low priority in either national or environmental issue rankings" (Leiserowitz, 2004, p. 27). This finding raises a question of whether an analogous disconnect exists between coffee drinkers' concerns for coffee growers and the environment and their "active worry" during purchasing decision-making about the impacts of their decisions.

Another factor which has been proposed as an influence on ethical consumption is affect, or "a person's good or bad, positive or negative feelings about specific objects, ideas, or images" (Leiserowitz, 2006, p. 46). Sparks and Shepard (1992) argue that "measures of affect...often predict behavioral intentions" (p. 397); likewise, Shaw and Shiu (2002) note that "past research [on ethical consumption] has highlighted the importance of measures of...emotional reaction in ethical consumer decision-making" (p. 292). Affect is seen as a component of fair trade purchase decision-making that is different from, yet perhaps equally as important as the "rational satisfaction derived from [the] physical quality" of the fair trade product, because it reflects the buyer's "emotional satisfaction related to the improved quality of the environment and living conditions of the farmers" (Langeland, 1999, p. 88).

Some studies also investigate the role of another factor in ethical consumption, referred to as perceived consumer effectiveness. Vermier and Verbeke (2006) define perceived consumer effectiveness as "the extent to which the consumer believes that his personal efforts can contribute to the solution of a problem" and assert that high levels of perceived consumer effectiveness are "necessary to evoke consumers to translate their positive attitudes into actual purchase" (p. 175). They note that high perceived consumer effectiveness tends to translate into both attitudinal support and intention to purchase "sustainable products:" those who believe that they have an ability to cause desired impacts feel more positively toward and are more likely to buy ethical products (Vermier and Verbeke, 2006). Marketing researchers also identify perceived consumer effectiveness as a strong predictor of "ecologically conscious consumer behavior"

(Straughan and Roberts, 1999, p. 558). Likewise, Berger and Corbin (1992) find that perceived consumer effectiveness and environmentally-focused consumer behavior are related. Murray et al. (2003) suggest that fair trade may spark perceived consumer effectiveness by providing "one small avenue toward reclaiming a sense of engagement and empowerment in the modern world" (p. 27).

Additionally, values are seen as an important underlying guide in the formation of attitudes related to ethical consumption. Rokeach (1970) defines a value as "a type of belief, centrally located within one's total belief system, about how one ought or ought not to behave, or about some end-state of existence worth or not worth attaining" (p. 124). In an often-cited study, Schwartz (1992) proposed a comprehensive set of values and tested its universality in 20 countries around the world. Some of these values, such as concerns for equality, social justice, and environmental protection, align closely with ethical consumption and the fair trade coffee system (Murray, Raynolds, and Taylor, 2006; Vermier and Verbeke, 2006).

In addition, values embodied by organized religion have been posited as important influences on fair trade purchasing, and, as Levi and Linton (2003) report, fair trade promoters have recognized this and targeted religious organizations. One religious leader "reports that buying fair trade coffee…reflects his congregation's belief in justice and empowerment" (Levi and Linton, 2003, p. 420).

Another area in which linkages to ethical consumption may exist is that of ideology. From a social psychology perspective, Rokeach (1970) defines an ideology as an "organization[s] of beliefs and attitudes – religious, political, or philosophical in nature – that [are] more or less institutionalized or shared with others" (p. 123) From a political science perspective, Matti (2004) defines an ideology as a set of ideas that orients an individual to the rest of the world by helping the individual to explain and evaluate social conditions.

Both economic and environmental ideologies are relevant to attitudes about fair trade coffee. The currently dominant neo-liberal economic philosophy, based on the nineteenth century market liberalism described by Polanyi (1944/2001), emphasizes the

importance of property rights, the removal of restrictions on business and trade, and the unhindered operation of supply and demand to determine prices; in other words "that individual interests, when free to operate, serve the public good" (Dobb, 1973, p. 41). This ideology exists in conflict with the ideology underpinning the fair trade coffee system, which asserts that the economy under the terms of neo-liberalism does not "serve the public good."

Dunlap, Van Liere, Mertig, and Jones (2000) describe a pro-environment ideology which is "focused on beliefs about humanity's ability to upset the balance of nature, the existence of limits to growth for human societies, and humanity's right to rule over the rest of nature" (p. 427). The fair trade coffee system's inclusion of environmental criteria in the producer standards indicates that the set of ideas guiding the fair trade coffee system are in line with the pro-environment ideology outlined by Dunlap et al. (2000).

The emphasis given by researchers to the factors outside of the theory of planned behavior described above – identity, concern, affect, perceived consumer effectiveness, values, and ideology – is not a rejection of the theory of planned behavior's central categories. To the contrary, many researchers (e.g. Vermier and Verbeke, 2006) confirm the importance of subjective norms, or a person's reliance on the perceived shared norms of society, to guide behavior. In addition, researchers discuss "behavioral control" factors – the considerations that guide conventional, "non-ethical" consumption – such as price, availability, quality, and brand. Their continuing importance in ethical consumption decision-making is validated by many investigators (e.g. Golding and Peattie, 2005; Murray et al., 2006; Shaw, 2005).

My research is built upon the factors reviewed here, which others have connected to ethical consumption. It looks specifically at the factors which may contribute to or hinder support for fair trade coffee among coffee drinkers in Eugene, Oregon, and investigates how four categories of variables discussed above are related to levels of attitudinal and behavioral support for fair trade coffee. The four categories of variables which I hypothesize are related to support for fair trade coffee are socio-demographic

characteristics, consumption-related preferences, awareness and understanding, and a range of attitudinal factors. Drawing on Ajzen's (1991) theory of planned behavior and the subsequent research using this model that identifies disparities between attitudes and behavior, I investigate the extent to which attitudinal support for fair trade coffee aligns with behavioral support, or the purchasing of fair trade coffee. I also examine the relationship between the four categories of variables mentioned above and both kinds of support for fair trade coffee.

I conducted this research about the factors that may cause or prevent engagement with fair trade coffee in response to the larger context of fair trade coffee's generally positive impacts on human and environmental welfare in coffee-producing countries, and the challenge of low demand for fair trade coffee in the U.S. The methods for conducting the research are detailed in the next chapter.

CHAPTER III

METHODS

Research Design

This study was conducted in Eugene, Oregon, a city of approximately 144,000 people located in the southern Willamette Valley of Oregon, between October 2006 and February 2007. The research consisted of two phases: an exploratory interview phase and the main phase, the implementation of a survey. In the exploratory interview phase, I conducted semi-structured interviews with a small number of fair trade coffee supporters, in order to test assumptions and hypotheses and gain insights which I used in constructing the survey. The resulting survey comprised the bulk of the research. It was distributed by mail to a random sample of 204 households located within two Eugene census tracts. One adult from each household was requested to complete the survey. One hundred eighty seven surveys were deliverable, and a total of 72 surveys were returned, for a response rate of 38.5%. Of these 72 respondents, 59, or 31.5% of the sample, indicated that they drink coffee once or more per week, qualifying them as "coffee consumers" according to the criteria for this study. These respondents were asked to complete the entire survey. Those who drink coffee less than once a week were directed to only complete the section on demographic information.

Variables

This study focused on the relationship between four broad categories of variables and two specific kinds of support for fair trade coffee among coffee consumers in Eugene. The four broad categories of variables were socio-demographic characteristics,

consumption-related preferences, awareness and understanding, and a range of attitudinal factors centering on fair trade coffee, economic (in)equality, and the environment.

I measured ten socio-demographic characteristics in this study: income, level of education, age, sex, race, Hispanic origin, political party affiliation, political ideology, religious affiliation, and the importance of religion in daily life (religious observance). As discussed in Chapter II, socio-demographic characteristics have not been linked to ethical consumption in consistent ways. This study contributes to the growing body of literature on ethical consumption by providing additional data on this topic.

I measured six kinds of consumption-related preferences. Four of these are discernable attributes associated with most products, not only ethical products like fair trade coffee: price, quality, brand, and availability. As noted in Chapter II, the previous, literature on ethical consumption suggests that attitudinal and other factors are important in decision-making, but also stresses that these "conventional" considerations continue to play a role. I included two additional consumption-related preferences in response to literature which notes that fair trade coffee often exists next to other "sustainable" coffees, especially organic and shade-grown coffee, and frequently also has one or both of these certifications (e.g. Raynolds, 2002; Schmidt, 2002; Taylor, 2005). I measured preferences for organic and shade grown coffee by asking about attitudinal support for these coffees, defined as positive or negative feelings about them, and behavioral support, defined as both reported recent purchasing behavior and behavioral intention, or the intent to purchase these coffees in the future. Direct observation of consumption-related factors was beyond the scope of this study; therefore, they were measured by eliciting coffee consumer preferences, reported behavior, and behavioral intention.

Awareness and understanding comprise another significant set of variables that I studied. I investigated both awareness of fair trade coffee prior to the study and sources of awareness. I measured understanding of the fair trade coffee system in several ways. First, I asked respondents to evaluate their own levels of knowledge about fair trade coffee. Second, I measured the extent to which respondents' perceptions of fair trade coffee's intended impacts on economic equality and the environment align with the goals

of the system as expressed by fair trade proponents. I triangulated this data with qualitative data about respondents' understanding of the fair trade system obtained through an open-ended question asking respondents to describe what, if anything, they knew about fair trade coffee. In addition, I elicited data on respondents' perceptions of the relationship between the terms "fair trade" and "free trade." Finally, I investigated respondents' understanding and evaluation of free trade through an open-ended question asking respondents to describe what, if anything, they knew about free trade.

The largest category of variables I studied were attitudes about fair trade coffee, economic (in)equality, and the environment. As outlined in Chapter II, a range of attitudinal factors contribute to ethical consumption behavior, and therefore are relevant to the study of fair trade coffee consumption. The attitudinal factors investigated in this study can be grouped into seven categories: perceptions of society and the environment, values, ideologies, social norms, identities, feelings about the impacts of coffee purchasing, and feelings about fair trade coffee. I measured these variables using Likert scale questions. Where appropriate, these questions were formulated according to methods used by other researchers to measure comparable variables (e.g. Dunlap et al., 2000; Kosmin, Mayer, and Keysar, 2001; Leiserowitz, 2006; Schwartz, 1992; Sparks and Shepard, 1992).

I measured two kinds of support for fair trade coffee: attitudinal support, as expressed by a positive feeling about fair trade coffee, and behavioral support, as expressed by reported behavior and behavioral intention. These two sets of variables were distinguished from each other because literature indicates that attitudinal support for ethical products does not always translate into actual purchases of those products (e.g. De Pelsmacker et al., 2005; Roberts, 1996; Schmidt, 2002; Vantomme et al., 2005). Behavioral support was further subdivided into reported behavior, measured by respondents' evaluations of their past buying habits, and behavioral intention, measured by respondents' assessments of the likelihood that they would buy fair trade coffee in the future. I measured behavioral support in both of these ways because survey researchers note that reported behavior is often over-reported by survey respondents (Bernard, 2002;

Loureiro and Lotade, 2005). Measuring behavioral intention provides additional data on behavioral support which can be cross-referenced with reported behavior.

Conceptual Model

Based on the literature reviewed in Chapter II, I began the research with a conceptual model of the relationship between variables as pictured in Figure 6. I hypothesize that socio-demographic characteristics, consumption-related preferences, awareness and understanding, and attitudinal factors contribute to the formation of attitudinal support for fair trade coffee, which then affects, but does not necessarily determine, levels of behavioral support, or the decision to buy or not buy fair trade coffee. The combination of two levels of attitudinal support for fair trade coffee – high and low – and two levels of behavioral support – buying and not buying fair trade coffee – suggests four possible groups of coffee consumers, identified as groups 1 through 4 in Figure 6. The first and last outcomes maintain consistency between attitudes and actions, with the first outcome showing consistent support for fair trade coffee, and the last outcome showing consistent non-support. The second and third outcomes exhibit attitude-behavior gaps. The second outcome represents the attitude-behavior gap more frequently cited and given this label in the literature reviewed. However, Vermier and Verbeke (2006) found that nearly 20% of their sample exhibited the third outcome, which I term the "reverse attitude-behavior gap." As discussed below, this study obtained small numbers of respondents who fall into either the attitude-behavior gap group or the reverse

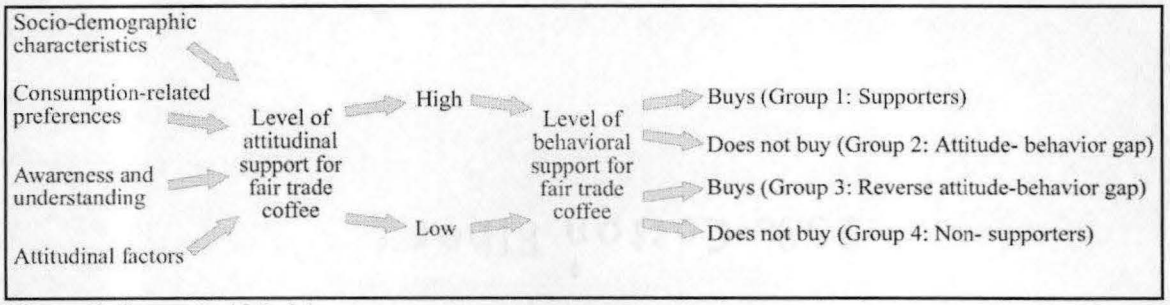


Figure 6. Conceptual Model

attitude-behavior gap group. Therefore, this study provides most insight into the first and last of the four ethical consumer groups, the supporters and the non-supporters.

Survey Construction and Distribution

The construction of the survey was informed by a small number of preliminary exploratory interviews and the literature reviewed in Chapter II. I used several sources to guide the construction of questions measuring particular variables. I drew questions about level of education, race, and Hispanic origin from the 2000 U.S. Census. Much debate exists about the appropriateness of the measurement of race in the U.S. Census. For example, Hirschman, Alba, and Farley (2000) explain that while races are now considered by many scholars to be "social categories," they are still measured in the U.S. Census as "biological groups akin to species" (p. 381). However, they note that "the categories used in the census race question agree with popular perceptions" (Hirschman et al., 2000, p. 381). I used race and ethnicity question wording drawn from the 2000 U.S. Census in order to facilitate comparison with census data because I believed that the benefits of doing so would outweigh the acknowledged drawbacks associated with these census categories.

I drew on a number of additional sources in order to construct questions. The American Religious Identification Survey (Kosmin et al., 2001) provided a question regarding religious observance. To measure alignment with an environmental ideology, I used a selection of questions from the widely-used new ecological paradigm survey tool (Dunlap et al., 2000). I incorporated values and question wording from Schwartz's (1992) list of values in order to elicit data on the extent to which coffee drinkers share certain values espoused by the fair trade coffee movement. I based questions measuring general concern for and active consideration of the impacts of coffee purchases on questions used by Leiserowitz (2006). I adapted questions employed by Sparks and Shepard (1992) to measure identity and perceived social norms.

I distributed surveys by mail, according to Dillman's Total Design Method, as outlined by Bernard (1994, 2002). Each survey packet contained the survey, a cover letter, which also served as the consent form, and an addressed, stamped return envelope. The cover letter requested that one person 18 years old residing at the address fill out the survey.

Dillman's Total Design Method incorporates the findings of extensive research on mailed surveys (Bernard, 1994, 2002). The protocol outlines survey design guidelines and stipulates a schedule for mailing the survey and/or reminders at one, two, and four week intervals. Following this method, I sent the initial survey packet to the sample of 204 recipients. One week later, I sent a reminder postcard to all non-respondents, a total of 152 recipients. Two weeks later I sent another survey packet to all non-respondents, a total of 129 recipients. Due to time and budget constraints, I was unable to send the final mailing to all non-respondents after four weeks, as the method recommends. However, this omission probably did not significantly affect the survey's response rate, since response rates are only boosted slightly by each subsequent reminder mailing (Bernard, 2002).

Sampling

The sampling frame for this study was two U.S. Census tracts, 44.01 and 46, within Eugene (U.S. Census 2000 geography identifiers 41039004401 and 41039004600, respectively). I chose the two tracts in order to reflect populations of both "higher" and "lower" socio-economic status, based on income, home ownership, and educational attainment data from the 2000 U.S. Census. I made this decision for two related reasons. First, survey responses tend to come more often from individuals of higher socio-economic status (Bernard, 2002). In this study, however, I hoped to obtain a socio-economically diverse respondent group in order to test the prevalent assumption that fair trade coffee drinkers tend to belong to an affluent, educated elite. Therefore, I stratified the sample, including more survey recipients of lower socio-economic status, in order to

obtain more socio-economically diverse responses. It is important to ensure this diversity because, as several studies reviewed in Chapter II note, higher socioeconomic status tends to be part of the profile of the typical ethical consumer. However, others (e.g. Clavin and Lewis, 2005; Roberts, 1996) point out that latent support for ethical products exists which is not acted upon in the marketplace. This support may exist among consumers of lower socioeconomic status who cannot afford price premiums for ethical products. By ensuring socioeconomic diversity within my sample, I allow for consideration of why non-consumers of fair trade coffee do or do not support it attitudinally, as well as what factors prevent them from purchasing it.

Socioeconomic status is a variable which is defined in many ways, and much disagreement exists about how to best measure it (Bernard, 1994). However, given limited time and resources, I compared only the three aforementioned variables – income, home ownership, and level of education – in order to make a rough determination of overall socioeconomic status within census tracts. Nevertheless, this process was necessary in order to obtain a more socio-economically diverse sample of coffee consumers than I otherwise would have obtained.

Using 2000 U.S. Census data for the 25 census tracts located in Eugene, I created an index combining three socio-economic variables: home ownership (owner-occupied units), educational attainment of the population over 25 years old (high school graduate or equivalency, or higher), and income (median household income). I ranked each census tract for each variable, with a rank of 1 indicating the highest value and 25 indicating the lowest value for the variable in question. I totaled the three rankings of each census tract to obtain its final score. I ranked these final scores, with a rank of 1 indicating the highest socio-economic status and a rank of 25 indicating the lowest socioeconomic status. I selected the census tracts located in the middle of the upper and lower halves of the ranking. Maps of these two census tracts and are included in Appendix B.

I selected survey recipients from within these census tracts using a systematic random sampling procedure. First, I estimated the number of surveys I would need to distribute in order to receive approximately 100 responses from coffee drinkers. The

starting point for this estimate was the average response rate of 73% obtained in surveys using Dillman's Total Design Method (Bernard, 1994, p. 277). This response rate indicated that 137 surveys should be sufficient to obtain 100 responses. However, not all adults are coffee drinkers, as defined in this study. I used a simple filter question ("how often do you drink coffee?") to determine whether a respondent qualified as a coffee drinker. Respondents who chose the answer "never or less than once a week" were asked to completed only the socio-demographic questions at the end of the survey. These partially-completed surveys would provide socio-demographic data but would not provide data about attitudinal factors that affect support for fair trade coffee. Therefore, in order to obtain 100 responses which did provide this information, I adjusted the total number of surveys I sent to account for the percentage of the U.S. adult population that drinks coffee. According to a survey conducted by the National Coffee Association in 2000, 79% of adults in the US drink coffee daily or occasionally; of these, 54% drink coffee daily (Coffee Research Institute, 2006). Therefore, I assumed that the percentage of survey recipients who qualify as coffee consumers according to the criteria for this study would fall between 54% and 79%, and I used the average of these two figures, 67%, for the purposes of calculating the total number of surveys to distribute. Adjusting for this factor indicated that I should send 204 surveys to obtain 100 responses from coffee drinkers.

Using the total number of households in the sampling frame of census tracts 44.01 and 46, I calculated that sampling every eighteenth household would produce a total sample size of 204. The systematic random sampling method dictates that the researcher should enter the sampling frame at a randomly chosen point and proceed to sample according to the interval needed to obtain the desired sample size. Therefore, I entered each of the two census tracts at a randomly chosen point on the map, and, beginning from this point, selected every eighteenth living unit to receive a survey. Because tract 44.01 contains approximately twice as many living units as tract 46, this procedure resulted in the distribution of 138 surveys within tract 44.01 and 66 within tract 46.

Data Analysis

I constructed most questions to measure attitudinal factors, resulting in mostly ordinal data. After receiving all the survey responses, I tabulated and statistically analyzed the data. First, I calculated and compared response frequencies. Second, I performed chi-square tests using a statistical analysis program, SAS v.9.1.3. Chi-square tests are used to test the null hypothesis that two variables are completely independent of each other; that is, that observed differences are due to chance and not attributable to any interaction between the variables. Chi-square tests which return probabilities (p values) below the critical level (alpha) indicate that the null hypothesis should be rejected; that is, p values below alpha indicate that the variables are related in some way. Because of the small size of the sample obtained, exact p values were calculated (R. High, personal communication, March 2, 2007). Due to the exploratory nature of this study, I used an alpha level of 0.15, although in standard behavioral science research alpha is usually set at 0.1 or 0.05 (Pagano, 1986). Here, p values at the 0.15 level are seen as tentative indicators of a relationship between the variables. The lower the p value, the more confidently it can be concluded that a relationship exists.

In the data tables included in Chapter IV, I report all p values that fall below the alpha level of 0.15. For chi-square tests which returned p values above 0.15, I use the word "insignificant" instead of reporting the p value, because these tests indicate that the null hypothesis that the observed differences between variables is due to chance only cannot be rejected. In other words, the chi-square test failed to detect any significant relationship between the variables (R.High, personal communication, March 19, 2007). For p values below 0.15, I highlight increasingly lower p values, which indicate a greater probability that a relationship between the variables in question exists, using asterisks. One asterisk (*) marks p values below 0.1; two asterisks (**) mark p values below 0.05; and three asterisks (***) mark p values below 0.01. More asterisks therefore indicate a higher probability that a relationship exists between the two variables being cross-tabulated.

I performed chi-square tests on several sets of variables in order to test for certain kinds of relationships. First, I compared the socio-demographic characteristics of respondents from census tract 44.01 to the socio-demographic characteristics of respondents from census tract 46. The presence of relationships between respondents' socio-demographic characteristics and their census tracts of residence would suggest that the two tracts are distinct in socio-demographic makeup. This result would suggest that additional variables which co-vary with socio-demographics might differ between the two tracts and indicate the importance of further analysis of data by census tract. The absence of any statistically significant relationships between census tract and socio-demographics would suggest that the socio-demographic distributions within the two census tracts are most likely not different.

Second, I performed another set of chi-square tests which compared the socio-demographic composition of the survey respondent population with the total population of the sampling frame. I used this comparison in order to determine the extent to which the survey sample is representative of the larger population from which it was drawn. I also compared the socio-demographic composition of the survey respondents to the total adult population of the U.S. in order to provide a tentative indication of the segment of the U.S. population represented by the respondent population.

Third, I grouped respondents according to the four coffee consumer groups identified in Figure 6. I then used chi-square tests to compare the responses of group 1, the supporters, to the responses of group 4, the non-supporters, for all the variables measured in the survey. These tests illuminated the socio-demographic, attitudinal, and other variables which differ significantly between supporters and non-supporters, and identified areas in which supporter and non-supporter responses do not differ significantly; in other words, areas in which the data indicate that they may share similar perspectives.

In many cases the use of the chi-square test required the grouping of responses into broader categories to obtain higher cell counts in the chi-square contingency tables. This procedure was necessary for the completion of chi-square tests but came at the

expense of some reduced specificity in the data. For example, because a large majority of the respondent population identified themselves as white, it was necessary to use only two categories for race in the chi-square tests I performed: "white" and "another race." Any differences in perspective that are related to finer racial distinctions could not be analyzed statistically, although this does not rule out the possibility that they exist. Likewise, when performing chi-square tests which compare political ideology to other variables, I was sometimes able to group the data into three categories – "liberal," "moderate," and "conservative" – and still obtain sufficiently high cell counts in the contingency tables. However, in other case, there were smaller numbers of relevant responses in the categories "moderate" and "conservative." In these cases, I grouped these two categories together to perform the chi-square test. Again, however, this reduction in specificity is offset by the information gained from performing the chi-square tests, which help to distinguish patterns that are stronger than those which may have occurred due to chance alone.

In addition to the quantitative variables, the survey included a small number of open-ended questions. I analyzed responses to these questions using the grounded-theory approach described by Bernard (2002), in which "categories and concepts that emerge from the text" are identified and these concepts are then "linked into substantive and formal theories" (pp. 462-463). This approach is an iterative process in which texts – open-ended question responses, in this case – are read and coded thematically in order to generate hypotheses and theory. In this study, I used the qualitative analysis to support and deepen the quantitative findings.

CHAPTER IV

FINDINGS AND ANALYSIS

Overview of Major Findings and Themes

This chapter discusses the results of the survey distributed to a random sample of households within two Eugene census tracts. The survey investigated the perspectives of coffee drinkers regarding coffee choices, fair trade coffee and the fair trade system, and the broader issues with which fair trade coffee is concerned, namely, economic (in)equality and environmental conditions in coffee-growing regions and the dominant free market trading system.

Although I discuss the survey results in detail below, several major findings and patterns are worth highlighting here. These findings and patterns are notable for two reasons: some of them provide a context for understanding the characteristics of the respondent population, and others suggest how support for fair trade coffee forms or is precluded from forming. These major findings and themes are described here and will be analyzed in more detail below.

First, socio-demographically, the respondent population is representative in some ways of the total population from which it was drawn. However, it differs significantly in four ways from that population: survey respondents have higher incomes and levels of education, are older, and are more likely to be female. While these disparities are not unexpected, given the nature of the research, they indicate that the survey results have only limited generalizability.

Second, a liberal political outlook appears to be a defining socio-demographic characteristic of the fair trade coffee supporters among respondents, distinguishing this group from the non-supporters within the respondent population. Other socio-demographic traits of supporters and non-supporters were not found to be statistically

different. These findings indicate that a link between political views and support for fair trade coffee may exist, at least among respondents.

Third, coffee quality is important to all respondents, and price is important to most respondents. Additionally, price tends to be more important to respondents with lower incomes. These findings highlight the continued importance of the "conventional" attributes of fair trade coffee and suggest that higher prices present a barrier to support for fair trade coffee among lower-income respondents.

Fourth, non-supporters are statistically more likely to be unaware of fair trade coffee than supporters. While this finding appears logical, it highlights the possibility that lack of awareness acts as a prevalent barrier to support. In addition, the socio-demographic traits of respondents who were unaware of fair trade coffee provides additional insight into which sectors of the respondent population had not encountered fair trade coffee: these respondents were more likely to identify as politically conservative or moderate, religious, and non-white.

Fifth, while environmental views are prevalent among all respondents, the environmental dimension of fair trade coffee was less often understood by respondents, particularly supporters. However, even supporters demonstrated a lack of understanding of the environmental dimension of fair trade coffee. These patterns suggest that it is possible that the "fair trade" label – which contains no reference to the system's environmental goals – may miss engaging with environmentally-inclined non-supporters. On the other hand, almost half of non-supporters express a preference for organic coffee, suggesting that the linkage of fair trade coffee to environmental improvement may be irrelevant, since those respondents might view organic coffee's more stringent environmental standards as preferable to fair trade's standards. In addition, because other environmentally "green" coffees such as organic and shade-grown are already available, fair trade's identification as "green" may lessen its distinctiveness in comparison to the multitude of other coffee choices available to coffee drinkers.

Sixth, almost all respondents value social justice, suggesting that it is possible that in a general sense the social justice goals of fair trade coffee may appeal to supporters

and non-supporters alike. However, the importance of this broad concept of social justice exists in tension with respondents' views about more specific aspects of economic organization. For example, although supporters appear to share with fair trade advocates the perception that free trade is undesirable, non-supporters do not critically assess free trade. In addition, almost half of supporters and two thirds of non-supporters believe that market-based pricing is an important economic condition. This view aligns almost half of supporters and two thirds of non-supporters with one of the major economic conditions advocated by neo-liberal free trade proponents. Furthermore, it suggests that fair trade's contention that market-based pricing is inherently unfair may conflict with the economic ideologies of some supporters and most non-supporters. This conflict in economic ideologies may act as a barrier to support among those non-supporters who share the outlook of free trade proponents that market-based pricing is important. In addition, these findings suggest that fair trade's critique of free trade may risk alienating the supporters whose views regarding market-based pricing also align with the neo-liberal outlook.

Throughout this chapter, data tables show frequency distributions as both total values and percentages. Response totals may not equal total numbers of respondents due to non-response. The chi-square test results are reported using p values for tests returning p values below 0.15. As discussed in Chapter III, I report p values above 0.15 as "insignificant," indicating that the chi-square test did not detect a statistically significant difference between the variables in question. I interpret p values below 0.15 and above 0.1 as indicators that it is somewhat possible that there is a statistically significant difference between the variables; these p values are not marked with an asterisk, because their significance is only tentative. Below 0.1, I interpret decreasing p values as increasing probability of a statistically significant difference between variables. Therefore, p values of 0.1 and below are marked with one or more asterisks in data tables throughout this chapter, to highlight their significance. In general, more asterisks indicate a higher probability that the observed difference between the variables is due to a relationship between them, and not due to chance. P values below 0.1 and above 0.05 are

marked with one asterisk (*); p values below 0.05 and above 0.01 are marked with two asterisks (**); and p values below 0.01 are marked with three asterisks (***).

Response Rate and Biases

Out of the 204 surveys, 17 were undeliverable and 72 were returned, for a total response rate of 38.5%. Fifty nine, or 81.9%, of returned surveys were from coffee drinkers. Non-coffee drinkers, defined as people who reported drinking coffee never or less than once a week, were not asked to complete the full survey; thus, these respondents did not provide usable data. The analysis focuses on the 31.5% of deliverable surveys that were useable: those returned by coffee drinkers.

Academic researchers using surveys to collect data stress that "to have dependable, valid, and reliable results," a high response rate is necessary (Baruch, 1999, p. 422). Bernard (2002) points out that "people who are quick to fill out and return mailed surveys tend to have higher incomes and consequently tend to be more educated than the later respondents," so that with a low response rate "any dependent variables that co-vary with income and education...will be seriously distorted" (pp. 264-265). High response rates therefore tend to indicate fewer unknown sources of nonresponse bias (Bernard, 2002). On the other hand, Krosnick (1999) acknowledges that "according to conventional wisdom, the higher the response rate, the less...[bias is] manifested in the obtained data" but reports that "recent research has shown that surveys with very low response rates can be more accurate than surveys with much higher response rates...[because] it is not necessarily true that representativeness increases monotonically with increasing response rate" (p. 540).

Beyond this debate over whether "high" response rates are necessary lies the question of how high a response rate should be. Baruch (1999) observes that "there is no agreed [upon] norm as to what is or what may be received as an acceptable, reasonable response rate (and subsequently, what is unacceptable)" (p. 422). In order to propose a norm for "acceptable" response rates, Baruch (1999) analyzed 175 published academic

studies and found an average response rate of 55.6%, with a standard deviation of 19.7. He suggests that these figures can be "used as a norm for future studies," resulting in a range of "acceptable" rates from 35.9% to 75.3% (Baruch, 1999, p. 421).

The response rate of 31.5% for useable surveys obtained in my study falls just below this "acceptable" range, suggesting that non-response bias is likely present. In fact, certain kinds of non-response bias are almost definitely present: the survey sample differs significantly from the total population of the two census tracts from which it was drawn for several socio-demographic variables. However, the ways in which the survey sample differs from the reference population reflect trends in survey respondent demographics observed by survey methodology researchers (e.g. Bernard 1994, 2002). Nevertheless, because these differences indicate non-response bias, I approach the interpretation of results cautiously: the trends observed in the survey responses may suggest possible conclusions but should not be seen as predictors of similar perspectives among populations other than the survey sample. Instead, the suggestions offered here are exploratory in nature, and may be supported or refuted by further research in which better population representation is achieved.

Respondent Socio-Demographic Characteristics

I analyzed the socio-demographic data obtained from the 59 coffee-drinking survey respondents in order to understand the socio-demographic makeup of this population. First, I compared census tracts 44.01 respondents to tract 46 respondents in order to determine whether statistically significant socio-demographic differences exist between respondents from the two tracts. Second, I compared the respondent population to the population from which it was drawn, total adult population of the two census tracts, in order to ascertain the degree to which my results are generalizable to this larger population. Third, in order to provide an understanding of the socio-demographic segments of the U.S. population which do and do not frequently appear within the respondent population, I compared respondents to the total adult population of the U.S.

In the comparison of census tract 44.01 to census tract 46, I found that in their socio-demographic characteristics, respondents from the two tracts differ only slightly, as shown in Table 1. I found that for most socio-demographic variables the frequency distributions of tract 44.01 respondents and tract 46 respondents are not statistically different. For Hispanic origin and political party affiliation, respondents from the two tracts may differ somewhat. Overall, then, the 59 coffee-drinking survey respondents fall into two census tract sub-groups which do not differ drastically in the distribution of socio-demographic characteristics. Instead, they combine to form a fairly uniformly-distributed population.

This population differs significantly from the total population of the sampling frame from which it was drawn for four socio-demographic characteristics, indicating that the generalizability of results from this study is limited. On the other hand, the ways in which the respondent population differs from the total population of the two census tracts is unsurprising in light of trends common to survey research.

As shown in Table 2, survey respondents tend to have higher incomes and higher levels of education than the total population of the sampling frame. These findings are consistent with trends in survey research discussed by Bernard (2002), who notes that, in general, survey respondents tend to have higher incomes and higher levels of education than the populations of the sampling frames from which they are drawn. In this study, survey respondents with annual household incomes of $40,000 to $100,000 per year comprise 45.6% of the population, and respondents with incomes of more than $100,000 comprise 12.5% of the population. This distribution of incomes is significantly different from the distribution of incomes within the total sampling frame population, in which only 39% of households have incomes in the $40,000-$100,000 range, and only 6% have incomes above $100,000.

The levels of education attained by the survey sample are also significantly different from the total population of the sampling frame, with over-representation of people holding bachelor's degrees, master's degrees, Ph.D.s, and advanced professional degrees. Within the survey sample, 38.9% of respondents hold bachelor's degrees and

Table 1. Socio-Demographic Comparison: Census Tract 44.01 Respondents vs. Census Tract 46 Respondents

	Tract 44.01 (n=33)		Tract 46 (n=26)		Chi-square
	n	%	N	%	
Annual income (households)					
Less than $40,000	10	35.71	10	50.0	Insignificant
$40,000-$100,000	14	50.0	8	40.0	
$100,000 or more	4	14.29	2	10.0	
Level of education					
High school or less	1	3.23	3	13.04	Insignificant
Some college, no degree	11	35.48	4	17.39	
Associate's degree	1	3.23	2	8.7	
Bachelor's degree	14	45.16	7	30.43	
Master's, doctorate, or professional degree	4	12.9	7	30.43	
Age					
Less than 40	10	32.26	5	21.74	Insignificant
40-59	17	54.84	17	73.91	
60 or more	4	12.9	1	4.35	
Sex					
Male	8	25.81	6	26.09	Insignificant
Female	23	74.19	17	73.91	
Race					
White	27	90.0	18	85.71	Insignificant
Non-white	3	10.0	3	14.29	
Hispanic origin					
Hispanic origin	4	13.33	0	0.0	p=0.13
Non-Hispanic origin	26	86.67	21	100	
Political party affiliation					
Democrat	14	58.33	16	84.21	p=0.13
Republican	4	16.67	0	0.0	
Other	6	25.0	3	15.79	
Political ideology					
Liberal	14	48.28	16	69.57	Insignificant
Moderate	9	31.03	5	21.74	
Conservative	6	20.69	2	8.7	
Religious affiliation					
Christian religion	7	31.82	3	20.0	Insignificant
Non-Christian religion	6	27.27	6	40.0	
No religion	9	40.91	6	40.0	
Religious observance					
Religious	13	48.15	6	35.29	Insignificant
Secular	7	25.93	6	35.29	
Unsure	7	25.93	5	29.41	

Table 2. Socio-Demographic Comparison: Survey Respondents vs. Total Adult Population of Sampling Frame

	Survey Respondents (n=59)		Total adult population of sampling frame (n=6758)		Chi-square
	n	%	N	%	
Annual income (households)					
Less than $40,000	20	41.9	1996	55.0	
$40,000-$100,000	22	45.6	1437	39.0	*p=0.06
$100,000 or more	6	12.5	218	6.0	
Level of education (25 and over)					
High school or less	4	7.41	1384	24.0	
Some college, no degree	15	27.78	1538	26.68	
Associate's degree	3	5.56	488	8.47	***p=3.99 x 10^{-5}
Bachelor's degree	21	38.89	1060	18.34	
Master's, doctorate, or professional degree	11	20.37	667	11.57	
Age					
Less than 40	15	27.78	3037	44.94	
40-59	34	62.96	2307	34.14	***p=4.91 x 10^{-5}
60 or more	5	9.26	1414	20.92	
Sex					
Male	14	25.93	4242	46.33	***p=0.004
Female	40	74.07	4683	53.67	
Race					
White	45	88.24	6027	89.18	Insignificant
Another race	6	11.76	731	10.82	
Hispanic origin					
Hispanic origin	4	7.84	303	4.48	Insignificant
Non-Hispanic origin	47	92.16	6455	95.52	

Note. Total sampling frame data from U.S. Census 2000.

20.4% have attained more advanced degrees. Within the total sampling frame population, however, only 18% have bachelor's degrees and 12% hold more advanced degrees. income, however, these differences are not surprising, given the tendency of more educated people to respond to surveys (Bernard, 2002).

The ages of survey respondents range from 21 to 77 years, with a mean of 46.2 years. Most survey respondents (63%) fall into the 40 to 59 year age range. The survey population is significantly different from the total sampling frame population, with the 40-59 age range over-represented. This over-representation is consistent with the higher

income and educational levels of the survey sample, since people in this age range are more likely to have more income and education than those who are younger.

Survey respondents are predominantly female: 74.1% are female and 25.9% are male. This distribution is significantly different from the distributions within the total population of the sampling frame, with an over-representation of females. Several possible explanations for this disparity exist. First, as noted previously, some ethical consumption researchers have found that ethical consumers tend to be women (Loureiro and Lotade, 2005; Moore, 2004; Roberts, 1996). If this is true, more women may have responded to the survey because of a greater tendency to be interested in or supportive of the subject matter connected to ethical consumption. Second, despite changing gender roles, women may still tend to be in charge of more of the household tasks – such as opening the mail and doing the grocery shopping – that have traditionally been women's responsibilities. For example, in a review of literature from the 1970s and 1980s on the gender division of household roles, Spitze (1988) does not find a clear pattern of decreasing female responsibility for household tasks; likewise, England and Farkas (1986) conclude that "despite much change, some areas of the system of gender roles are more intractable than others, [including] the assignment of...housework to women" (p. 4). More recently, Greenstein (2000) observes that "many researchers [in the last 15 years]...have noted that household labor remains highly segregated by sex" (p. 322). Assuming that such gender roles remain to some extent, more women may have been the first in the household to encounter the survey and fill it out. In addition, if women tend to be in charge of grocery purchasing, the subject matter of the survey may have been of more interest or more closely connected to their daily experiences. While it is impossible to know with certainty why more women responded to the survey, like the differences in income, education, and age, possible explanations for this disparity exist.

With regard to race and Hispanic origin, survey respondents do not differ significantly from the total population of the sampling frame. Respondents identifying themselves as white comprise 88.2% of the survey sample; 3.9% are African-American, 5.9% are Native American, and 2.0% are Asian. Hispanic respondents comprise 7.8% of

the survey population. Because the U.S. Census does not ask questions about religious and political outlooks, I could not compare the views of respondents in these areas to the views of the sampling frame population.

The comparison of the respondent population to the total U.S. adult population revealed that particular manifestations of eight of the ten socio-demographic characteristics measured are more prevalent among respondents than among the total U.S. population, highlighting the position of respondents within the national context. While I made this comparison in order to gain an understanding of the place that respondents occupy within the national population, the comparison does not imply that the survey results could be generalized to the total U.S. adult population, since respondents were not randomly sampled from this population.

The eight characteristics in which respondents differ from the total U.S. population are shown in Table 3. While income and Hispanic origin distributions do not differ between respondents and the U.S. population, the two populations do differ in terms of levels of education, age, sex, race, political party affiliations, political ideologies, religious affiliations, and levels of religious observance. The differences in levels of education, age, and sex mirror the differences found between the respondent population and the total sampling frame population, and therefore may reflect the same trends in survey research and construction of gender roles discussed above. The difference in race distribution, which reveals that respondents more often identify as white than people across the country, may exist because of the low racial diversity of Eugene's population compared to other parts of the country.

The differences between the survey population and the total U.S. population on matters of politics and religion may reflect Eugene's reputation as a politically liberal hub of counterculture. In terms of political party affiliation and political views, the survey sample differs significantly from the total U.S. population, with over-representation of Democrats and people who characterize their political views as liberal. Democrats comprised 36% of the total U.S. adult population in 2006 (Harris Interactive, 2007), but made up 69.8% of the survey sample. Respondents hold predominantly liberal political

Table 3. Socio-Demographic Comparison: Survey Respondents vs. Total Adult Population of the U.S.

	Survey Respondents (n=59)		Total adult population of the U.S. (n=209.1 x 10^6)		Chi-square
	n	%	N	%	
Level of education (25 and over)					
High school or less	4	7.41	52.1 x 10^6	28.63	
Some college, no degree	15	27.78	38.3 x 10^6	21.05	
Associate's degree	3	5.56	11.5 x 10^6	6.32	***p=2.16 x 10^{-7}
Bachelor's degree	21	38.89	28.3 x 10^6	15.54	
Master's, doctorate, or professional degree	11	20.37	16.1 x 10^6	8.86	
Age					
Less than 40	15	27.78	89.7x 10^6	42.91	
40-59	34	62.96	73.5 x 10^6	35.19	***p=7.92 x 10^{-5}
60 or more	5	9.26	45.7 x 10^6	21.9	
Sex					
Male	14	25.93	101.0 x 10^6	48.29	***p=0.002
Female	40	74.07	108.1 x 10^6	51.71	
Race					
White	45	88.24	161.8 x 10^6	77.4	*p=0.07
Another race	6	11.76	47.3 x 10^6	22.6	
Political party affiliation					
Democrat	30	69.77	n.d.	36	
Republican	4	9.3	n.d.	27	***p=1.88 x 10^{-5}
Other	9	20.93	n.d.	37	
Political ideology					
Liberal	30	57.69	n.d.	19	
Moderate	14	26.92	n.d.	37	***p=1.08 x 10^{-9}
Conservative	8	15.38	n.d.	37	
Religious affiliation					
Christian religion	10	27.03	n.d.	81	
Non-Christian religion	12	32.43	n.d.	4	***p=6.89 x 10^{-11}
No religion	15	40.54	n.d.	15	
Religious observance					
Religious	19	43.18	n.d.	75	
Secular	13	29.55	n.d.	16	***p=2.66 x 10^{-5}
Unsure	12	27.27	n.d.	9	

Note. Total U.S. data from Harris Interactive (2007) for political party affiliation and political ideology, and from Kosmin et al. (2001) for religious affiliation and religious observance. All other total U.S. data from U.S. Census 2000.

views (57.5%); an additional 26.9% of respondents characterize their views as moderate, and 15.4% as conservative. In 2006, only 19% of all U.S. adults reported liberal political views; 37% were moderates and 37% conservatives (Harris Interactive, 2007). While the

terms "liberal," "moderate," and "conservative" may have somewhat different meanings to each person, these categories are widely enough used to reasonably paint at least a rough picture of the political views of survey respondents, one that can be compared to national data.

In terms of religious affiliations and religious observance, the survey sample differs greatly from the total U.S. population. People belonging to Christian religions are less prevalent, as are people who characterize themselves as religious. Twenty-seven percent of survey respondents are Christian; 32.4% identify with non-Christian religions; and 40.6% report no religion. In contrast, 81% of U.S. adults identify as Christians; 4% identify with non-Christian religions; and 15% report no religion (Kosmin et al., 2001). Almost half of all survey respondents (43.2%) characterize themselves as religious, while 29.6% characterize themselves as secular and 27.3% are unsure. However, among all U.S. adults, religious observance is more common: 75% of all adults say they are religious, while 16% say they are secular, and 9% are unsure (Kosmin et al., 2001).

The prevalence of Democrats and people with liberal political views and the relative lack of people who identify as Christian and religious, compared to the U.S. population, is logical, given the political and religious makeup of Eugene. For example, a 2005 index of "lifestyle profiles" for U.S. metropolitan areas ranks the Eugene area 132nd out of 210 U.S. metropolitan areas for the lifestyle profile "bible/devotional reading." On the other hand, Eugene ranks 35th out of 210 for "wildlife/environmental," a category more often associated with more liberal political beliefs, and the Democratic party (Standard Rate and Data Service, 2005).

In summary, the survey sample differs from the total sampling frame population in unsurprising ways: respondents tend to be female, well-educated, higher income, and in their 40s or 50s. The over-representation of these traits is consistent with the findings of survey researchers and the implications of research on gender and household roles. The survey sample differs from the entire U.S. population in some of these ways, and others which may be reflective of the survey's implementation in Eugene. In this comparison, women, well-educated people, and those in their 40s or 50s are more

prevalent among respondents than within the national population. In addition, whites, Democrats, and people with liberal political views are more common among respondents than in the U.S. as a whole. This picture of the survey sample's socio-demographic characteristics in relation to larger reference populations provides an important context for considering the responses of the survey respondents to questions about their levels of support for fair trade coffee, coffee preferences, knowledge related to fair trade coffee, and attitudes about matters addressed by the fair trade coffee system. Most importantly, while disparities between the respondent population and the total sampling frame population are not unexpected, given the nature of the research, they indicate that the survey results have only limited generalizability.

Respondents and Fair Trade Coffee

Overall Levels of Support

Survey respondents show high levels of attitudinal and behavioral support for fair trade coffee, especially in the context of fair trade coffee's U.S. market share of 2.2% in 2006 (Allison, 2006). As shown in Table 4, most respondents (61.8%) feel positively about fair trade coffee. The 38.2% of respondents who do not feel positively about fair trade coffee answered that they were "neutral" or "unsure" of their feelings about fair trade coffee; none reported feeling negatively. As the conceptual framework for this study posits, attitudinal support – feeling positively about fair trade coffee – is a precondition for behavioral support – the purchasing of fair trade coffee – in most cases. Ajzen's (1991) theory of planned behavior identifies an intermediate step which precedes actual behavior: behavioral intention, or the plan to act in a certain way. Survey respondents demonstrate a high level of behavioral intention: 67.9% of respondents report that they are likely to buy fair trade coffee in the future. Only 50%, however, report recently buying it half the time or more, indicating that not all behavioral intention translates into actual behavior. All of these figures may be somewhat higher than their actual percentages within the survey sample because of the tendency of

Table 4. Levels of Support for Fair Trade Coffee

	n	%
Affect: feels positively about fair trade coffee	34	61.82
Affect: feels negatively about fair trade coffee	0	0.0
Affect: unsure of feelings about fair trade coffee	21	38.18
Behavioral intention: likely to buy fair trade coffee in the near future	36	67.93
Behavioral intention: unlikely to buy fair trade coffee in the near future	17	32.07
Reported behavior: bought fair trade coffee recently half the time or more	25	50.0
Reported behavior: bought fair trade coffee recently less than half the time	18	36.0

survey respondents to inaccurately self-report behavior and to over report in areas where a certain answer – such as support for fair trade coffee – is perceived to be socially desirable (Bernard, 2002). This caution notwithstanding, the survey sample appears to be much more favorably inclined towards fair trade coffee than the entire U.S. population, as indicated by the 2.2% market share of fair trade coffee in the U.S. (Allison, 2006).

Attitudinal and Behavioral Support Sub-Groups

The strong affinity of the survey population for fair trade coffee provides an opportunity to investigate in detail what draws these supporters to fair trade coffee. However, non-supporters' perspectives are also of interest: an investigation of their responses reveals barriers that may be hindering support for fair trade coffee, as well as areas in which attitudes of non-supporters are in alignment with the premises of the fair trade coffee system. In light of the generally positive social, economic, and environmental impacts of fair trade coffee in coffee-producing countries, documented in the studies reviewed in Chapter II, and the imbalance between supplies of fair trade-certified coffee and lagging levels of demand from consumers in countries such as the U.S., the perspectives of both supporters and non-supporters with regard to fair trade coffee and the fair trade coffee system's goals are particularly noteworthy.

As described in Chapter II, literature about ethical consumption suggests that four kinds of coffee consumers may be present in the survey sample: those whose attitudinal support and purchasing behavior are consistently in support of fair trade coffee, those whose attitudinal support and purchasing behavior are consistently unsupportive of fair

trade coffee, those who are attitudinally supportive but tend not to purchase fair trade coffee (the "attitude-behavior gap"), and those who are not attitudinally supportive but do tend to purchase fair trade coffee (the "reverse attitude-behavior gap"). I sorted survey respondents into these four groups based on responses to questions about attitudinal and behavioral support for fair trade coffee, as shown in Table 5. Respondents who feel positively about fair trade coffee, are likely to buy it, and report buying it at least half the time are labeled "supporters." Supporters make up over half of the survey sample. Respondents who do not feel positively about fair trade coffee, are not likely to buy it, and report buying it less than half the time are labeled "non-supporters," and make up almost one third of the survey sample. People who feel positively about fair trade coffee but are unlikely to buy it and report buying it less than half the time are labeled the "attitude-behavior gap" group. This group is very small, a mere 5.1% of the total survey sample, or 3 respondents. People who do not feel positively about fair trade coffee but are likely to buy it and report buying it half the time or more are labeled the "reverse attitude-behavior gap" group. This group is also small, 10.2% or 6 respondents.

That the attitude-behavior group is much smaller than what is expected based on literature about the attitude-behavior gap may reflect an over reporting by some respondents in the supporter group of both behavioral intention – the likelihood that they will buy fair trade coffee – and actual behavior – self-reported fair trade coffee purchasing frequency. As noted previously, some respondents may have perceived that support for fair trade coffee was socially desirable and completed the survey accordingly. Social desirability bias may have factored into responses to the question about attitudinal support less frequently because this question was placed at the beginning of the survey

Table 5. Respondent Sub-Groups

	n	%
Supporters	31	52.54
Non-supporters	19	32.2
Attitude-behavior gap	3	5.08
Reverse attitude-behavior gap	6	10.17

and was the first mention of fair trade coffee. It is possible, then, that when answering this question, respondents may not have formed an impression about the intentions and interests of the researcher.

The large size of the reverse attitude-behavior gap group relative to the attitude-behavior gap group may be explained by this group's responses to the question of whether they had heard of fair trade coffee prior to reading the survey. Although the six respondents in the reverse-attitude behavior gap group report buying fair trade coffee half the time or more and say they are likely to buy it in the future, four of them also report that they had not heard of fair trade coffee before the survey. It is possible, then, that these four respondents, despite having no prior awareness of fair trade coffee, had formed an impression about the social desirability of fair trade coffee by the time they reached the questions about their past purchases and likelihood of buying fair trade coffee in the future. They may have therefore over reported their behavior and behavioral intention.

Supporters and Non-Supporters

Because the small sizes of the attitude-behavior gap and reverse attitude-behavior gap groups prevent in-depth analysis of those respondents' perspectives, I focus on the two larger groups which do exhibit consistent attitudes and behaviors: the supporters and non-supporters. For most socio-demographic characteristics, statistically significant differences between the two groups were not found, as shown in Table 6. Nevertheless, there are some observable differences in the distributions of certain traits: the supporter group contains relatively more people of lower income, people under 40, whites, Democrats, non-Christians, and people who identify as secular, though none of these differences were found to be statistically significant.

In one area, the two groups are statistically different: political ideology. Supporters are more likely than non-supporters to describe their political views as liberal. This finding identifies political ideology as the clearest dividing line between fair trade coffee supporters and non-supporters in this study. Fair trade coffee appears to be more

Table 6. Socio-Demographic Comparison: Supporters vs. Non-Supporters

	Supporters (n=31)		Non-supporters (n=19)		Chi-square
	n	%	n	%	
Annual household income					
Less than $40,000	13	46.43	5	35.71	
$40,000-$100,000	13	46.43	5	35.71	Insignificant
$100,000 or more	2	7.14	4	28.57	
Level of education					
High school or less	1	3.33	2	12.5	
Some college	8	26.67	3	18.75	
Associate's degree	2	6.67	1	6.25	Insignificant
Bachelor's degree	11	36.67	8	50.0	
Master's, doctorate, or professional degree	8	26.67	2	12.5	
Age					
Less than 40	10	34.48	2	13.33	Insignificant
40 or more	19	65.52	13	86.67	
Sex					
Male	5	17.24	3	20.0	Insignificant
Female	24	82.76	12	80.0	
Race					
White	26	96.30	11	78.57	Insignificant
Another race	1	3.70	3	21.43	
Hispanic origin					
Hispanic origin	2	7.69	2	13.33	Insignificant
Non-Hispanic origin	24	92.31	13	86.67	
Political party affiliation					
Democrat	22	75.86	6	50.0	
Republican	1	3.45	2	16.67	Insignificant
Other	6	20.69	4	33.33	
Political ideology					
Liberal	21	72.41	6	40.0	
Moderate	6	20.69	4	26.67	**p=0.05
Conservative	2	6.90	5	33.33	
Religious affiliation					
Christian religion	6	27.27	7	53.85	
Non-Christian religion	9	40.91	3	23.08	Insignificant
No religion	7	31.82	3	23.08	
Religious observance					
Religious	10	37.04	6	54.55	
Secular	11	40.74	1	9.09	Insignificant
Unsure	6	22.22	4	36.37	

closely associated with a liberal political outlook than with moderate or conservative views. However, because this study asked respondents to self-identify as "liberal," "moderate," and "conservative" but it was not possible within the scope of the research to

investigate respondents' definitions of these categories, additional research would be necessary to unpack perceptions of what ideas or issues form the borders of this division.

Perspectives on Coffee

Consumption-Related Preferences

Survey respondents are loyal coffee drinkers who value the quality of their coffee foremost. As shown in Table 7, more than three-quarters drink coffee at least once a day and almost as many buy their coffee mostly in bulk, rather than as brewed cups in coffee shops or other stores: 71.4% buy in bulk most of the time while only 17.9% buy brewed coffee most of the time. In these characteristics no significant difference was found between supporters and non-supporters. It is possible that the prevalence of strong coffee drinking habits among respondents resulted from the self-selection of the 59 coffee-drinking respondents from among the 204 survey recipients. The topic of the survey – coffee – may have appealed more to people who drink coffee often than to people who drink it occasionally or not at all.

Price, quality, brand, and availability have all been posited as important factors in ethical consumption, as in all purchasing decisions – whether products are considered "ethical" or not. Overall, respondents overwhelmingly value coffee quality: 100% of both supporters and non-supporters say that it is an important consideration when they are buying coffee. Price is the second most important consideration: 55.4% rate it as important. Additionally, respondents with lower incomes tend to consider price more important than respondents with higher incomes, as shown in Table 8. Supporters and non-supporters do not differ significantly with regard to the importance of price. Most respondents do not consider brand when buying coffee: only 27.8% rated it as an important consideration, with no significant difference found between supporters and non-supporters. These findings highlight the continued importance of some "conventional" attributes of fair trade coffee, namely, price and quality. They also

Table 7. Consumption-Related Preferences

	All respondents (n=59)		Supporters (n=31)		Non-supporters (n=19)		Chi-square
	n	%	n	%	N	%	
Drinks coffee once a day or more	45	76.27	25	80.64	12	63.16	Insignificant
Drinks coffee less than once a day but at least once a week	14	23.73	6	19.35	7	36.84	
Buys coffee in bulk most of the time	40	71.43	18	60.0	14	82.35	Insignificant
Buys brewed coffee by the cup most of the time	10	17.86	8	26.66	2	11.76	
Coffee quality is an important purchasing consideration	56	100	30	100	17	100	n/a
Price is an important purchasing consideration	31	55.36	17	54.83	6	37.5	Insignificant
Price is not an important purchasing consideration	25	44.64	14	45.16	10	62.5	
Brand is an important purchasing consideration	15	27.78	8	25.81	5	35.71	Insignificant
Brand is not an important purchasing consideration	39	72.22	23	74.19	9	64.29	
Perceives that fair trade coffee is unavailable	7	14.0	3	10.34	3	21.43	Insignificant
Perceives that fair trade coffee is available	43	86.0	26	89.66	11	78.57	

suggest that higher prices present a barrier to support for fair trade coffee among lower-income respondents.

Availability of ethical products has been found to be another important factor in ethical consumption, as in any consumption decision-making process (Shaw, 2005. In this study only 14% of respondents reported that fair trade coffee had not been available when buying coffee recently, as shown in Table 9. This figure may include some respondents who simply have not noticed fair trade coffee, and is best termed "perceived

Table 8. Importance of Coffee Price vs. Annual Household Income

	Price is an important consideration (n=31)		Price is not an important consideration (n=25)		Chi-square
	n	%	N	%	
Less than $40,000	12	60.0	6	30.0	
$40,000-$100,000	7	35.0	9	45.0	*p=0.09
$100,000 or more	1	5.0	5	25.0	

availability." In addition, no significant difference was found between the perceived availability of fair trade coffee to supporters and non-supporters. These findings may indicate that fair trade coffee has successfully diffused throughout the coffee market in Eugene and is carried by many retail establishments – enough, at least, that most respondents had noticed it when buying coffee.

Other "Sustainable" Coffees

Literature on fair trade coffee indicates that other "sustainable" coffee certifications – especially organic and shade grown labels – may also affect consumers' perspectives on fair trade coffee (e.g. Schmidt, 2002; Taylor, 2005). Indeed, the survey results indicate that an affinity for fair trade coffee tends to be accompanied by affinities for organic and, less so, for shade grown coffee, as shown in Table 9. Non-supporters also demonstrate an affinity for organic coffee, albeit a weaker one.

Behavioral intention is high for organic coffee, overall: 63.5% are likely to buy it in the future and 54.7% report buying it half the time or more. Supporters are even more likely (80%) to buy organic coffee; this figure differs significantly from the percentage of non-supporters (42.9%) who are likely to buy it. However, 42.9% still represents a notable intention among non-supporters, and may reflect a greater availability and/or awareness of organic coffee.

For shade-grown coffee, behavioral intention is lower: 46% of all respondents are likely to buy it. The difference between supporters and non-supporters is significant and stark: 72.4% of supporters are likely to buy shade-grown coffee, while no non-supporters report this likelihood. Several respondents indicated in additional, unprompted written comments that they were unfamiliar with shade-grown coffee. For example, one respondent wrote, "don't know enough about 'shade grown' coffee to say anything about it."

The strong support for organic coffee among supporters, and the partial support for organic coffee among non-supporters, at first suggest that the dual labeling of most

Table 9. Levels of Support for Other "Sustainable" Coffees

	All respondents (n=59)		Supporters (n=31)		Non-supporters (n=19)		Chi-square
	n	%	n	%	N	%	
Behavioral intention: likely to buy organic coffee in the near future	33	63.46	24	80.0	6	42.86	**p=0.02
Behavioral intention: unlikely to buy organic coffee in the near future	19	36.54	6	20.0	8	57.14	
Behavioral intention: likely to buy shade-grown coffee in the near future	23	46.0	21	72.42	0	0.0	***p=1.6 x 10^{-5}
Behavioral intention: unlikely to buy shade-grown coffee in the near future	27	54.0	8	27.59	13	100.0	
Reported behavior: bought organic coffee recently half the time or more	29	54.71	20	66.67	5	33.33	*p=0.06
Reported behavior: bought organic coffee recently less than half the time	32	45.29	13	33.33	10	66.67	
Reported behavior: bought shade-grown coffee recently half the time or more	14	29.16	12	46.15	1	6.67	**p=0.02
Reported behavior: bought shade-grown coffee recently less than half the time	34	70.84	14	53.85	14	93.33	

fair trade coffee as organic presents an opportunity to engage with organic-preferring non-supporters. This is an opportunity of strategic importance in light of the amplified economic and environmental benefits that dual certification can bring to coffee farmers, their families, and the land they farm, through the increased earnings from dual certification and the more comprehensive environmental requirements of organic certification. However, the findings in this area also raise several questions when viewed in the context of respondents' awareness and understanding of fair trade coffee, and their general views regarding the environment, a matter discussed in more detail below.

Awareness and Understanding: Fair Trade and Free Trade

Awareness of Fair Trade Coffee

A key finding of this study is that awareness of fair trade coffee prior to the survey varies greatly between supporters and non-supporters. As shown in Table 10, while 64.9% of respondents reported that they had heard of fair trade coffee, among supporters that figure rises to 87.1%, while among non-supporters it falls to 29.4%. This

Table 10. Awareness of Fair Trade Coffee

	All respondents (n=59)		Supporters (n=33)		Non-supporters (n=19)		Chi-square
	N	%	n	%	n	%	
Had heard of fair trade coffee prior to survey	37	64.9	27	87.1	5	29.41	***$p=3.98 \times 10^{-5}$
Had not heard of fair trade coffee prior to survey	20	35.09	4	12.9	12	70.59	
Learned of fair trade coffee from seeing it while buying coffee	22	37.28	20	64.52	1	5.26	n/a
Learned of fair trade coffee from fair trade promotional materials	19	32.22	14	45.16	2	10.53	n/a
Learned of fair trade coffee from an acquaintance	14	23.7	11	35.48	1	5.26	n/a
Learned of fair trade coffee from a coffee shop or store employee	10	16.94	9	29.03	1	5.26	n/a

statistically significant difference points to an extremely important, and logical, barrier to support for fair trade coffee: people who do not know that it exists will not buy it.

Demographically, people who identify as liberal, secular, and white were significantly more likely to be aware of fair trade coffee, as shown in Table 11. These findings suggest that messages about fair trade coffee's existence have been more successful in reaching people fitting this demographic profile, while missing political moderates and conservatives, religious coffee drinkers, and people of color. In the U.S., political moderates and conservatives make up approximately 74% of the population; people who identify as religious make up 75%; and people of color comprise 22.6% (Harris Interactive, 2007; Kosmin et al., 2001; U.S. Census, 2000). The finding that these socio-demographic groups of substantial size are far less likely to know that fair trade coffee exists presents a clear lesson in the context of the socio-economic and environmental challenges facing coffee-growing communities: if fair trade coffee is to contribute in a meaningful way to overcoming those challenges, coffee drinkers within these large sub-sets of the U.S. population must first know that it exists.

In addition, the finding that religiously observant respondents are significantly less likely to be aware of fair trade coffee is striking in light of the historical genesis of

Table 11. Awareness of Fair Trade Coffee: Statistically Significant Socio-Demographic Differences

	Had heard of fair trade coffee before survey (n=37)		Had not heard of fair trade coffee before survey (n=20)		Chi-square
	n	%	n	%	
Political ideology					
Liberal	24	80.0	6	20.0	**p=0.02
Moderate or conservative	9	45.0	11	55.0	
Religious observance					
Religious	9	47.37	10	52.63	***p=0.004
Secular	12	100.0	0	0.0	
Race					
White	32	72.73	12	27.27	**p=0.04
Another race	1	20.0	4	80.0	

alternative trading organizations, a precursor to the fair trade movement, from European church charities (Rice, 2001). It is also striking in light of more recent efforts to promote fair trade coffee within religious organizations in the U.S. (Levi and Linton, 2003). The lack of awareness of fair trade coffee among religious coffee drinkers in this study raises the question of how widespread and effective these efforts have been.

Among respondents who were aware of fair trade coffee prior to the survey, seeing it while buying coffee was by far the most commonly cited source of awareness, selected by over one third of those who were aware of fair trade coffee, as shown in Table 10. Fair trade coffee promotional materials (32.2%), acquaintances (23.7%), and coffee shop or store employees (16.9%) were the next three most common sources of awareness of fair trade coffee. Media sources, such as newspapers, television news, and online sources, were cited by only a few respondents.

The data present an unclear picture of the relationship between the availability of fair trade coffee in stores and coffee shops and consumer awareness of its existence as a coffee option. Only 14% of respondents reported that fair trade coffee was unavailable to them when buying coffee recently (see Table 7), but seeing fair trade coffee offered in a store or coffee shop was the most common source of awareness of its existence. If seeing fair trade coffee in a store or coffee shop is a frequent cause of awareness, and fair trade

coffee is widely available where survey respondents shop, then it would be logical to assume that more respondents would be aware of fair trade coffee. However, as shown in Table 10, more than one third of respondents had not heard of fair trade coffee prior to the survey. It is possible that the seemingly low percentage of coffee drinkers to whom fair trade coffee is unavailable is actually higher: the availability of fair trade coffee was gauged indirectly through the survey and was not measured through direct observation, due to limitations on the scope of the study. Yet it is also possible that fair trade coffee is widely available in the Eugene-area stores and coffee shops where these respondents buy coffee, but that its presence on the shelf alone is not enough to either spark awareness of its existence, or to catalyze support. The data suggest that efforts beyond the placement of fair trade coffee in stores are effective in sparking awareness, especially the dissemination of messages about fair trade coffee through promotional material and word of mouth.

Understanding of the Fair Trade Coffee System

Another key finding of this study is that the depth of understanding of the fair trade coffee system differs substantially between supporters and non-supporters, although neither group exhibits extensive knowledge of the system's intended goals, particularly its environmental goals. As shown in Table 12, almost half (41.1%) of all respondents report knowing nothing about fair trade coffee. None consider their knowledge of fair trade coffee to be extensive, and 58.9% report knowing a little or a moderate amount about it. Most supporters (87.1%), however, feel that they know a little or a moderate amount about fair trade coffee, while most non-supporters (93.8%) report knowing nothing. This difference is statistically significant, and is reinforced by the open-ended responses to a question asking respondents to describe what, if anything, they know about fair trade coffee.

Not a single non-supporter offered any answer to the open-ended question, reflecting the extremely low level of knowledge among these respondents. Of the 27

Table 12. Understanding of the Fair Trade Coffee System

	All respondents (n=59)		Supporters (n=33)		Non-supporters (n=19)		Chi-square
	n	%	n	%	n	%	
Knows nothing about fair trade coffee	23	41.07	4	12.9	15	93.75	***p=7.37 x 10^{-8}
Knows a little bit or a moderate amount about fair trade coffee	33	58.9	27	87.1	1	6.25	
Knows a lot about fair trade coffee	0	0.0	0	0.0	0	0.0	
Perceives that fair trade coffee reduces economic inequality	33	62.3	26	86.67	3	20.0	***p=2.0 x 10^{-5}
Does not perceive that fair trade coffee reduces economic inequality (including "unsure")	20	37.7	4	13.33	12	80.0	
Unsure of fair trade coffee's impacts on economic inequality	13	24.53	2	6.67	10	66.67	n/a
Perceives that fair trade coffee improves environmental conditions	23	44.23	16	55.17	3	20.0	*p=0.06
Does not perceive that fair trade coffee improves environmental conditions (including "unsure")	25	51.93	13	44.83	12	80.0	
Unsure of fair trade coffee's impacts on environmental conditions	22	42.31	9	31.03	11	73.33	n/a

supporters who answered this question, most (70.4%) gave basic overviews of the fair trade coffee system, with statements sometimes qualified by references to their incomplete knowledge. For example, one supporter wrote "fair trade coffee from my understanding is coffee that gives the growers/workers fair trade pay and price for the picking and work." Another supporter wrote "my understanding of fair trade coffee is that it is grown by people who are fairly treated and fairly paid for their work." Only 22.2% of supporters who answered this question gave responses which signify a deeper understanding of the fair trade coffee system through details such as "growers are often brought into profit-sharings and quality improvement efforts on the production end, to enable them to raise their capabilities, coffee quality, and bargaining stance in the future."

With regard to specific intended goals of fair trade coffee, similar patterns emerge. Overall, 62.3% of respondents perceive that fair trade coffee reduces economic

inequality within the coffee industry, but this impact is more often understood by supporters (86.6%) than non-supporters (20%). Moreover, 66.67% of non-supporters are unsure of what fair trade coffee's impacts are on economic equality within the coffee industry. This difference is significant, and is paralleled by the significant difference between supporters' and non-supporters' understanding of how fair trade coffee impacts the environment.

Although fair trade coffee certification requirements are extensive – including the reduction of agrochemical use and elimination of a lengthy list of prohibited chemicals, improved waste management and soil and water conservation practices, and the elimination of genetically modified organisms (FLO, 2005) – most respondents appear unaware of the environmental dimension of the system. Overall, 44.2% of respondents perceive that fair trade coffee contributes to improved environmental conditions. Again, however, more supporters (55.2%) than non-supporters (20%) understand these impacts. Yet in the case of environmental impacts, understanding appears to be much more limited than in the case of impacts on economic equality: not only do fewer respondents – both supporters and non-supporters – view fair trade coffee as a positive environmental force, but many are also unsure of how it affects the environment, including both supporters (31%) and non-supporters (73.3%).

Open-ended responses reinforce the predominance of views which see fair trade coffee as a product which affects the welfare of coffee producers – rather than one which integrates social justice and environmental concerns and affects the welfare of both producers and the environment. Of the 27 responses (all from supporters) describing understanding of fair trade coffee, 96.3% mention impacts on economic equality, such as that the coffee is "grown and picked by workers who received better pay and under better working conditions." Only 7.4% mention environmental impacts of fair trade coffee, such as: higher prices allow producers "to grow in a way that is better for the environment." This finding highlights a key gap in the perceptions of coffee drinkers about the impacts of the fair trade coffee system relative to the goals embodied in the FLO's certification standards. That the environmental dimension of the fair trade coffee system is so poorly

understood by respondents while the economic dimension is well-understood suggests that fair trade coffee is seen by respondents as a product that is associated with social justice goals, and not necessarily environmental goals. This finding is notable in the context of respondents' environmental views, as will be discussed further below.

Fair Trade in Relation to Free Trade

The study also investigated how coffee drinkers perceive fair trade in relation to free trade. Although fair trade is positioned as a critique of and alternative to free trade, almost half of all respondents do not appear to understand or agree with the positioning of fair trade as an alternative to free trade. Overall, as shown in Table 13, a total of 43.6% of respondents are either unsure about whether fair trade and free trade are different (34.5%), or believe that they are the same (9.1%). More non-supporters (58.8%) than supporters (36.7%) hold one of these two views. Among non-supporters, 41.2% are unsure if fair trade and free trade are different, and an additional 17.6% believe they are the same; among supporters, 30% are unsure if fair trade and free trade are different, and an additional 6.7% believe they are the same. These differences, however, were not found to be statistically significant.

The high rate at which respondents' views diverge from the position espoused by the fair trade movement that fair trade is an alternative to – and therefore different from – the neo-liberal free trade model may be due to several factors. First, the semantic similarity of "fair trade" and "free trade" and the reference of both to trade may cause

Table 13. Perceptions of Fair Trade in Relation to Free Trade

	All respondents (n-59)		**Supporters (n=33)**		**Non-supporters (n=19)**		**Chi-square**
	n	**%**	**n**	**%**	**n**	**%**	
Believes that fair trade and free trade are different	31	56.36	19	63.33	7	41.18	
Believes that fair trade and free trade are the same	5	9.09	2	6.67	3	17.65	Insignificant
Unsure if fair trade and free trade are different or the same	19	34.55	9	30.0	7	41.18	

some respondents to conflate the terms, as did scholars Thompson and Arsel (2004), as discussed in Chapter II.

A second possibility, however, is not that respondents are confused about the two similar-sounding terms, but that they reject the premise that "fair trade" is actually more fair than the system called "free trade." As Riedel et al. (2005) point out, neo-liberal economic thought asserts that free trade policies serve "to make trade *fairer* as it relates to tariffs and openness" (pp. 3-4, italics in original). In other words, in this neo-liberal view, free trade *is* fair. Correspondingly, systems of trade which decrease freedom through non-market costs, restrictions, or other mechanisms are, in this viewpoint, less fair than their truly "free" counterparts. In other words, fair trade *is not* truly fair. From this perspective, the survey question asking, "in your understanding, are free trade and fair trade different?" may not have had a simple answer of "yes," "no," or "unsure," especially for respondents who ascribe to neo-liberal views. Answering "yes" could be viewed as concurring with the implications that free trade is unfair and, moreover, that fair trade is truly fair – conclusions which from the neo-liberal perspective are untrue. In this case, an answer of "yes" would be avoided. On the other hand, for respondents holding the belief that free trade *is* fair because it removes restrictions and non-market costs from trading, the answer "yes" would appear to most closely capture their views.

This analysis makes clear that the original question was unsuitable for collecting the desired data – a count of how many respondents understand that fair trade presents itself as a distinct alternative to free trade. This understanding may be related to the extent to which respondents understand the intentions of the fair trade movement – to create trading relationships that redistribute benefits more evenly along the commodity chain – in contrast to the less beneficial trading relationships that many small farmers in the global South have no choice but to accept. It also leaves unanswered the question of how respondents perceive what "fair" means in the context of "fair trade." These perceptions could be useful in order to better understand whether consumers who adhere to the neo-liberal economic viewpoint perceive "fair trade" as a disingenuous, contradictory, or otherwise inaccurate label.

Despite the ambiguity of the question asking whether respondents saw fair trade and free trade as different, two open-ended questions were successful in collecting qualitative data which illuminate how supporters and non-supporters perceive free trade. Supporters tend to view free trade negatively while non-supporters use neutral or positive tones. Perceptions of free trade among supporters are negative much of the time: of the 22 supporters who answered open-ended questions about free trade, 59.1% use implicitly or explicitly negative tones to describe free trade. Discussion of the exploitation of various entities (workers, the poor, developing countries, the environment) by greedy corporations is frequent. For example, one supporter wrote that "free trade...allows America to exploit poorer nations and people," while another described it as the "removal of all barriers to capital's exploitation of workers and resources globally." The remaining 40.9% of responses by supporters characterize free trade in technical, non-judgmental terms, such as "free trade [means] no tariffs on goods going in and out of the country's borders." However, it is possible that the respondents who gave these non-judgmental characterizations of free trade could potentially be swayed to view it positively by neo-liberal arguments in favor of free trade. Of the seven non-supporters who answered questions about free trade, responses are either technical and non-judgmental or positive in tone. For example, one non-supporter wrote that "free trade has lifted more people out of poverty than any invention in the history of the world."

These results indicate that while fair trade coffee has engaged effectively with the beliefs of those who critique free trade and some who view it neutrally, it has failed to connect with others who do not see free trade as problematic, or who see it as a positive force. This result suggests that messages about fair trade that promote it by critiquing the neo-liberal free trade model are unlikely to gain traction among non-supporters, and may raise questions for some supporters as well. In other words, the implication inherent in the name "fair trade" that other trade is unfair may serve to dissuade those respondents who do not support fair trade coffee from beginning to support it. In addition, it may risk alienating current supporters who are not critical of free trade, if they begin to perceive fair trade as too critical of this system.

Attitudes: Fair Trade Coffee, Economic (In)equality, and the Environment

Economic and Environmental Dimensions of Fair Trade Coffee

This study investigated attitudes about fair trade coffee from two dimensions: attitudes about economic (in)equality, and attitudes about the environment. Fair trade coffee emphasizes the improvement of economic conditions for marginalized coffee producers, who exist in an economically precarious state far removed from the tremendous profits of the large multinational roaster-distributors. Therefore, in order to investigate this dimension of the fair trade coffee system, I elicited attitudes about economic inequality within the coffee industry and within the global community as a whole. The fair trade coffee system also includes an environmental component, as discussed earlier: the inclusion of environmental standards acknowledges the importance of good environmental stewardship by coffee growers to both environmental integrity and the continued economic prosperity and health of coffee farmers and their communities. Therefore, I also elicited attitudes about the environment.

The literature related to fair trade coffee and ethical consumption provided a starting point for the categorization of attitudinal factors into variables to be measured. This section summarizes and analyzes the results of a variety of attitudinal variables, beginning with the broadest and most general variables – respondents' perceptions of society and the environment, their values, and their ideological leanings – which form the foundation of their belief systems and worldviews. The analysis then moves towards those variables which are more explicitly linked to coffee consumption and fair trade coffee: the influence of social norms, concern for and active consideration of coffee purchase impacts, respondents' senses of individual agency, and their feelings about fair trade coffee.

Perceptions of Society and the Environment

Supporters and non-supporters share similar perceptions regarding the state of economic equality within the global community and the state of the global environment,

as shown in Table 14. They are somewhat more divided, however, in their perceptions of the state of economic equality within the coffee industry. In all, 85.7% of respondents believe that a high degree of economic inequality exists in the world, and the same percentage describes the environment as being "in bad shape." With regard to the coffee industry specifically, 60.72% perceive that a high degree of economic inequality exists, while 25% are unsure of the state of the coffee industry. Respondents are consistent, however, in their rejection of the idea that the global environment is in good shape, and the ideas that a high degree of economic equality exists within the global community or the coffee industry. Only four respondents view the environment as being in good shape, and only one respondent sees both the global community the coffee industry as mostly equal.

Table 14. Perceptions of Society and the Environment

	All respondents (n=59)		**Supporters (n=33)**		**Non-supporters (n=19)**		**Chi-square**
	n	**%**	**n**	**%**	**n**	**%**	
Believes that a high degree of economic inequality exists within the world	48	85.7	28	93.33	13	72.22	Insignificant
Believes that a low degree of economic inequality exists within the world	1	1.79	1	3.33	0	0.0	
Unsure of the degree of economic inequality within the world	5	8.93	1	3.33	3	16.67	n/a
Believes that a high degree of economic inequality exists within the coffee industry	34	60.72	22	73.33	8	44.44	Insignificant
Believes that a low degree of economic inequality exists within the coffee industry	1	1.79	1	3.33	0	0.0	
Unsure of the degree of economic inequality within the coffee industry	14	25.0	3	10.0	8	44.44	n/a
Believes that the environment is in bad shape	48	85.7	27	90.0	15	83.34	Insignificant
Believes that the environment is in good shape	4	7.15	3	10.0	1	5.56	
Unsure of the state of the environment	2	3.57	0	0.0	1	5.56	n/a

While supporters perceive slightly more often that the global community and coffee industry are highly unequal, and that the environment is in bad shape, many non-supporters are of a similar mindset, and the differences between the two groups were not found to be statistically significant. In these comparisons, the data reveal that almost all supporters (93.3%) view the global community as highly unequal, in economic terms, and 90% believe that the environment is in bad shape. Among non-supporters, the numbers also point to a general consensus: 72.2% believe that economic inequality is prevalent in the world, and 83.3% believe that the environment is in bad shape. With regard to the coffee industry specifically, however, consensus is less clearly present: 73.3% of supporters characterize the industry as highly unequal, while 10% are unsure. Among non-supporters, 44.4% perceive that a high degree of economic inequality exists, while an equal percentage is unsure of the state of the coffee industry.

Taken as a whole, these patterns suggest that supporters and non-supporters alike perceive the world in certain ways that are in general alignment with the premises of the fair trade coffee system – namely, that economic inequality is present and environmental conditions are poor – but that some of them do not feel that they have an understanding of the dynamics of the coffee industry specifically. The clear convergence between supporters' and non-supporters' views of the world suggests that the general outlooks of non-supporters regarding equality and the environment may not be strong barriers to support for fair trade coffee.

However, the degree to which respondents, especially non-supporters, are unsure about the conditions that exist within the coffee industry suggests that a lack of perceived knowledge in this area may act as a barrier to support for fair trade coffee. Non-supporters appear to understand that poverty and inequality afflict billions of people around the world, but may not explicitly see small coffee producers within this context, or know that small coffee producers face these conditions. The strong agreement of both supporters and non-supporters that the global environment is in bad shape is noteworthy in light of the lack of understanding of fair trade coffee's environmental dimension among both groups (see Table 12). Taken together, these results indicate that while

supporters perceive that environmental problems exist, they may not view fair trade coffee as an environmental solution, but may buy it for other reasons. Non-supporters, who also perceive that environmental problems exist, are even less likely to view fair trade coffee as contributing to improved environmental conditions; this missed connection may present a barrier to support among these respondents.

Values: Equality, Social Justice, and Environmental Protection

The importance to coffee drinkers of values that are also promoted by the fair trade coffee movement may influence levels of support for fair trade coffee, just as Vermier and Verbeke (2006) suggest that values motivate ethical consumption in general. Values, as defined previously according to Rokeach (1970), are core normative beliefs – those beliefs which dictate desired actions or end-states of being. In this study, three values from Schwartz's (1992) proposed list of universal values that align with the values underlying the fair trade coffee system were investigated: equality, social justice, and environmental protection. Respondents were given questions constructed according to Schwartz's (1992) study, leaving these terms largely up to individual interpretation. Thus, the study provides only a rough gauge of the extent to which coffee drinker values align with some of the values upon which the fair trade coffee system is built.

As shown in Table 15, most respondents report that equality, social justice, and environmental protection are important values, with slightly more emphasis on equality (83%) and social justice (84.6%) than on environmental protection (75.5%). Supporters and non-supporters do not differ significantly in their adherence to these values. Supporters and non-supporters value equality equally often (86.7%); the vast majority of both supporters (82.8%) and non-supporters (93.3%) value social justice; and similar percentages of supporters (76.7%) and non-supporters (73.3%) value environmental protection. These results raise the possibility that the connections of supporters to fair trade coffee are built upon a foundation of shared values. The similarities between

Table 15. Values: equality, social justice, and environmental protection

	All respondents (n=59)		Supporters (n=33)		Non-supporters (n=19)		Chi-square
	n	%	n	%	n	%	
Equality is an important value	44	83.0	26	86.66	13	86.66	Insignificant
Equality is not an important value	9	17.0	4	13.33	2	13.33	
Social justice is an important value	44	84.62	24	82.76	14	93.33	Insignificant
Social justice is not an important value	8	15.38	5	17.24	1	6.67	
Environmental protection is an important value	40	75.5	23	76.67	11	73.33	Insignificant
Environmental protection is not an important value	13	19.5	7	23.33	4	26.67	

supporters and non-supporters suggest that even among non-supporters, the potential exists for a positive connection to fair trade coffee on the basis of shared values.

Economic and Environmental Ideologies

As discussed previously, the concept of ideology varies somewhat between social science disciplines. From a political science perspective, an ideology is a set of "ideas that explains, predicts, [and] evaluates social conditions, and gives its bearer a personal orientation regarding her relation to the rest of the world " (Matti, 2004, p. 6); to social psychologists, ideologies are networks of beliefs that are commonly shared across groups of people (Rokeach, 1970, p. 123). Although ideologies can be seen as sets of ideas that exist within social groups, because they are internally defined and held by individuals, it is difficult to research the prevalence of certain ideologies. Ultimately, a researcher who attempts to define the boundaries of an ideology in order to investigate its prevalence within a population will inject his or her own biases into the way the ideology is defined in the research. Such bias is undoubtedly present in this investigation of the extent to which coffee drinkers' beliefs overlap with two ideological frameworks, which I call the "neo-liberal ideology" and the "pro-environment ideology."

The neo-liberal ideology is rooted in the currently dominant economic philosophy derived from nineteenth century market liberalism. I originally adopted a set of questions measuring alignment with this ideology from an existing survey, the 2005 World Values Survey, but these questions proved problematic during survey pre-testing. Therefore, I created a set of five questions which asked respondents to rate the importance, in their opinions, of certain economic conditions: the lack of government regulation of the economy, the removal of restrictions on trade, the removal of restrictions on businesses, the protection of private property rights, and the determination of prices via market mechanisms. These five conditions were chosen based on their centrality to neo-liberal economic theory. However, it is possible that the questions I created were confusing to some respondents, who noted this in unprompted comments. In addition, a sizeable number of respondents answered "unsure" to each of the five questions: at least 15% were unsure of their answer to all five questions, with approximately one quarter answering "unsure" for three of the five questions. These respondents may also have been confused by the questions.

In order to investigate the prevalence of a pro-environment ideology, I relied upon an extensive and frequently-cited examination of the beliefs underlying environmentalism in the U.S. over several decades by Dunlap et al. (2000). These researchers have developed a set of fifteen questions, organized around five major beliefs about the relationship between humans and the environment, which they posit as a valid barometer of "pro-environmental orientation" (Dunlap et al., 2000, p. 425). A first iteration of these questions was proposed by Dunlap and Van Liere (1978); in the following decades, these researchers and others have refined and tested the questions through multiple studies, resulting in the revised scale of questions presented by Dunlap et al. (2000). In this study, I used a condensed set of five questions from Dunlap et al. (2000). The condensed set maintains representation of each of the five major beliefs that form the underlying structure of the full question set. The five questions investigated the extent to which respondents agree with three ideas (that there are limits to the growth of human societies, that humans are not exempt from natural constraints, and that an

Table 16. Adherence to the Neo-Liberal Ideology

	All respondents (n=59)		Supporters (n=33)		Non-supporters (n=19)		Chi-square
	n	%	n	%	n	%	
Believes that a lack of government intervention in economy is important	12	22.64	6	20.69	5	31.25	Insignificant
Does not believe that a lack of government intervention in economy is important (including "unsure")	41	77.36	23	79.31	11	68.75	
Believes that the removal of restrictions on trade is important	14	26.42	6	20.68	7	43.75	p=0.11
Does not believe that the removal of restrictions on trade is important (including "unsure")	39	73.58	23	79.31	9	56.25	
Believes that the removal of restrictions on businesses is important	8	15.09	3	10.34	4	25.0	Insignificant
Does not believe that the removal of restrictions on businesses is important (including "unsure")	45	84.91	26	89.66	12	75.0	
Believes that the protection of private property rights is important	31	57.4	15	50.0	12	75.0	Insignificant
Does not believe that the protection of private property rights is important (including "unsure")	23	42.6	15	50.0	4	25.0	
Believes that the free operation of the market to set prices is important	24	45.3	12	40.0	11	68.75	p=0.14
Does not believe that the free operation of the market to set prices is important (including "unsure")	29	54.7	18	60.0	5	31.25	

from unregulated market forces alone are unfair to small coffee farmers. The finding that 45.3% of all respondents – including almost half of supporters and two thirds of non-supporters – agree that the free operation of supply and demand to determine prices is important presents a contrast with earlier findings regarding respondents' frequently shared values and perspectives on economic inequality in the world. Most respondents share the view that economic inequality is prevalent in the world and value equality and social justice – attitudes which align with the claims of the fair trade movement that fair trade coffee helps to remedy inequality and promote social justice. However, many respondents, supporters and non-supporters alike, advocate an economic condition (the determination of prices by market mechanisms) that is quite different from the conditions created by the fair trade system through its regulated pricing structure. This finding

highlights the possibility that the adherence of many non-supporters to this neo-liberal idea about the structure of the economy may present a barrier to support for fair trade coffee. In addition, it also raises the question of whether supporters who agree that market-based pricing is important are likely to remain unconditional supporters of a system which is premised on a different mechanism for pricing.

Overall, the relationship between respondents' values, perceptions of free trade, and economic ideologies reveals several sources of tension between fair trade coffee's social justice dimension and respondents' views. As discussed above, almost all respondents value social justice (see Table 15), suggesting that it is possible that in a general sense the social justice goals of fair trade coffee may appeal to supporters and non-supporters alike. However, support for this broadly-defined concept of social justice contrasts to some degree with respondents' perceptions of free trade and their alignment with some facets of the neo-liberal ideology investigated here. As discussed previously, although most supporters appear to share with fair trade advocates the perception that free trade is undesirable, a substantial portion of them, along with most non-supporters, do not critically assess free trade. In addition, almost half of supporters and two thirds of non-supporters agree that a prominent aspect of the neo-liberal economic outlook – market-based pricing – is important, aligning them in this way with neo-liberal free trade proponents. These results suggest that fair trade's contention that free trade, and market-based pricing, are inherently unfair may conflict with the economic ideologies of some supporters and most non-supporters. This conflict in economic ideologies may act as a barrier to support among those non-supporters who share the outlook of free trade proponents that market-based pricing is important. In addition, these findings suggest that fair trade's critique of free trade may risk alienating the supporters whose views regarding market-based pricing also align with the neo-liberal outlook.

Regarding environmental ideologies, Table 17 shows that most respondents tend to align strongly with the pro-environment ideology, with at least 61.1% and as many as 90.7% agreeing with each facet of this ideology, as measured in this study. Supporters align more strongly than non-supporters with four out of the five questions. The tendency

Table 17. Adherence to the Pro-Environment Ideology

	All respondents (n=59)		Supporters (n=33)		Non-supporters (n=19)		Chi-square
	n	%	n	%	n	%	
Believes that there is a limit to the number of people the earth can support	35	63.63	24	70.97	9	56.25	Insignificant
Does not believe that there is a limit to the number of people the earth can support	20	36.37	9	29.03	7	43.75	
Believes that humans do not have the right to modify the environment to suit their needs	33	61.11	20	66.67	9	56.25	Insignificant
Does not believe that humans do not have the right to modify the environment to suit their needs	21	38.89	10	33.33	7	43.75	
Believes that humans are subject to the laws of nature	49	90.74	27	87.1	14	93.33	Insignificant
Does not believe that humans are subject to the laws of nature	5	9.26	4	12.9	1	6.67	
Believes that the balance of nature is not strong enough to cope with the impacts of modern industrial nations	47	85.45	28	90.32	12	75.0	Insignificant
Does not believe that the balance of nature is not strong enough to cope with the impacts of modern industrial nations	8	14.55	3	9.68	4	25.0	
Believes that a major ecological catastrophe is impending	42	76.37	26	83.87	10	62.5	p=0.15
Does not believe that a major ecological catastrophe is impending	13	23.64	5	16.13	6	37.5	

of both groups to adhere to the pro-environment ideology reinforces the convergence found between supporters and non-supporters on other attitudinal factors related to the environment: the perspective that the environment is in bad shape (see Table 14) and the importance of environmental protection as a value (see Table 15).

Social Norms: The Influence of Others' Views

Prior research has suggested that social norms – the views so commonly held among people in a society that they are perceived as universal – influence ethical consumption. In the theory of planned behavior (Ajzen, 1991) and later research that builds upon it (e.g. Vermier and Verbeke, 2006; Shaw, 2005; Sparks and Shepard, 1992),

Table 18. Importance of Social Norms

	All respondents (n=59)		Supporters (n=33)		Non-supporters (n=19)		Chi-square
	n	%	n	%	n	%	
Social norms are an important consideration when buying coffee	9	16.67	5	17.24	2	10.5	Insignificant
Social norms are not an important consideration when buying coffee	45	83.33	24	82.76	17	89.5	

these standards are termed "subjective norms" because they are subjectively perceived and defined by individuals. In this study, they are termed social norms, and were measured using question wording adapted from Sparks and Shepard (1992), which asked respondents to rate how important the views of "important others" (e.g., family and friends) were to them when considering what kind of coffee to buy. Both supporters and non-supporters reject the idea that these norms affect their decisions about what kind of coffee to buy: Table 18 shows that only 16.7% of respondents indicate that social norms are an important consideration when buying coffee, and similarly low percentages of supporters (17.2%) and non-supporters (10.5%) feel this way. As measured in this study, then, social norms appear to have little impact on respondents' coffee choices; therefore, it is possible that their linkage to support for fair trade coffee is minimal.

Environmental and Equality-Concerned Identities

Ethical consumerism researchers posit identity as an additional factor, not included in Ajzen's theory of planned behavior (1991), that may contribute to the formation of support for ethical products such as fair trade coffee. For example, Stets and Biga (2003) and Sparks and Shepard (1992) find identity to be a predictor of ethical consumption. In this study, identities related to the two dimensions of fair trade coffee were investigated.

Overall, concern for the environment is more prevalent component of respondents' identities (83.3%) than is concern for economic equality (72.2%), as shown in Table 19. The frequency of concern for the environment as a component of identity

Table 19. Environmental and Equality-Concerned Identities

	All respondents (n=59)		Supporters (n=33)		Non-supporters (n=19)		Chi-square
	n	%	n	%	n	%	
Concern for economic equality is part of identity	39	72.22	27	90.0	7	43.75	***p=0.002
Concern for economic equality is not part of identity	15	27.78	3	10.0	9	56.25	
Concern for environment is part of identity	45	83.33	26	89.66	12	70.59	Insignificant
Concern for environment is not part of identity	9	16.67	3	10.34	5	29.41	

does not differ significantly between supporters (89.7%) and non-supporters (70.6%), indicating that environmentally-concerned identities are frequently held by all respondents. The finding that environmentally-concerned identities are common among both supporters and non-supporters is consistent with the shared environmental orientation of both groups with regard to values (see Table 15), ideologies (see Table 17), and perspectives on the state of the global environment (see Table 14).

The contrast between this tendency toward environmentally-concerned views and the limited understanding of fair trade coffee's environmental dimension among all respondents is a key theme in the results of this study. It suggests that the absence of environmental references in the label "fair trade" may cause fair trade coffee to miss engaging with environmentally-concerned non-supporters. However, almost half of non-supporters express a preference for organic coffee, and organic coffee tends to be more widely-known. Therefore, it is possible that the linkage of fair trade coffee to environmental improvement would prove somewhat futile, since organic-preferring non-supporters might view organic coffee's more stringent environmental standards as preferable to fair trade's standards. In addition, because other environmentally "green" coffees such as organic and shade-grown are already available, fair trade's identification as "green" may lessen its distinctiveness in comparison to the multitude of other coffee choices available to coffee drinkers.

The prevalence of concern for economic equality as a component of identity was significantly higher among supporters (90%) than non-supporters (43.7%), and this difference was found to be statistically significant. Non-supporters' level of identification as concerned about economic equality contrasts with their emphasis on equality and social justice as important values (see Table 15), suggesting that some tension is present in their views regarding these topics, or that social desirability bias may have played a role in the responses of some non-supporters to questions about values. On its face, however, the divergence between supporters and non-supporters in terms of their identification with struggles for economic equality suggests an additional barrier to support for fair trade coffee among non-supporters. Because some non-supporters do not see themselves as people who are strongly concerned about economic equality, they may not be drawn to a product which is explicitly identified as a remedy for inequality.

The Impacts of Coffee Choices: Concern, Active Consideration, and Individual Agency

The literature reviewed previously suggests that three interlinked psychological factors may affect attitudinal and behavioral support for fair trade coffee. First, as Leiserowitz (2004) argues, a general feeling of concern about a particular problem may not always be accompanied by active worry or thought about the problem, and this disconnect between concern and active consideration may present a barrier to action. Second, others describe a sense of individual agency – what some term "perceived consumer effectiveness" – that manifests as a belief that individual purchases of ethical products can make a difference. With regard to fair trade coffee, general concern about the possible negative impacts of coffee purchases may not translate into active consideration of those impacts at the moment of decision-making if an individual does not feel that he or she will be an agent of change – in other words, if he or she exhibits low perceived consumer effectiveness.

Table 20 shows that about half of all respondents (52.7%) are concerned about the possibility that their coffee purchases may contribute to increasing economic inequality,

Table 20. Concern, Active Consideration, and Individual Agency: Economic Impacts of Coffee Purchases

	All respondents (n=59)		Supporters (n=33)		Non-supporters (n=19)		Chi-square
	n	%	n	%	n	%	
Is concerned about the impacts of coffee purchases on economic equality	29	52.73	18	58.07	8	50.0	Insignificant
Is not concerned about the impacts of coffee purchases on economic equality (including "unsure")	26	47.27	13	41.93	8	50.0	
Actively considers the impacts of coffee purchases on economic equality	14	25.93	12	38.71	1	6.67	*p=0.07
Does not actively consider the impacts of coffee purchases on economic equality (including "unsure")	40	74.07	19	61.29	14	93.33	
Perceives that individual coffee choices impact economic equality	19	34.55	14	45.16	5	31.25	Insignificant
Does not perceive that individual coffee choices impact economic equality (including "unsure")	36	65.45	17	54.84	11	68.75	

but only about half of those who are concerned (25.9%) actively consider those impacts most of the time while they are buying coffee. Slightly more respondents (34.5%) perceive that they are able to have a lot of impact on economic equality through their individual coffee purchases. This low level of perceived consumer effectiveness in comparison with concern may explain why far fewer respondents actively think about the impacts of their coffee purchases on economic inequality than are generally concerned about it.

Supporters and non-supporters do not differ significantly in their levels of concern or perceived consumer effectiveness regarding the impacts of their coffee purchases on economic inequality. However, active consideration of the impacts of coffee purchases on economic inequality appears to affect purchasing decisions: supporters actively consider these impacts significantly more often (38.7%) than non-supporters (6.7%). This difference suggests that neither group is frequently prompted to think about the impact of coffee purchases on economic inequality, but that having such thoughts while shopping for coffee is related to support for fair trade coffee. This finding raises an important question of what psychological factors or aspects of the physical environment within

retail establishments – such as the prominent placement of fair trade coffee or the presence of signage that describes its impacts on economic inequality – are effective catalysts of consumer thoughts about the possible impacts of their coffee purchases.

Additional research may be able to find a basis for predicting what factors will most often trigger an active assessment of the economic impacts of a particular coffee purchase among non-supporters who are concerned about such impacts. However, perceived consumer effectiveness, which was low among approximately two thirds of respondents, may still act as a deterrent to fair trade coffee purchasing. Berger and Corbin (1992) summarize this situation: "an individual may feel very concerned about an issue…and at the same time [feel] totally helpless in his or her ability to have an impact on the problem through his or her own consumption" (p. 79).

Respondents' evaluations of the environmental impacts of their coffee purchases follow similar patterns, shown in Table 21. Just over half are concerned about worsening environmental conditions that may result from their coffee purchases, but only 36% actively consider how their purchases may impact the environment most of the time when they are buying coffee. Fewer still (27.8%) feel that their coffee purchases have a lot of impact on the environment.

Given the general affinity of both supporters and non-supporters for the environment, messages which promote the positive effects of individual fair trade purchases on the environment may engage some non-supporters. As with the impacts of coffee choices on economic inequality, it appears that while many respondents are concerned about the possible negative environmental consequences of their coffee purchases, they are not often prompted to actively consider such consequences as they are buying coffee. This result raises a question about what psychological factors or conditions in the physical environment may trigger such assessments. However, the finding that perceived consumer effectiveness is lower than concern regarding the environmental impacts of coffee choices suggests that a lack of perceived consumer effectiveness may act as a barrier to support for fair trade coffee, even when environmentally-concerned consumers are prompted to evaluate the impacts of their

Table 21. Concern, Active Consideration, and Individual Agency: Environmental Impacts of Coffee Purchases

	All respondents (n=59)		Supporters (n=33)		Non-supporters (n=19)		Chi-square
	n	%	n	%	n	%	
Is concerned about the impacts of coffee purchases on the environment	31	57.41	18	58.06	9	60.0	Insignificant
Is not concerned about the impacts of coffee purchases on the environment (including "unsure")	23	42.59	13	41.94	6	40.0	
Actively considers the impacts of coffee purchases on the environment	18	36.0	15	50.0	3	23.08	Insignificant
Does not actively consider the impacts of coffee purchases on the environment (including "unsure")	32	64.0	15	50.0	10	76.92	
Perceives that individual coffee choices impact the environment	15	27.78	13	41.94	2	13.33	p=0.15
Does not perceive that individual coffee choices impact the environment (including "unsure")	39	72.22	18	58.06	13	86.67	

coffee choices on the environment. Further research conducted in the interest of improving human and environmental welfare in coffee-growing communities through the fair trade coffee system may be directed more productively towards an examination of the causes of perceived consumer effectiveness.

Affect: Feelings about Fair Trade Coffee's Impacts

In addition to perspectives on economic inequality, the environment, and the impacts of coffee purchases, affect – an individual's positive or negative feelings about the impacts of ethical products – may also play a role in the formation of support for these products, as several researchers note (Leiserowitz, 2006; Sparks and Shepard, 1992; Shaw and Shiu, 2002). This study has shown that supporters and non-supporters differ greatly in their understanding of the intended impacts of fair trade coffee, with much greater understanding among supporters (see Table 12). It is unsurprising, therefore, that supporters feel more positively about both the economic and environmental impacts of fair trade coffee, as shown in Table 22. In addition, this study has shown that respondents

Table 22. Affect: Feelings About Fair Trade Coffee's Impacts

	All respondents (n=59)		Supporters (n=33)		Non-supporters (n=19)		Chi-square
	n	%	n	%	n	%	
Feels positively about the intended effects of fair trade coffee on economic inequality	32	60.37	26	86.67	2	13.33	***p=2.7 x 10^{-7}
Feels negatively about the intended effects of fair trade coffee on economic inequality	1	1.89	0	0.0	1	6.67	
Unsure of feelings about the intended effects of fair trade coffee on economic inequality	20	37.74	4	13.33	12	80.0	n/a
Feels positively about the intended effects of fair trade coffee on the environment	22	43.14	18	64.29	0	0.00	***p=3.9 x 10^{-5}
Feels negatively about the intended effects of fair trade coffee on the environment	0	0.0	0	0.0	0	0.0	
Unsure of feelings about the intended effects of fair trade coffee on the environment	29	58.7	10	35.72	15	100.0	n/a

more frequently know about the intended economic impacts of fair trade coffee than about its intended environmental impacts (see Table 12). In this context, it is again logical that, as Table 22 demonstrates, respondents are also more sure about their feelings regarding fair trade coffee's economic impacts than they are about their feelings regarding its environmental impacts.

Overall, 60.4% of all respondents feel positively about the intended impacts of fair trade coffee on economic inequality within the coffee industry; 37.7% do not report positive or negative feelings; and the remaining one respondent feels negatively. Among supporters, positive feelings are significantly more prevalent: 86.7% feel positively, while only 13.3% of non-supporters feel positively. Of the remaining non-supporters, 80% are unsure of their feelings. The one respondent who feels negatively about the economic impacts of fair trade coffee is a non-supporter. Regarding the environmental impacts of fair trade coffee, positive feelings are generally less frequent: of all respondents, only 43.1% feel positively, while the remaining 58.7% have not formed positive or negative feelings. Supporters differ significantly from non-supporters in this

area as well: 64.3% of supporters feel positively about the environmental impacts of fair trade coffee that they perceive, while no supporters feel negatively. A lack of any formed feelings is common among supporters (35.7%) and unanimous among non-supporters.

These results follow logically from the findings that non-supporters largely do not know about fair trade coffee's intended impacts (see Table 12). Clearly, coffee drinkers who do not know the intended impacts of the system do not have the information they need to form positive or negative feelings about those impacts, and by extension, about fair trade coffee itself. Yet most coffee drinkers in this study, including non-supporters, are generally inclined to hold values and views of the state of global society and the environment that are closely aligned with the views espoused by the fair trade coffee system (see Tables 14 and 15). The finding that non-supporters tend not to know about the intended effects of fair trade coffee, and largely have not formed the positive feelings about it that might logically follow, highlights a key opportunity for the catalysis of support for fair trade coffee and its goals of improving human and environmental welfare in coffee-growing areas.

In addition, the finding that positive feelings about fair trade coffee's environmental impacts are less prevalent than positive feelings about its economic impacts is consistent with the lack of knowledge among respondents of the fair trade coffee system's intended environmental goals (see Table 12). This trend of lower recognition of fair trade coffee's environmental dimension is striking in light of respondents' consistent agreement with the pro-environment ideology (see Table 17) and the prevalence of respondents who see environmental concern as part of their identities (see Table 19). The environmental dimension of fair trade coffee appears to be overlooked by or unknown to those who might be drawn to it specifically because of this dimension. This group includes not only supporters, but also non-supporters, who overwhelmingly perceived that the environment is in a state of crisis, value environmental protection, and agree with the facets of the pro-environment ideology investigated here.

CHAPTER V

CONCLUSION

As the global supply of fair trade certified coffee continues to outpace demand from coffee-drinking countries, the role of U.S. coffee drinkers, who consumed 25% of the world's coffee in 2005 (ICO, 2005), takes on increasing significance. The extent of fair trade coffee's impact in producing countries, where environmental and socio-economic conditions in rural highlands have long been shaped by the global coffee trade, is influenced by the collective tendency of individual U.S. coffee drinkers to buy or not buy fair trade coffee. Rising demand for fair trade coffee would allow for the large amounts of fair trade certified coffee that is currently sold at conventional market prices due to low demand to be sold for higher fair trade prices, and would open up opportunities for additional farmers to successfully enter the fair trade system, spreading the reach of the system's positive social justice and environmental benefits (Taylor, 2005; Murray et al., 2003). But what factors contribute to the formation of support for fair trade coffee among coffee drinkers? This study provided some initial indications of how the perspectives of coffee drinkers in Eugene, Oregon, are related to support for fair trade coffee. While this study's sample size is small and conclusions are therefore only tentative, it does suggest some directions for further investigation of socio-demographic and attitudinal factors that may drive or hinder support for fair trade coffee.

This study clearly suggests that despite its "ethical" qualities – which make it a "credence good," with attributes that "cannot be visually distinguished or evaluated" (Schmidt, 2002, p. 39) – fair trade coffee is not exempt from evaluation in terms of the criteria used to judge conventional coffee. In this study, coffee quality was important to all respondents, indicating that fair trade coffee must maintain a high standard for quality in order to continue to attract its current supporters – as well as to attract any new

supporters from among the growing segment of coffee drinkers who favor specialty and/or gourmet coffees (Roseberry, 1996; Schmidt, 2002). In addition, price was an important factor for many coffee drinkers in this study, especially for those with lower incomes. This suggests, not surprisingly, that fair trade coffee may not be able to count on expanding support without remaining competitively priced.

A third area of evaluation which was important to many coffee drinkers in this study was organic certification. This finding reinforces the observations of others (e.g. Raynolds, 2000; Rice, 2001) who have described a convergence between fair trade and organic coffee. Since most fair trade coffee sold in the U.S. is also organic, the fact that most fair trade supporters in this study also supported organic coffee would logically be expected. As Rice (2001) notes, the environmental standards for fair trade and organic coffee are becoming increasingly similar. For example, although fair trade coffee's environmental standards are less stringent than the organic standards, the requirements include similar provisions for the elimination of agrochemicals. Therefore, it would seem that coffee drinkers with an affinity for organic coffee may potentially find fair trade coffee's similar environmental and health attributes attractive. However, these results also raise the question of whether the environmental attributes of fair trade coffee would be of interest, since there are already other, more unambiguously "green" coffee choices, namely, organic and shade-grown coffee. In addition, an emphasis on fair trade coffee's environmental qualities might prove redundant with these other coffees and dilute support for each of them.

This gap between high levels of support for organic coffee and lower levels of support for fair trade coffee is paralleled by a gap between the large number of respondents who hold pro-environment views and the smaller number who also support fair trade coffee. A large majority of respondents in this study demonstrated a pro-environment outlook through variables measuring ideologies, identity, concern, and values. This pro-environment outlook was stronger among fair trade coffee supporters than it was among non-supporters, yet the results show that a substantial percentage of non-supporters do indeed hold pro-environment views. Based on its environmental

dimension, it might be expected that the fair trade coffee system would be attractive to coffee drinkers with pro-environment views, yet many such coffee drinkers in this study turned out to be non-supporters.

What might some explanations be for these gaps between the large number of environmentally-inclined coffee drinkers – both organic supporters and coffee drinkers with generally pro-environment views – and the smaller group of fair trade coffee supporters in this study? This study's findings about coffee drinkers' awareness and understanding of fair trade coffee provide both some possible explanations for the gap between organic support and/or a pro-environment orientation and support for fair trade coffee. First, a simple lack of awareness of fair trade coffee can preclude coffee drinkers – whether they are environmentally-inclined or not – from supporting fair trade coffee. However, more significant is the finding that even among fair trade supporters, who tend to know at least a little bit about fair trade coffee, the environmental dimension of fair trade coffee was largely unknown, or at best poorly understood. On the other hand, the social justice dimension of fair trade coffee was much better understood among both supporters and non-supporters. Similarly, in their perspectives on the environment and economic equality, respondents to this study tended to exhibit pro-environment views more often than views which show a concern for economic equality. In other words, while fair trade coffee is understood as an ethical product primarily on social justice grounds, rather than on both social justice and environmental grounds, respondents tend to portray their own perspectives as more consistently in alignment with environmental rather than social justice or economic equality concerns.

These patterns reveal several problematic aspects of fair trade coffee. First, they indicate that messages about fair trade coffee have failed to convey the environmental dimension of the fair trade coffee system. Second, the finding that the social justice dimension of fair trade – and its rejection of neo-liberalism in favor of a more socialist model of redistribution – seems to appeal more strongly to supporters than non-supporters indicates that messages about fair trade coffee which emphasize its critique of the dominant economic system may serve to alienate those who are uncritical of that

system. Together, these findings hint at a potential problem at the heart of the concept of fair trade coffee: the label "fair trade" itself. Not only does this label fail to convey any sense of the environmental dimension of the system, it simultaneously may conflict with the belief systems of many coffee drinkers by implying that other coffee – and the capitalist economy within which it is traded – is unfair and ethically inferior. In other words, by stressing the system's redistributive intentions, the label "fair trade" may alienate those who are uncritical of the capitalist system and its manifestation as the "free market economy" of today. These two possible sources of tension within the name "fair trade" deserve further study.

On the other hand, the convergence of supporter and non-supporter perspectives with regard to the environment presents possible opportunities and some additional questions for the fair trade coffee system. The fact that both groups of respondents in this study demonstrated pro-environment views suggests that the audience which would be receptive to messages emphasizing fair trade coffee's environmental dimension may be large. The shifting of fair trade coffee's strategy to encompass environmentally-concerned coffee drinkers would be similar to the coalition-building shift advocated recently for the environmental movement by Shellenberger and Nordhaus (2004). These writers push for a broadening of environmentalism's scope and identity to connect with potential allies in progressive social causes such as the labor rights movement. They argue that broader alliances are not only possible but also preferable, since results can be amplified by "building a coalition of environmental, labor, business, and community allies who share a common vision for the future and a common set of values" (Shellenberger and Nordhaus, 2004, p. 26). Likewise, this study indicates that fair trade coffee proponents may find success through a similar strategy of broadening messages about fair trade coffee to include an emphasis on its relatively unknown environmental dimension.

The potential for expanding support for fair trade coffee among environmentally-inclined coffee drinkers may be large, since according to Dunlap, Xiao, and McCright (2001), pro-environment views are common in the general U.S. population. They find

that 83% of survey respondents agree, either somewhat or strongly, with the general goals of the environmental movement, 70% are active in or sympathetic towards the movement, and 75% believe the environmental movement has probably or definitely done more good than harm. These figures are consistent with the high percentages of coffee drinkers in this study whose views are in alignment with the pro-environment ideology, who have a pro-environment identity, or who value environmental protection. Clearly, both among respondents in this study and among the total U.S. population, pro-environment views are prevalent enough to constitute a significant potential source of new support for fair trade coffee, if the connection between fair trade coffee and the environment is effectively made.

On the other hand, an emphasis on fair trade coffee's environmental dimension is not without its own possible dilemmas. First, as noted in Chapter IV, the existence of other environmentally-oriented coffee certification systems might cause an increased emphasis on fair trade coffee's environmental attributes to be redundant and ineffectual. Re-defining fair trade coffee as both socially just *and* environmentally-friendly may cause additional confusion about how the system's environmental standards compare to the better-known organic label. This shifting of fair trade's identity to highlight its environmental dimension may also provoke charges of opportunism, or accusations that the shift undermines the gains of the organic movement, much like the fair trade movement's mainstreaming strategy has been decried for its embrace of the large companies which were once shunned. In addition, the broadening of fair trade's public face to underscore its commitment to both the environment and a better life for coffee growers can gloss over the real tensions that exist between economic activities – agriculture, for example – and environmental protection.

As the research reviewed previously makes clear, fair trade coffee represents a product and a system of production and trade that holds great promise for the improvement of human and environmental welfare in the overwhelmingly poor countries of the global South where coffee is grown. At the same time, it presents an opportunity for coffee consumers in the global North who agree with the redistributive and

environmental intentions of the fair trade coffee system to make daily consumption decisions in alignment with their deeply-held beliefs and views about the way the world should be. While that system is not without its challenges and limitations, as discussed in Chapter II, many researchers have documented the benefits that it has already conferred upon people and the environment in coffee-producing regions. Expanding the reach of this alternative to the dominant trading system, which has long contributed to patterns of inequity and environmental degradation in coffee-growing areas, will require a sustained increase in demand for fair trade coffee. Prompting such an increase clearly presents a challenge of great magnitude for fair trade coffee promoters. This study suggests that low levels of knowledge about fair trade coffee and its environmental dimension may be current barriers to engagement for some coffee drinkers. It also reveals that supporters and non-supporters of fair trade coffee in this study may not hold vastly different core beliefs and views about the way the world is, and the way they would like it to be. The fair trade label's engagement with current debates over free trade, globalization, and economic ideology may have earned it the support of the former group. However, the implicitly critical stance of fair trade in this debate may also have alienated members of the latter group, a possibility which the fair trade movement must face if it is to expand its positive impacts in the global South beyond its current limitations.

APPENDIX A

SURVEY

INSTRUCTIONS: An adult (18 or over) from your household should complete this survey. It should take about 15-20 minutes. For each question, please mark or circle the answer choice that best fits with what you think. Where requested, please write in your response. Please remember:

- Your responses are anonymous. In order to preserve your anonymity, please do not write your name anywhere on this survey.
- Your participation is completely voluntary.
- This is not a test! There is no "right" or "wrong" answer to any question.

THANK YOU FOR FILLING OUT THIS SURVEY!

SOME DEFINITIONS: For the purposes of this survey,

- **Fair trade coffee** means coffee bearing a fair trade certification logo that looks like this:



- **Organic coffee** means coffee with an organic certification label. The U.S. Department of Agriculture's organic certification logo looks like this:



- **Shade grown coffee** means coffee that says it is certified "shade-grown" and/or "bird-friendly." You may have seen various shade grown logos.

- **Other coffee** means coffee that does not fit into any of the above categories (fair trade, organic, and shade grown).

SECTION 1:

1) About how often do you drink coffee?
   - ☐ Never or less than once a week
   - ☐ About once a week
   - ☐ Several times a week
   - ☐ Once every day or almost every day
   - ☐ More than once every day

If you marked the answer choice "Never or less than once a week," please skip to question 28. If you marked any other answer, please continue with question 2.

SECTION 2: This section is about buying coffee.

2) Overall, how do you feel about the following kinds of coffee?

Kind of coffee	Extremely positively		Neutral		Extremely negatively	Unsure
Fair trade	1	2	3	4	5	6
Organic	1	2	3	4	5	6
Shade grown	1	2	3	4	5	6
Other	1	2	3	4	5	6

3) When you buy coffee, do you buy it:
   - ☐ Always by the cup (brewed coffee)
   - ☐ Always in bulk (whole or ground coffee beans)
   - ☐ Mostly by the cup
   - ☐ Mostly in bulk
   - ☐ By the cup about as often as in bulk

4) Please think about coffee you have bought recently. When the following kinds of coffee have been available to you, how often have you bought each kind?

Kind of coffee	Never		About ½ the time		Always	Not available
Fair trade	1	2	3	4	5	6
Organic	1	2	3	4	5	6
Shade grown	1	2	3	4	5	6

5) Please think about the next time you buy coffee. If the following kinds of coffee are available to you the next time you buy coffee, how likely is it that you will buy each kind?

Kind of coffee	Very unlikely				Very likely
Fair trade	1	2	3	4	5
Organic	1	2	3	4	5
Shade grown	1	2	3	4	5

6) Please rank each of the following considerations according to how important it is to you when buying coffee.

Consideration	Not at all important				Very important
Quality/taste	1	2	3	4	5
Brand	1	2	3	4	5
Price	1	2	3	4	5
Fair trade label	1	2	3	4	5
Organic label	1	2	3	4	5
Shade grown label	1	2	3	4	5
Convenience/what's available	1	2	3	4	5
What other people who are important to me *(family, friends, etc.)* think is the best kind of coffee	1	2	3	4	5

SECTION 3: This section is about your understanding of fair trade coffee. Please remember that this is not a test! I would simply like to know how familiar you are with fair trade coffee.

7) Before taking this survey, had you heard of fair trade coffee?
   - ☐ Yes
   - ☐ No

8) If you have heard of fair trade coffee before, where did you hear about it? Please mark all that apply.
   - ☐ Someone I know
   - ☐ Newspaper
   - ☐ Television news
   - ☐ Online source
   - ☐ Saw it while buying coffee
   - ☐ Coffee shop/store employee
   - ☐ Fair trade promotional material or event *(for example: website, poster, advertisement, speaker, etc.)*
   - ☐ Other source
     Please specify:

9) How much would you say you know about fair trade coffee?
   - ☐ Nothing
   - ☐ A little
   - ☐ A moderate amount
   - ☐ A lot

10) As you understand it, how is fair trade coffee different from coffee that is not labeled fair trade? Please describe what, if anything, you know about this topic in the space below.

SECTION 4: This section is about your understanding and opinions of different kinds of coffee.

11) In your understanding, does the production and trade of fair trade coffee generate more economic equality or more economic inequality between people involved in all aspects of the coffee industry *(farmers, traders, businesses, consumers, etc.)*?

More economic inequality		No impact		More economic equality	Unsure
1	2	3	4	5	6

12) How do you feel about the impacts of the production and trade of fair trade coffee on economic equality between people involved in all aspects of the coffee industry?

Extremely Negative		Neutral		Extremely positive	Unsure
1	2	3	4	5	6

13) In your understanding, how does the production and trade of fair trade coffee affect global environmental conditions?

Environmental conditions worsen		No impact		Environmental conditions improve	Unsure
1	2	3	4	5	6

14) How do you feel about the effects of the production and trade of fair trade coffee on global environmental conditions?

Extremely Negative		Neutral		Extremely Positive	Unsure
1	2	3	4	5	6

SECTION 5: This section is about your understanding and opinions of "free trade." Again, please remember that there is no "right" or "wrong" answer to any question!

15) In your understanding, are free trade and fair trade different?

- ☐ Yes
- ☐ No
- ☐ Unsure

16) If you answered yes to the previous question, please describe how, in your understanding, free trade and fair trade are different.

SECTION 6: This section is about your general opinions and beliefs, and your opinions and beliefs about coffee.

17) When you are buying coffee, how often do you consider how your coffee purchases might impact…

Area of impact	Never				Always	Unsure
…economic equality among people involved in all aspects of the coffee industry *(farmers, traders, businesses, consumers, etc.)*?	1	2	3	4	5	6
…the global environment?	1	2	3	4	5	6

18) How much actual impact do you feel that your coffee purchases ultimately have on…

Area of impact	No impact				A lot of impact	Unsure
…economic equality among people involved in all aspects of the coffee industry?	1	2	3	4	5	6
…the global environment?	1	2	3	4	5	6

19) How concerned are you about the following possible impacts of your coffee purchases:

Possible impact	Not at all concerned				Very concerned	Unsure
Economic inequality between people involved in all aspects of the coffee industry increases.	1	2	3	4	5	6
Environmental conditions worsen.	1	2	3	4	5	6

20) In general, how would you describe the state of the global environment?

It is in very good shape				It is in very bad shape	Unsure
1	2	3	4	5	6

21) In general, how would you describe the degree of economic equality between people involved in all aspects of the coffee industry?

There is a high degree of equality				There is a high degree of inequality	Unsure
1	2	3	4	5	6

22) In general, how would you describe the degree of economic equality between people around the world?

There is a high degree of equality				There is a high degree of inequality	Unsure
1	2	3	4	5	6

23) Please indicate your level of agreement with the following statements:

Statement	Strongly disagree		Neutral		Strongly agree
I think of myself as someone who is concerned about economic equality between people around the world.	1	2	3	4	5
I think of myself as someone who is concerned about the global environment.	1	2	3	4	5
Most people who are important to me are concerned about economic equality between people around the world.	1	2	3	4	5
Most people who are important to me are concerned about the global environment.	1	2	3	4	5

24) In your opinion, how necessary is each of the following economic conditions?

Condition	Not at all necessary				Extremely necessary	Unsure
A lack of government intervention in the economy	1	2	3	4	5	6
The removal of restrictions on the exchange of goods and services	1	2	3	4	5	6
The removal of government restrictions on businesses	1	2	3	4	5	6
The protection of private property rights	1	2	3	4	5	6
Prices of goods and services determined by supply and demand	1	2	3	4	5	6

25) Please indicate your level of agreement with the following statements:

Statement	Strongly disagree		Neutral		Strongly agree
We have reached or are approaching the limit of the human population that the earth can support.	1	2	3	4	5
Humans have the right to modify the environment to suit their needs.	1	2	3	4	5
Despite our special abilities, humans are still subject to the laws of nature.	1	2	3	4	5
The balance of nature is strong enough to cope with the impacts of modern industrial nations.	1	2	3	4	5
If things continue on their present course, we will soon be facing a major ecological catastrophe	1	2	3	4	5

26) Please indicate your level of agreement with the following statement about the relationship between environmental problems *(for example: pollution, deforestation, climate change, etc.)* and socio-economic problems *(for example: poverty, unemployment, crime, etc.).*

Statement	Strongly disagree		Neutral		Strongly agree
Environmental problems and socio-economic problems are usually not connected.	1	2	3	4	5

27) How important is each of the following as a guiding principle in your life?

Concept	Very important				Not at all important
Equality (equal opportunity for all)	1	2	3	4	5
Social justice (correcting injustice, care for the weak)	1	2	3	4	5
Protecting the environment (preserving nature)	1	2	3	4	5

SECTION 7: Some basic information about you.

22) What is your age? _____

23) What is your sex? _____

30) What is the highest level of schooling you have completed?
- ☐ Less than 9th grade
- ☐ Some high school, no diploma
- ☐ High school graduate (diploma or equivalency, such as GED)
- ☐ Some college credit, no degree
- ☐ Associate degree
- ☐ Bachelor's degree
- ☐ Master's, professional, and/or doctorate degree

31) What is your political party affiliation (or, if you are not affiliated with any party, which do you prefer?)
- ☐ Republican
- ☐ Democrat
- ☐ Independent
- ☐ Libertarian
- ☐ Green
- ☐ Other, *please specify:*
- ☐ None
- ☐ Decline to state

32) How would you describe your political views?
- ☐ Very liberal
- ☐ Somewhat liberal
- ☐ Moderate
- ☐ Somewhat conservative
- ☐ Very conservative

33) What religion are you, if any?_____

34) When it comes to your religious outlook, do you identify yourself as:
- ☐ Secular
- ☐ Somewhat secular
- ☐ Somewhat religious
- ☐ Religious
- ☐ A little of both
- ☐ Unsure

35) What is the total annual income of your household?
- ☐ Less than $20,000
- ☐ $20,000-39,999
- ☐ $40,000-59,999
- ☐ $60,000-79,999
- ☐ $80,000-99,999
- ☐ $100,000 or more
- ☐ Decline to state

Note: The following questions are drawn from the 2000 U.S. Census, to allow for comparison with Census data.

36) Are you Spanish/Hispanic/Latino?
- ☐ No
- ☐ Yes, Mexican, Mexican-American, Chicano
- ☐ Yes, Puerto Rican
- ☐ Yes, Cuban
- ☐ Yes, other Spanish/Hispanic/Latino, *print group:*

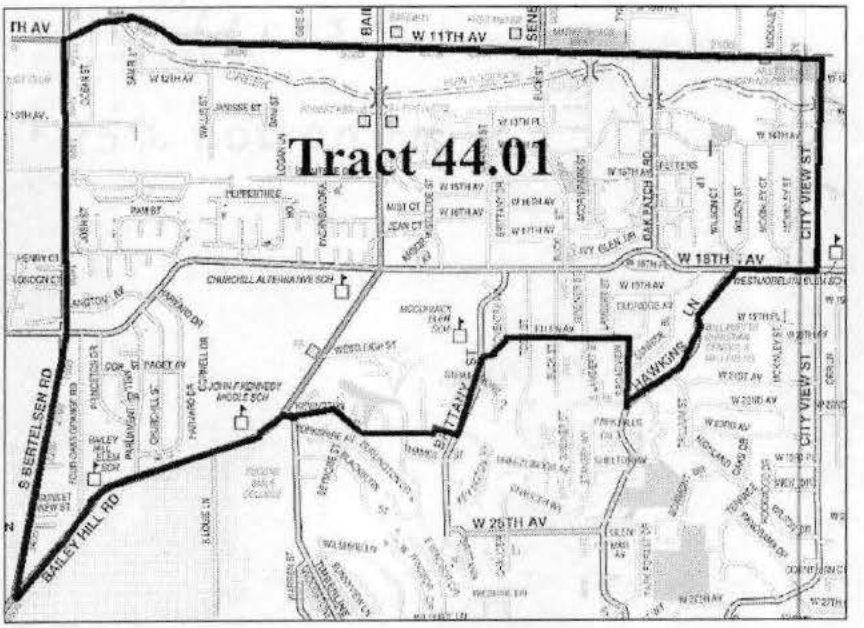
41) What is your race? Mark one or more races to indicate what you consider yourself to be.
- ☐ White
- ☐ Black, African-American
- ☐ American Indian or Alaska native, *print enrolled or principal tribe:*
- ☐ Asian Indian
- ☐ Chinese
- ☐ Filipino
- ☐ Japanese
- ☐ Korean
- ☐ Vietnamese
- ☐ Other Asian, *print race:*
- ☐ Native Hawaiian
- ☐ Guamanian or Chamorro
- ☐ Samoan
- ☐ Other Pacific Islander, *print race:*
- ☐ Some other race, *print race:*

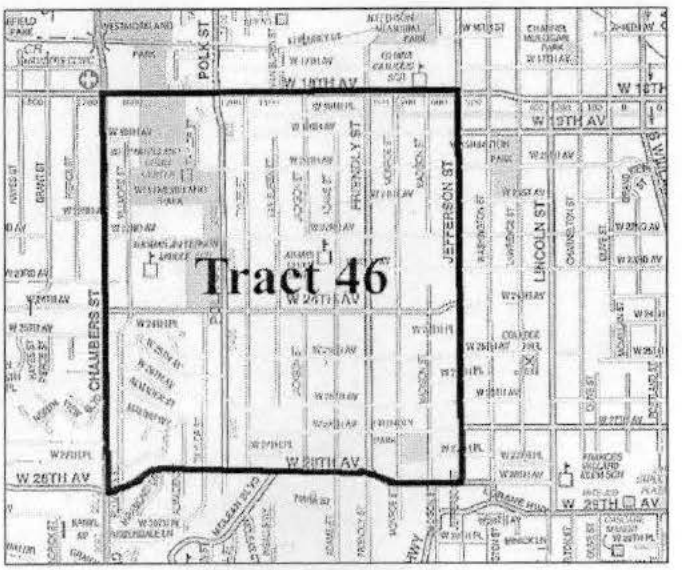
Thank you for completing this survey! Your time and honest responses are appreciated.

If you have any other comments, please write them here:

APPENDIX B

MAPS OF U.S. CENSUS 2000 TRACTS 44.01 AND 46, LANE COUNTY, OREGON





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