Fair or Trade?
An Analysis of the Consumer Shift Towards Fair Trade Coffee

Submitted by:
Rixt van Dongera
Student number home university: S2013096
Student number host university: 1110550
Contact details (telephone/email): +31611096782 and rixt_van_dongera@hotmail.com

Home university: Groningen
Host university: Kraków

Supervised by:
Name of supervisor home university: Dr. G. van Roozendaal
Name of supervisor host university: Dr. J. Kołodziej

Dokkum, June 1st 2015, Rixt van Dongera
MA Programme Euroculture
Declaration

I, Rixt van Dongera, hereby declare that this thesis, entitled “Fair or Trade? An Analysis of the Consumer Shift Towards Fair Trade Coffee”, submitted as partial requirement for the MA Programme Euroculture, is my own original work and expressed in my own words. Any use made within this text of works of other authors in any form (e.g. ideas, figures, texts, tables, etc.) are properly acknowledged in the text as well as in the bibliography.

I hereby also acknowledge that I was informed about the regulations pertaining to the assessment of the MA thesis Euroculture and about the general completion rules for the Master of Arts Programme Euroculture.

Signed Rixt van Dongera
Date June 1st 2015
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Introduction

“Coffee is the hope of a better future;”\(^1\) a small-scale Latin American coffee farmer argues. Like many coffee farmers, this man is ultimately dependent on their harvests each year. When such a harvest is good, this can enable farmers to send their children to school, pay their debts, or further invest in their business. However, producing coffee has become increasingly more difficult for coffee bean growers all around the world. The coffee production sector has been hit by two crises, which have complicated the financial situation of coffee farmers substantially. The disintegration of the International Coffee Agreement (ICA) in 1989, the consequent liberalization of the international coffee market and the increasing coffee beans supply in the last two decades, have driven coffee bean prices down as well as heavily reliant on the whims of the free fluctuation of prices.\(^2\) Fair Trade labels try to counter such farmers’ dependence on fluctuating coffee bean prices by offering a guaranteed minimum price (GMP). The Fair Trade GMP is a means for these coffee farmers to sufficiently maintain a relatively comfortable living situation for them and their families.\(^3\) An important aspect of the Fair Trade labeling of the trade process is that it is especially beneficial for small-scale coffee farmers around the world.\(^4\) However, it appears that most coffee bean farmers are only able to sell about 20% of their harvests to Fair Trade labels and therefore produce 80% of their Fair Trade coffee beans for the conventional market.\(^5\) It is apparent that the Fair Trade coffee demand currently does not suffice in regard to the amount of Fair Trade coffee farmers supply. Fortunately for Fair Trade coffee farmers, a consumer shift towards Fair Trade coffee can be noted. This is exemplified by the economic growth of Fair Trade organizations. Between 2002 and 2010, European Fair Trade sales “have increased by a factor of six . . . Fair Trade has become the fastest growing markets in the world, but also Europe has emerged as one of the biggest markets for Fair Trade products, with an estimated 65% of all global sales.”\(^6\) Researchers even predict that the current trend

\(^1\) Christopher Bacon, “Confronting the Coffee Crisis: Can Fair Trade, Organic, and Specialty Coffees

\(^2\) Bacon, “Confronting the Coffee Crisis,” 498.

\(^3\) Clair Chambolle and Sylvaine Poret, “When Fairtrade Contracts for Some are Profitable for Others,” European Review of Agricultural Economics 40, no. 5 (2013): 836.


towards Fair Trade coffee consumption will only increase in advanced societies in the next decades.\textsuperscript{7}

This consumption shift has the potential to be exceptionally important for many Fair Trade coffee farmers. The problem that this thesis identifies is that Fair Trade consumption incentives should be defined as an alternative consumption discourse, instead of the normative one. This dissertation argues that fair trade relations can only be established in the coffee sector when Fair Trade consumption is the norm in advanced societies. As the discourse is not, Fair Trade initiatives will not be effective enough in order to stimulate sustainable positive change in coffee farmers’ lives. This thesis therefore examines why this is not the case and whether the Fair Trade discourse has the potential to eventually become the dominant trade narrative. Therefore this thesis uses constructive theory in order to provide an analysis of the motivations for consumers as well as conventional and Fair Trade coffee companies to choose or not choose Fair Trade coffee. This analysis is used in order to assess whether Fair Trade consumption patterns will develop to such an extent that they can effectively establish just trade relations. In order to assess what stimulates people to purchase Fair Trade product, this thesis analyses how stakeholders are motivated to choose or not choose for Fair Trade coffee. The question to guide this research therefore is as following: to what extent do norms and values motivate stakeholders [coffee consumers, fair-trade coffee importers, conventional coffee importers] to either choose or not choose for Fair Trade coffee and how does this affect the normative trade discourse?

In order to answer this question, this dissertation introduces in its first two chapters the theory and methodology guiding its research. In the third chapter, this thesis then assesses what motivates consumers to purchase Fair Trade coffee. This thesis will do so by examining two discourses, which assist in explaining the norms and values that drive consumer behavior. Although the discussion of consumers’ motivation is essential to this research, the influence of coffee bean importers, conventional and Fair Trade must also be assessed in order to coherently make conclusions about the development of Fair Trade. Therefore these two stakeholders are discussed in the fourth chapter of this dissertation. The same two discourses will

assist in assessing what norms and values motivate conventional as well as Fair Trade coffee importers’ actions. Additionally, the norms and values that these two stakeholders disseminate in correlation to the two discourses will be discussed in order to coherently assess the motivators for Fair Trade coffee consumption. As these two discourses are identified as the most relevant for this research, other trade discourses have been excluded in order to provide a coherent analysis.

Based upon this analysis, this thesis argues that the consumer shift towards Fair Trade coffee can be explained by the increasing importance of the sign value of [ethical] products and the identity-constructing features that such value encompasses for consumers. Conventional and Fair Trade coffee bean importers influence this identity-making process by disseminating norms and values via their marketing tools. These coffee beans importers themselves are motivated to choose or not choose for Fair Trade coffee by the norms and values spread via the trade discourses that they are acting out of. This finding then legitimizes this thesis’ statement that Fair Trade consumption will increase in the next few decades, but Fair Trade will never develop into the dominant trade discourse.
Chapter 1: Theoretical framework

Introduction

In order to assess why Fair Trade consumption is becoming an increasingly popular phenomenon this thesis uses a constructivist approach in order to find out what motivates stakeholders at various levels to either choose for conventional or Fair Trade coffee. In this chapter, the central role of constructive theory is first explained, after which the concepts of identity, norms and globalization are clarified in relation to this thesis. This research is then used in order to explain the consumer shift towards Fair Trade products. The stakeholders discussed in this paper are consumers in advanced societies and two coffee companies in the Netherlands: Douwe Egberts and Max Havelaar. In order to create a coherent and well-defined research, this thesis discusses two discourses in order to argue what motivates stakeholders to choose or not choose for Fair Trade coffee. The consequent influence on the future development of the Fair Trade discourse can additionally be examined in this manner.

1.1 Constructive theory

Constructivism can be defined as a social theory that seeks to explain identities and interests. Alexander Wendt aptly characterizes constructive theory to be concerned with the “social construction of subjectivity,”\(^8\) which informs one that this theory works with the underlying assumption that a society and a culture are always socially constructed and not necessarily ‘natural.’ In contrast to for example realist theory, a constructivist approach does not assume that social relations are fixed. Instead social relations are perceived as ever changing, influencing each other and being complexly interconnected. There are many different forms of constructive theory; Jeffrey T. Checkel for example views constructive theory to lie somewhere between rational choice theory and postmodernism, whilst Ted Hopf suggests it is in the middle of mainstream and critical theory.\(^9\) Generally, constructivist theorists base their analysis


on the assumption that people do not only decide what they want solely based on their needs, but also on social interaction. This assumption is essential in this research, as it is the underlying justification for all of this thesis’ claims. From a constructivist view, one can argue that the material world shapes actors’ interaction as well as the other way around. Actors are significantly influenced by the culture they find themselves in and this culture in its turn influences actors’ identities. Individuals’ actions do not mean anything unless they are put into a social context. However one must realize that this context is socially constructed and thus the meaning of behavior, social relations and beliefs are as well. An actor can constitute meaning to its surroundings, but meaning can be attributed to an actor as well. After such a meaning is constructed, it can be reproduced and increase its significance. The power of practice explains this increasing significance when meaning is reproduced. In “The Promise of Constructivism in International Relations Theory,” Ted Hopf aptly explains, “The meanings of actions of members of the community, as well as the actions of others, become fixed trough practice.” When the meaning of actions is fixed, actors think they know what the consequences are of certain behavior and actions will be. From a constructivist perspective, the identity principle explains the behavior of actors. Actors’ identities, which are socially constructed as well, form the normative framework of an actor’s behavior.

As aforementioned does this thesis assume that individuals determine their actions, most notably the act of consumption, not only on the basis of needs, but definitely also on social interaction. Constructivist concepts such as identity, norms and values will be adopted by this research in order to explain the behavior of consumers and coffee companies in regard to either choosing or not choosing for Fair Trade coffee.

1.2 Culture, identity and norms

Identity can be characterized a social construct in itself and generally is constructed by an actor’s culture. There are no simple and obvious definitions for culture.

Raymond Williams emphasizes that culture is both conscious and subconscious, it is created by everyone, but unknown when lived.\(^\text{12}\) This thesis claims that culture is what a group of people has in common. It provides such a group with shared values and norms, which are continually re-defined and evolving. In line with Terry Eagleton’s interpretation of culture, this thesis assumes that an individual has the possibility to ‘self-cultivate,’ but is simultaneously being cultivated by the society that individual finds itself in.\(^\text{13}\)

One needs a sense of identity to make sense of the world and one’s own position within it. It must be noted that this dissertation acknowledges that identities and collective identities are complex and constantly evolving, one often identifies oneself with a great variety of things and the meaning of such things can vary over time as well. One can identify oneself on the basis of social groups, such as one’s family, religion, nationality, ethnicity, gender, political preference, etc. Henri Tajfel explains that identity-construction is intrinsically linked to social groups and consequent collective social identities. Tajfel justifies this statement by arguing that an individual derives satisfaction from the positive consequences of belonging to a social group.\(^\text{14}\)

From a constructivist perspective, this thesis acknowledges that these social groups are socially constructed, as social division is a human construct not a natural one. Additionally, Ted Hopf suggests that there are three essential functions of one’s identity in a society:

- “It tells you who you are
- It tells others who you are
- It tells you who others are.”\(^\text{15}\)

An identity therefore assists one in attributing meaning to the self as well as others. These three identified functions of an identity assist this research in assessing the rationale that serves as a foundation for consumption motives. On the basis of Tajfel’s argument on collective social identity, Hopf’s three identified identity functions, in addition to George Akerlof and Rachel Kranton’s perception of identity as a


\(^{15}\) Hopf, “The Promise of Constructivism in International Relations Theory,” 3.
motivator for purchasing behavior, this thesis identifies consumption as a means of identity making and therefore takes identity as a central concept in its analysis.\textsuperscript{16}

In regard to consumption, individuals feel the need to be associated with a social category and consume products that are in accordance with such a category in order to derive the earlier mentioned satisfaction that Tajfel identified. In post-industrialized societies, consumers often pay a seemingly high price for products, because of the sign value that is attributed to the product. This sign, or symbolic, value is a concept first introduced by Jean Baudrillard in \textit{The Consumer Society}. In the 1970s, Baudrillard already identified the shift in advanced societies towards the increasing consumption of the sign value of a product.\textsuperscript{17} The sign value concept is often used when discussing consumption patterns and in this thesis the concept will be used as a key notion in regard to explaining the consumer shift towards Fair Trade consumption. The amount of this sign value can be recognized by a product’s brand, an average pair of Nike Air Jordans can for example roughly be sold for more than 250 dollars than its production value\textsuperscript{18}, or because of the symbolic value added during the production process. Fair Trade products are an example of the latter.

In order for an individual to be able to identify in correlation with a specific social category, it has to adhere to the norms and values associated with this social category. Akerlof and Kranton aptly explain that individuals act in accordance to the norms of a social category because they expect positive sanctioning when they do.\textsuperscript{19} This argument clearly finds itself in Tajfel’s explanation of identity and in this manner clarifies the function of norms in relation to identity-construction. In this thesis, norms are therefore interpreted as a \textit{logic of appropriateness}. Generally they are the expectation about what behavior is viewed as appropriate in a culture.\textsuperscript{20} However, one must one that perceptions of norms and values are socially constructed. This means that they are subject to change, however this change is often not abrupt, but evolving over time. Sociology and social psychology scholars often devote a lot of attention to norms and values as they can be of significant assistance when one

\textsuperscript{19} Akerlof and Kranton, “Identity and the Economics of Organizations,” 12.
\textsuperscript{20} Akerlof and Kranton, “Identity and the Economics of Organizations,” 12.
tries to explain behavior. In this thesis’ analysis a strong focus will be on the influence of social norms. The social norm is what is perceived as ‘normal’ in a society, individuals therefore often adhere to social norms because they expect positive endorsement when they do. One can roughly define three types of social norms:

- Descriptive norms: Doing what others do.
- Injunctive norms: Doing what others think you should do.
- Moral norms: Doing what is perceived as morally right.

Similar to identity, norms can be defined as cultural constructs. In a culture, norms prescribe people what is culturally appropriate to do and what is not. However this does not mean that norms are consciously accepted or rejected. This thesis argues that people mainly behave in accordance to norms subconsciously, as they are rooted in cultural and societal practices. The norm is thus strengthened through the power of practice. However, one can consciously choose not to adhere to a norm, after which an individual is aware that such actions can lead to a negative endorsement from the social category that norm derives from.

Values do not specifically prescribe a certain mode of behavior, but do have an influence on the general behavior and attitudes of individuals and social groups. Shalom Schwartz emphasizes that values guide one’s general behavior towards reaching abstract goals. Values should therefore be interpreted as beliefs and similar to norms, values play an essential role in identity construction. This thesis recognizes Schwarz’ identified functions of values as essential to its research, as values play a key role in consumption.

The relation between norms, values, identity and culture is often discussed in relation to gender theory. In Western cultures, the culturally appropriate gender is to be heterosexual. Homosexuality therefore is not the normative in such a culture, which is why gays are often perceived as an ‘Other’ against which the heteronormative masses can identify. However, when more people act outside of the

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normative social culture, this creates a community in which different norms are at play, which in their turn can influence the norms of the majority. The LBGT community that is slowly changing the U.S. legal system on same-sex marriage is an example of how the constant evolving of norms works. Whilst gender norms are often discussed and questioned in academics, the same cannot be said for norms regarding areas such as trade and consumption. Although with the current rate of globalization these norms affect their respective areas increasingly. This thesis therefore wants to examine the construction of norms involved in the trade and consumption of Fair Trade products, in order to deconstruct the consumer shift towards Fair Trade products.

1.3 Globalization

Whereas identity, culture, and norms and ideas could be assessed in regard to one specific country a few decades ago, this is impossible in the current, heavily globalized world. Countries, but also international organizations, such as the UN, EU, Worldbank, etc. influence each other to such a large extent, that it appears impossible not to place such concepts into an international perspective. Internet, mass media and current traveling techniques make the world appear a lot smaller than it was perceived just a few decades ago. In a globalized world, the scope and the traits of development change as well. Individuals currently have more power as a consumer than two generations ago. As a consumer in a global consumption market, people can pick and choose from a great variety of products, from an even greater variety of countries. People can use this consumption power in order to try and address global problems. They can for example buy Fair Trade, biological, eco-friendly, local, exotic products or a combination of these types of products. Global mass media assists them by creating, sharing and adding value to consumption symbols such as brands and consumption images. These marketing techniques create a cultural meaning for products and heavily influence global consumer culture. However, it must be noted that mass media outlets have their financial motives as well, which means that symbolic value must always be critically assessed.

The internationalization of the global market does not only create possibility for individuals to address global issues, but also enables international actors to address worldwide problems such as severe poverty, bad labor conditions and climate change. Post-industrialized societies such as the U.S. and Europe currently have the economic means to severely reduce global poverty. Through their privileged position in the world system, and their millions of consumers; these societies could potentially have a greatly positive effect on the working conditions in the markets they import their products from. With the support of international organizations such as the UN (committed to increasing sustainable development and the protection of human rights) and the EU (a strong advocate for social corporate responsibility) the U.S. and Europe can take a powerful position vis-à-vis the demand for better working conditions. However, it appears that currently citizens are not pressuring their governments to take appropriate actions to tackle such issues. Instead they increasingly take their own individual responsibility as a consumer and appear to want to make ethical consumption the vehicle of desired change in regard to social injustice.

1.4 Two discourses

In this research, two discourses are examined in order to explain consumers’ purchasing incentives for Fair Trade products. It appears that in society, consumers are influenced by the norms and values of varying discourses. In order to assess how and to what extent Fair Trade consumers are motivated by norms and values, this thesis roughly identifies two discourses that are essential when discussing Fair Trade. The first one is the normative International Free Market discourse, which generally is supported and justified by Western society. This discourse, based upon neoliberal economic principles, is accepted as the main trade narrative and its values are generally acknowledged as rationally advocating the optimal construction of society. This discourse is significant in any discussion that concerns trade and consumption and will therefore also take a central position in this research. The other narrative that this thesis identifies is the increasingly supported and consumer-driven

international Fair Trade discourse. In this research this discourse is specifically identified for its focus on Fair Trade. One could discuss a discourse on ethical consumption in a similar manner, however this dissertation argues that such a discourse would not be focused enough. As ethical consumers are not only concerned with trade relations and production processes, but also with for example the environmental and animal welfare aspects of production. Development and socioeconomic literature on trade does not always make this distinction between ethical consumption and Fair Trade consumption. However, in order to clearly explain the consumer shift towards Fair Trade, this thesis does make this distinction and specifically focuses on a discourse that has elements of ethical consumption, but is prominently centered on the injustice involved in trade. Whereas it seems rational to define the International Free Market Economy as an international example of capitalism at play, it has to be emphasized that Fair Trade consumption too is “embedded into a cultural context of global consumption.”27 One can say that the Fair Trade market perhaps appears to work against this system, it simultaneously still works in and thereby supports international capitalism. Therefore, these discourses can be defined as two ends of the same continuum.

**Discourse I: The International Free Market**

The International Free Market discourse is a manner of reasoning that advantages financial and liberal economic arguments. This discourse is the dominant discourse in the global trade system and generally accepted in as a neutral narrative as well as the best means to promote global economic growth.28 As Yngve Ramstad explains in “Free Trade Versus Fair Trade”, is the economic justification for free international trade relatively straightforward and based upon the principle of comparative advantage. The principle of comparative advantage assumes that each nation-state has an advantage over others thanks to country-specific natural and industrial resources. When every country would specialize in the area it has its particular advantage in, this would guarantee the most efficient use of the world’s resources, which consequently ensures global economic efficiency and rising living standards for everyone

28 St. Clair, “Global Poverty,” 140.
involved. This discourse focuses on the most efficient way to gain a maximum amount of revenue, as indicated by Alastair M. Smith in “Fair Trade, Diversification and Structural Change: Towards a Broader Theoretical Framework and Analysis:” “market prices reflect balance between supply and demand, they provide an incentive structure to guide rational actors to the best investment opportunities.” This discourse uses a cost-benefit analysis and prioritizes the benefits that the comparative advantage model brings over the social costs this model might entail.

The concept of the International Free Market finds it basis in economic liberalism, often characterized as the ideology of the industrialized West. Economic globalization has led to an international spread of economic liberalism. Whereas economic liberalism was mainly very prevalent in Western societies, globalization has promoted economic liberal marketization in the entire world in the last few decades. In order to further develop this promotion, Director-General of the World Trade Organization (WTO) Roberto Azevêdo argued in a speech on March 24, 2015 that the liberalization of the world market has led to a more stable and better world. He claims that further liberalization can go against the negative consequences of the bank crisis and “boost global economic growth precisely when we most need it.” The underlying assumption made by Azevêdo, in name of the WTO and its members, is that not only has global market liberalization led to economic growth for everyone involved in the past decades, it also the ‘natural’ means to address and solve global economic issues. The global market appears to entirely revolve around the core principles of neoliberalism: individualism, freedom and equality of opportunity.

In regard to the global market, this means that such a market should be as unregulated as possible in order to provide every individual with an equal opportunity to maximize profits.

The International Free Market discourse is continually strengthened by economic globalization. As the neoliberal economic market rationale has integrated beyond the bounds of the market, and can now be defined as integrated in the totality of global society as all aspects of society are influenced by this neo-liberal rationale.

32 John Gray, Liberalism, 2nd ed. (Buckingham: Open University Press), xii.
Michel Foucault emphasizes this in *The Birth of Biopolitics* when he states that “[neo-liberalism] is the principle of decipherment of social relations and individual behavior.” Free-market economists such as Milton Friedman argue that an international market that is regulated only by law, can generate an efficient use of the world’s resources as well as widespread prosperity. The following quote in Friedman’s article in *New York Times Magazine* in 1970 aptly presents the intent of actors that are rooted in the International Free Market discourse: “[The responsibility of a corporate executive] . . . is to conduct the business in accordance with [the owners’] desires, which generally will be to make as much money as possible while conforming to the basic rules of the society, both those embodied in law and those embodied in ethical custom.”

This discourse’s financial and neo-liberal arguments give it a favorable position in national politics and company policies. It has the advantage of being supported by economically powerful entities, reinforced by globalization and its current normative position as the prevailing economic discourse.

**Discourse II: The Fair Trade narrative**

The Fair Trade discourse is centered on tackling international social injustice as well as on values that are concerned with ‘doing-good’ at a distance. This discourse bases its arguments on principles concerning international social injustice as well as idealism. Emphasizing that the maximization of benefits should not lead to the current negative social costs these profits bring, the discourse on Fair Trade revolves around the social injustice present in production processes and trade relations. The Fair Trade narrative can be identified as an alternative discourse in relation to the International Free Market one. The narrative is relatively less represented and can therefore be defined as the marginalized discourse in the global market system. However, the discourse is increasingly gaining more authority and thereby challenging the International Free Market discourse. This thesis assumes that this increasing authority is rooted in the public’s increasing focus on international cases of social injustice and the recent popularity of ethical consumption as a new means of activism in regard

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35 Bacon, “Confronting the Coffee Crisis,” 497.
to these issues. Although ethical consumption has existed for decades, its popularity has exploded in the 1990s. As the food crises and exploitation of laborers that came to light in this decade have emphasized issues concerning social injustice to such an extent that mainstream consumers began to view them as important as well.\textsuperscript{36}

The Fair Trade discourse is intrinsically focused on the international social injustice present in trade. The mere definition of ‘Fair’ Trade implies that trade relations are essentially not fair. The discourse therefore argues it aims to tackle international social injustice by promoting fair working conditions and trade relations.\textsuperscript{37} This strategy is supported by Asunción St. Clair who states in “Global Poverty: Development Ethics Meets Global Justice” that “moral awareness of poverty and explicit ethical concerns for the dignity of all people leads to more critical views on the dominant form of neoliberal economic globalization.”\textsuperscript{38} Fair Trade and Fair Trade consumption are presented by the discourse as a new and effective means of activism, a means of ‘doing-good’ at a distance.\textsuperscript{39} In contrast to the International Free Market discourse, the Fair Trade narrative denies the concept of comparative advantage and argues that action must be taken in order for trade to be a stimulator for sustainable development.

A key actor in the Fair Trade discourse is Fairtrade International (FLO). FLO is one of the biggest Fair Trade certification organizations and functions as an umbrella certification system, which assesses how acceptable production and trading standards are. FLO argues that Fair Trade’s mission is “to connect disadvantaged producers and consumers, promote fairer trading conditions and empower producers to combat poverty, strengthen their position and take more control over their lives.”\textsuperscript{40} This statement implies that not only are current trade relations not fair, potential Fair Trade farmers are assumed to be disadvantaged, not empowered, as well as disconnected from consumers. Due to its umbrella function, the FLO has a wide range of influence and can singlehandedly decide what is defined as ‘fair’ and what is not.

\textsuperscript{38}St. Clair, “Global Poverty,” 140.
This is important to note, as the organization’s dynamics with other important stakeholders on the world’s economic market can define the further development of the Fair Trade discourse. FLO is overseeing Fair Trade product sales and international bodies such as the World Bank and big transnational corporations are increasingly supporting the organization. These transnational corporations see Fair Trade as a non-obligatory alternative to invasive state regulation.\(^{41}\) This cooperation exemplifies that the Fair Trade market might be based upon an entirely different value system than the globalized free trade economy; it is still firmly rooted within the capitalist rationale.

This overlap between the Fair Trade discourse and the International Free Market discourse is interesting. As on first sight it appears that the Fair Trade discourse find its motivation in a resistance movement against neoliberal market principles, because the Fair Trade discourse stimulates actions in order to establish a more equal social positioning between developed and developing countries. The Fair Trade discourse thus appears to be a resistance movement against global capitalism, arguably the root of international social injustice, and simultaneously promotes worldwide inclusive growth and development.\(^{42}\) However, because the Fair Trade market works “in and against the system”\(^ {43}\) it is able to influence the capitalist economic system, but is also severely limited in its own actions. The Fair Trade discourse is defined in this thesis as working with and partly within the International Free Market discourse and not resisting against it. This definition is exemplified by an argument provided by Paola Ghillani, former Chairwoman and President of FLO’s board as well as former head of the Max Havelaar Foundation in Switzerland. In an interview, Ghillani explains that in her influential functions, she addressed Fair Trade as a “business model rather than a charity operation.”\(^ {44}\) She explains FLO’s recent intentions to aim at addressing its trade more commercially in order for Fair Trade organizations to become self-financing and generate profits. These intentions clarify this thesis’ argument that the Fair Trade discourse is partly functioning in a similar manner to the International Free Market narrative. Therefore this thesis claims that the Fair Trade discourse is stimulated by idealism, whilst cooperating with actors that are


\(^{43}\) Varul, “Ethical Selving in Cultural Contexts,” 184.

rooted within the International Free Market. Accomplishing truly ‘fair’ (in this thesis ‘fair’ trade is trade which has more positive than negative consequences for the producers and workers involved) trade relations can be defined as the key ideal for Fair Trade organizations, with the sustainable development of the workers’ positions and country as an additional positive consequence of these trade relations.

The Fair Trade discourse approaches the global economic market with an idealist perspective. The discourse focuses on international trade relationships with a perspective centered on values and norms. At the cost of regulating market freedom, the Fair Trade discourse promotes universal principles such as equality, morality and social justice as its key concepts. The Fair Trade GMP for example functions as a means to pay farmers an honest wage. This focus on idealism appeals to consumers who are involved in so-called ‘ethical selving’. Ethical selving is a concept defined for consumers who possess an “ethically driven desire to be responsible, and more selfishly oriented desires to feel and be perceived as socially responsible.” Ethical consumers that buy Fair Trade products and take part in the Fair Trade discourse, generally have the idea they can make a positive change for laborers in the Global South. Gavin Fridell critically defines this as an ‘ideological fantasy,’ however this conception exemplifies the activist function the consumption of Fair Trade products takes in the Fair Trade discourse. Additionally, does the definition of an ethical selver explain the selfish motives behind Fair Trade consumption; as such consumption appears to assist one in being perceived by others as socially responsible.

It appears that the Fair Trade discourse legitimizes itself rightly because it does not specifically resist against the International Free Market narrative. Although the Fair Trade narrative is not the normative discourse, it is increasing its authority, as there is a substantial amount of ‘ethical selvers’ whom are supporting the Fair Trade discourse because it finds its key ideals in ethics concerning social injustice and values concerning ‘doing-good’.

**Conclusion: friction between the two discourses**

In this chapter, the general construction of two essential discourses is discussed. Both discourses center upon trade and trade relations, however they do this in a different manner. It appears that the Fair Trade discourse does not coincide with the

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comparative advantage and unregulated market concepts that the International Free Market narrative promotes, as from a neoliberal perspective Fair Trade does not lead to the optimal financial profits that could be achieved. As market prices are based upon supply and demand, it is deemed rational within the International Free Market discourse that an unregulated market would lead to a perfect balance for both producers and customers. Oversupply that is caused by market interventions such as the provision of a minimum guaranteed price, which the Fair Trade discourse tries to establish in order to tackle social injustice, would thus lead to decreasing profits for producers.

These two discourses can be defined as arguing their case from two different perspectives. The consequent values and norms deriving from these discourses naturally vary as well. The International Free Market discourse is mainly concerned with neoliberal norms and values, whilst the Fair Trade one is centered on norms and values on social injustice and ‘doing-good.’ Conventional producers and consumers are generally always supported in their product choices within the rationale of the normative International Free Market discourse. However, these choices appear to be increasingly challenged by ethical consumers and Fair Trade organizations, which can find justification for their product preferences in the Fair Trade discourse. In what manner and to what extent this challenge affects Dutch coffee company Douwe Egberts, rooted within the International Free Market discourse, and the Dutch Fair Trade organization Max Havelaar, will be a key focus of this research.
Chapter 2: Methodological framework

Introduction
In order to be able to critically assess all aspects of the Fair Trade discourse, the three different stakeholders and their norms and values, it is necessary to design a methodological framework. Based upon constructivist theory, this thesis will introduce each stakeholder and explain its behavior regarding fair-trade coffee production drawing on the principles of norms, identity, and social interaction. The stakeholders are as following:

- Coffee consumers
- Conventional coffee importers (Douwe Egberts)
- Fair Trade coffee importers (Max Havelaar)

Based upon socioeconomic, consumption and development literature, this thesis will then assess what norms and values construct the different perspectives on fair-trade and conventional coffee production. This thesis acknowledges that norms are continually evolving, but for the sake of this paper’s research, the norms identified in this thesis will be treated as static during the following time period: 1995-2015.

2.1 Case studies: Douwe Egberts and Max Havelaar

In order to assess the consumption incentives for Fair Trade coffee, this dissertation focuses on conventional and Fair Trade coffee consumption. This thesis focuses on coffee companies Douwe Egberts and Max Havelaar as it case studies and coffee as its case product because it can be defined as the ideal Fair Trade product. Coffee is additionally one of the most widely sold Fair Trade products and in contrast to conventional coffee sales, have Fair Trade coffee sales been increasing significantly in the past few years, most notably in Europe. Coffee is additionally one of the most mainstreamed Fair Trade products; it generally is available in the majority of a country’s supermarkets. This wide availability enables this thesis to makes specific claims about consumer choices, without these choices being hindered by limited means of distribution.

46 Cailleba and Casteran, “Do Ethical Values Work?” 613.
Fair Trade coffee has become more central to Fair Trade discussions in the last few decades, as the market has undergone several changes. Firstly one must note that coffee farmers are often very dependent on their harvests. Traditionally, growing coffee beans has been a means to survive for many Latin American farmers. In the last two decades however, coffee producers in Latin America have experienced several crises, which have made maintaining their livelihoods considerably harder. The struggling situation of small-scale coffee farmers gives rise to the question if these farmers are not better off producing Fair Trade coffee. Especially given the rising consumer demands for Fair Trade production, as the popularity of Fair Trade products is increasing significantly.

Fair Trade labels have tried to address decreasing coffee prices, by offering a Guaranteed Minimum Price (GMP) for a part of the farmers’ harvest. Coffee farmers therefore now have the option to (partly) produce coffee beans for Fair Trade labels, which gives them security when harvests are meager. However, one often sees that coffee producers only sell parts of their harvests to Fair Trade labels. Generally, only 20% of the global production of Fair Trade certified coffee is sold to Fair Trade labeling schemes.\(^47\) Therefore, coffee farmers can only benefit from the GMP mechanism for 20% of their harvests, whilst they pay the extra costs involved for Fair Trade production for their entire harvest. It is apparent that when talking about Fair Trade production, the successes gained by farmers are reliant on the demand side of the spectrum. Especially when the international coffee regime changed substantially thanks to the two coffee crises, the coffee sector has become a “buyer-driven commodity chain.”\(^48\) Coffee bean farmers are dependent on consumer trends in most significantly Europe and the United States. Fortunately for these Fair Trade coffee farmers, a definite consumption trend towards Fair Trade certified products could be noted. This thesis examines the Dutch conventional coffee company Douwe Egberts and Max Havelaar Fair Trade Foundation in the Netherlands in order to get a coherent understanding the Fair Trade consumption trend in the Netherlands. Using coffee as a case product will assist in analyzing how and why such a trend has occurred and make predictions about in what manner it could develop in the future.

2.2 Problem statement

This thesis identifies a clear development gap between post-industrialized countries and developing countries. This is a gap that will only increase further when taking the current rate of globalization into account. The globalization of neoliberal norms and values have led to two coffee crises that have hit coffee farmers intensively and have changed the dynamics of the global coffee market. The first crisis that made the production process for coffee farmers considerably harder occurred when the International Coffee Agreement (ICA) disintegrated. This quota agreement broke down in 1989, which left coffee bean prices to the whims of the liberalized market. Big coffee roasting companies saw this as an opportunity to increase their influence and by 1998, Philip Morris, Nestlé, Sara Lee, Proctor and Gamble and Tchibo owned 69% of the roasted and instant coffee market. These coffee roasting companies have been able to force down the price of coffee beans substantially in order for them to increase their profits. This intensified the crisis and its consequent instability in many countries that are reliant on coffee as one of their main export products. The second crisis that hit coffee farmers occurred when countries that do not traditionally produce coffee, such as Vietnam and Brazil, were encouraged by the World Bank and the International Monetary Fund (IMF) to start producing coffee as well. In correlation with the breakdown of the ICA, this increasing coffee bean supply has forced the international price of coffee beans down further. This thesis argues that these crises are amongst the food crises that prompted the popularity of ethical consumerism in advanced societies and have immensely contributed to the shift towards Fair Trade consumption, as the Fair Trade discourse argues to tackle the social injustice consequent of these crises.

Fair Trade initiatives attempt to address the problematic production relations between coffee farmers in developing countries and coffee roasting companies in the post-industrialized countries. However, although Fair Trade consumption is increasing, it is still defined as an alternative means of consumption. If the narrative surrounding Fair Trade is not accepted in advanced societies as the normative trade discourse, the consequent effect of the narrative is not encompassing enough to ever

49 Bacon, “Confronting the Coffee Crisis,” 499.
establish fair trade relations. This thesis therefore tries to address this problem by examining the motivations for stakeholders [consumers, conventional coffee companies, Fair Trade coffee companies] to choose or not choose for Fair Trade coffee in order to assess the development possibilities and pitfalls of this means of consumption. This dissertation therefore analyses the shift towards Fair Trade consumption in order to research what has motivated this shift and make tentative predictions about how it will develop further in the future.

2.3 The International Free Market and Fair Trade discourses

Two discourses will assist in this thesis’ analysis of the consumer shift towards Fair Trade consumption. As aforementioned does this dissertation focus on the norms and values that these discourses disseminate and are motivate both consumers and companies. In order to find out what discourse consumers and companies prefer, it is essential to focus on the identity-constructing features of consumption and production. Based upon a great variety of consumption literature, this thesis assumes that discourse preference is based upon the process of identity making. Such identity construction is more obscured in the International Free Market discourse, as actions within the bounds of this hegemonic discourse are deemed as normal. Consumers’ identification with ‘alternative’ consumption, the Fair Trade discourse, is therefore central in this research’s discussion of consumers. However, in regard to the actions of companies, a more coherent view of the identity constructing features of the International Free Market discourse as well as the Fair Trade discourse will be examined. This thesis focuses on how these norms, via demands of consumers, organizations, or the market, influence companies. This analysis will mostly be made on the basis of relevant literature, mainly focused on consumption and trade relations. The content of primary source material such as Douwe Egberts’ code of conduct, Max Havelaar’s advertisements, Douwe Egberts’ and Max Havelaar’s press releases and both of these coffee companies’ website material will be analyzed in order to assess to what extent companies disseminate norms and values that derive from the two respective discourses. Based upon the analysis of these three stakeholders, this thesis will identify to what extent norms and values influence the consumer shift towards Fair Trade consumption and assess whether this shift can be seen as challenging the normative International Free Market discourse.
2.4 Stakeholders: coffee importers and consumers

This thesis focuses on three identified stakeholders: coffee consumers, conventional coffee importers and Fair Trade coffee importers. Each stakeholder essentially influences the development of both the International Free Market discourse and the Fair Trade narrative and all three of them are therefore identified as significant actors in this dissertation. As this thesis assumes that the influence of these actors is mainly stimulated from the constructed discourses in the international market, the norms and values adhering to these discourses are central to this research.

Consumers have an essential role in the proliferation of the Fair Trade discourse. Fair Trade labels and organizations have existed for decades already, however Fair Trade the discourse has only gained immense popularity in the last decade. Consumers can be identified as drivers for such change, not only in relation to the Fair Trade discourse, but also in regard to ethical responsibilities of companies in general. As public perception is vital for any company, whether they act within the bounds of the International Free Market discourse or the Fair Trade one, companies are inclined to listen and act in response to consumer demands. This thesis therefore argues in its chapter ‘The consumer society’ why and how consumers play an important part in this discourse shift. In order to justify such an argument, this thesis will focus on norms and values that motivate consumers to choose for Fair Trade products. These norms and values will be identified on the basis of socioeconomic and consumption literature, in which the research focuses on determining the ‘why’ behind consumption. Especially the influence of the aforementioned symbolic value of products will be analyzed in relation to consumers’ identities and the norms they adhere to in order to construct such identities.

Consumers cannot be viewed as the sole influence on the shift towards the Fair Trade discourse. Coffee companies play an essential part in this shift as well. Firstly are conventional coffee companies such as the Dutch company Douwe Egberts of influence when discussing this shift. As conventional coffee companies are rooted within the International Free Market discourse, such companies must adjust in accordance with the shift towards ethical consumption, without disregarding the norms and values promoted by the International Free Market discourse. Secondly do Fair Trade coffee organizations such as the Dutch Max Havelaar try and stimulate this
shift towards the Fair Trade discourse further. This thesis focuses on how coffee companies in the International Free Market discourse are motivated by the norms of this narrative as well as to what extent such firms disseminate norms and values in order to influence consumers. This dissertation takes Douwe Egberts as its case study for this section and analyses socioeconomic and consumption literature in addition to the company’s marketing tools such as its press releases website and code of conduct in order to assess whether the dominance of the International Free Market discourse could be potentially threatened by the Fair Trade one. This research additionally focuses on Max Havelaar as its case study in order to identify the how an organization rooted within the Fair Trade discourse is stimulated by, but also disseminates norms and values deriving from this discourse. The aforementioned literature will again assist in this assessment, as well as an analysis of the organization’s website, press releases and marketing techniques. Again the important influence of symbolic value will be examined in regard to both case studies, as well as the influence of the respective discourses. The following categories have been identified in order to assess what discourse the two case companies act out of and what consequent norms and values they disseminate.

Table 1  The Assessment Framework

<table>
<thead>
<tr>
<th></th>
<th>International Free Market</th>
<th>Fair Trade</th>
<th>Douwe Egberts</th>
<th>Max Havelaar</th>
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<tbody>
<tr>
<td>Mode of production</td>
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<td>International market preferences</td>
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<td>Marketing focus</td>
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<td>Marketing objectives</td>
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<td>Symbolic value</td>
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This matrix will be discussed in more detail in chapter 4, sections 4.3 and 4.4.

The motivation for coffee consumers and companies to either choose or not choose for Fair Trade coffee is the focus area of this thesis. Research on this matter that takes the symbolic value of Fair Trade products into account exists marginally and in regard to the current trend in ethical consumption, can be expanded. Based upon the eventual findings, this thesis will be able to make specific claims about the status quo of Fair Trade coffee consumption as well as make cautious predictions about the future development of Fair Trade coffee production.
Chapter 3: The consumer society: a shift towards Fair Trade

Introduction

In the twenty-first century, food products do no longer merely serve the purpose of fulfilling a natural necessity; they can now also be trendy. This shift is the reason why the consumption of Fair Trade products is often defined as being part of a lifestyle.51 The awareness of consumers about what they buy and why, has increased significantly. This increased awareness has led to an increasing group of ethical consumers, who see their daily consumption as a means of identity making. These consumers can be defined as reflective or ethical consumers.52 In a globalized market economy, consumer demands for Fair Trade certified coffee could have a significant influence on the social conditions under which coffee is generally produced. However, Matthias Zick Varal states that even when it concerns Fair Trade products “for a majority of people, working conditions or wages are not worth considering when thinking about a purchasing decision.”53 It appears that social injustice does not per se motivate people to buy Fair Trade products. Although this does not mean that the existence of social injustice is not relevant at all in regard to Fair Trade consumption, it seems that motives centered around the self, are the most significant to consider when discussing ethical consumption. This is important to note, as there is a definite shift towards ethical, and more specifically Fair Trade consumption in advanced societies. Especially the European Fair Trade market is growing exponentially. The increasing consumer shift towards Fair Trade consumption leads to the expansion of the Fair Trade discourse’s authority. In order to explain the increasing numbers of ethical consumers and the consequent increasing influence of the Fair Trade discourse, this thesis looks at the functions of sign value and its influence on the creation of norms and identity formation of Fair Trade consumers. This thesis then argues that the sign value of products, and the identity constructing and norms creating functions of sign value, explain the increasing consumer shift towards the Fair Trade discourse.

3.1 Consumption in The International Free Market

As established before, is the dominant narrative in advanced societies centered on global capitalism. Patrick De Pelsmacker et al. state that one of the two the biggest challenges of the Fair Trade discourse is in fact the dominant International Free Market narrative.\textsuperscript{54} These authors make a valid point, the International Free Market discourse appears to be the cultural hegemon of the two discourses. The discourse’s perceived neutrality amongst people, companies and international organizations that appears to be strengthened by culture, validates this assumption. It is additionally a discourse that is constructed as having a tremendously positive effect on economic growth. In this manner, alternative discourses favoring for example Fair Trade production, are forced into a marginalized and less-supported position in the global market.

The mere definition of Fair Trade production being an alternative approach to trade and consumption, exemplifies the hegemonic position of the International Free Market discourse. It is not coincidental that “alternative commodities shout to consumers about the socionatural relations under which they were produced.”\textsuperscript{55} One can safely assume that products that do not explicitly state on their packaging material that they are a Fair Trade product are indeed not produced under Fair Trade circumstances. Hence, Fair Trade production is not perceived as ‘normal’. Responding to this finding, Asunción Lera St. Clair argues that: “the perceived neutrality of orthodox economics leads no normative blindness and a pretense of fairness.” Indeed, although consumers appear to recognize the added value of Fair Trade, this does not consequently lead people to believe our current global economic system is not a fair one. On the contrary, as cheap prices are the norm, Fair Trade products are often respectively viewed as exclusive products.\textsuperscript{56} The positive image of the International Free Market Economy discourse perpetuates its hegemonic position in society and therefore its normative low-priced commodities. This ‘normal’ neoliberal economic system is viewed as being a big drive for economic prosperity, ever since the end of the World War II and it is still seen the main means to perpetuate and optimize economic benefits for everyone.\textsuperscript{57} St. Clair argues that the

\textsuperscript{55} Bryant and Goodman, “Consuming Narratives,” 348.
\textsuperscript{57} Kinnock, “Beyond Free Trade to Fair Trade,” 131.
neoliberal economic system has shaped advanced societies to such an extent that people are “surrounded with messages and practices that presume the current global distribution of wealth and power are optimal.”\textsuperscript{58} Although the positive perception of this discourse is not changing, it is being increasingly challenged by the Fair Trade discourse. This thesis argues that the increased popularity of the Fair Trade discourse is not due to a depreciation of the International Free Market discourse, but due to an increasing focus on identity-constructing consumption habits.

3.2 Sign value

The sign, or symbolic value of Fair Trade commodities is highly significant when discussing and explaining the increasing consumer support for the Fair Trade discourse. Taking products’ symbolic value into account is essential in this thesis’ argument that the consumption of Fair Trade products is strongly influenced by their identity making features. The symbolic, or sign, value of a product is one of the three values that are important when discussing trade in contemporary society. All products have a certain use value; which is the value a product gains in its production process. The more useful a product is, the more use value such a product has; a hand drill is for example more useful than a screwdriver. Generally, the use value is the value a product is worth when taking the production process and use for the product into account, and thus the use value should be the same as the exchange value. The exchange value is what a consumer pays in exchange for getting a product; often this is the amount of money that is paid for a product.

However, according to Jean Baudrillard in \textit{The Consumer Society}, a third product value plays a significant part in modern society; the sign value of a product. Contemporary society has advanced further than a materialist society; it should now be characterized to be in a state of post-materialism.\textsuperscript{59} Objects in such a society are often perceived as having a symbolic meaning. This symbolic value says something about the product, and when an individual consumes such an object, it signifies something about that consumer as well. It is important to note that this sign value is socially constructed, just as the social norms and ideas connected to the value are.

\textsuperscript{58} St. Clair, “Global Poverty,” 154.
These sign values of a product have a certain level of significance. The consumption of products with symbolic value [the consumption of signs] is driven by the desire to assign meaning to one’s identity. The sign value of products enables people to ‘read’ each other based on their portrayed commodities and these objects’ sign value. Essentially the level of prestige that the consumption of an object gives an individual, is the amount of sign value a product encompasses. The added value of what a product signifies can greatly increase the exchange value of that product. This explains why people are often willing to pay hundreds of Euros for a pair of Nikes, whilst a pair of inexpensive brand-less shoes serves the same purpose. The added symbolic value of Nike’s swoosh symbol, thus singlehandedly pulls up the price of the shoes.

It seems rather impractical to purchase multiple products with the same use value, however millions of people own more than one pair of shoes. What can explain such consuming behavior? Baudrillard’s social logic of differentiation explains why people keep consuming products that have the same use value, but a different sign value. The social logic of differentiation states that people are always competing to be different in regard to others, they therefore try to distinguish themselves from the rest and form a unique identity. When consumption is a means to this end, an individual is forced to keep consuming in order to keep up with the competition. Sign value is continually evolving and newly produced, which makes the logic of social differentiation and its consequent consumption an endless process.

The great variety of products, and the even greater variety of symbols attached to them, makes it increasingly complicated for people to make sense of what the meaning of a commodity is and why. Baudrillard emphasizes that in order to make sense of such a post-materialist system of signs, an individual is required to be what Douglas Kellner defines as an ‘organizational man.’ Consumption in Western society can be perceived as a coded sign system of values, social distinctions and narratives; and it takes an organizational individual in order to understand the code and know what to consume and why. If an individual understands the ‘code,’ that person knows what commodities they need to purchase in order for this products’

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The consumption code is essentially a language that one can learn and understand when one gets familiar with the cultural setting of the society one acts within. In order to guide consumers in learning this language, Guy Debord’s concept of the ‘spectacle’ is there to teach them. Debord’s concept of the spectacle can be defined as “the social relationship people have that is mediated by images.” The spectacle concept can be found in all aspects of society; it is the portrayal of global consumer culture with its endless variety of sign value on TV, in magazines, or on one’s computer screen. These images then create social relations between people, as they are used as guidelines for understanding the consumption code. It thus informs people how to read each other’s portrayed sign values. The spectacle that is most notable for consumers is found in commercials, popular culture such as movies, videogames, TV-series and the spectating of Hollywood celebrities on for example MTV. The spectacle tells an individual what one should want and the consumer in turn desires this object, because “[T]he self-identifying global consumer seeks to conform with the lifestyles and belief systems intrinsic to global consumer culture.” The spectacle additionally informs consumers when sign values change, so they can adjust, and consume, accordingly.

The social logic of differentiation also puts companies, organizations and cooperatives under constant pressure to increase their competitiveness. When they are not perceived as being different and one of their kind, they are much less appealing to the public. However, it is difficult to be perceived as different, when a company sells products with the same value as many other companies. Intrinsically, it does not matter if one buys coffee from Douwe Egberts, or from Max Havelaar, as it is essentially the same product. Companies therefore use the spectacle to signify their difference and motivate consumers to buy their products. As the spectacle does not motivate people to buy these products because of their different use value, but because of the level of prestige the products signify, companies have the opportunity to sell much more products. This use of the spectacle of course becomes apparent when one observes commercials, but also when companies tie their products to specific movies or people, this is so-called ‘product placement.’ Because of the increasing rate of globalization, the identity-constructing aspect of marketing has

become key for many companies and multinational firms, whom often spend much more financial resources on marketing, than they do on actually producing their products. This phenomenon will be examined further in the chapter on coffee companies.

3.3 Ethical consumption

With sign value and the social logic of differentiation constantly coordinating consumer behavior, consumption currently does not only function as a means to satisfy people’s basic needs [food, clothing, warmth] but also their social needs, such as acceptance and self-actualization. When one fulfills these social needs by consuming, an act that is perceived as ‘normal’ in society’s neoliberal stage of post-materialism, an individual’s consumption behavior is a principal feature in the construction of this individual’s identity. Consequently, self-identification plays a significant part in regard to the emerging trend in ethical consumption. Taking the concept of sign value into account, Fair Trade consumption for a higher exchange value in regard to cheaper products with similar use value, can be explained. Buying Fair Trade products can be defined as an act of ethical consumption. Patrick de Pelsmacker and Wim Janssens accurately define ethical consumption as “the purchase of a product that concerns a certain ethical issue (human rights, labor conditions, animal well-being, environment, etc.) and is chosen freely by an individual consumer.” Such products thus carry the sign value of ‘being good,’ and when one consumes such a product; the consumer in its turn is ‘doing-good.’ Ethical consumption can be broadly defined; but this paper only focuses on Fair Trade, which is a specific way of ethical consuming. By only focusing on Fair Trade, this thesis therefore consciously chooses not to involve ethical problems such as ecological sustainability or animal welfare in its argumentation. Ethical consumers are often very aware of the social injustice involved in the food production process. Fair Trade products are clearly tied to international social injustice and Fair Trade consumption therefore is linked to these issues as well.

These ethical consumers use their power as consumers and purchase for example Fair Trade products, in order for them to be perceived as a person who wants to make a difference from a distance. Consumption can be characterized a new means of activism, enabling consumers to identify as an activist for international social justice, when purchasing Fair Trade products.\textsuperscript{71} Fair Trade products have the positive connotation of being good. Which means that if an individual consumes such a product; one is inherently ‘doing good’.\textsuperscript{72} To have this power of ‘doing-good’ by mere consumption increases the feeling of individual responsibility amongst consumers. The symbolic value of Fair Trade products thus enables consumers to signify towards others that they intent to do-good, albeit from a distance. The immense sign value of Fair Trade products appears to be commodifying social relationships between ethical and non-ethical consumers to such an extent that activism in advances societies is reduced to a mere act of consumption.\textsuperscript{73}

Although the effectiveness of this ‘new activism’ can be questioned, it is apparent that it serves its purpose in the identity making process of Fair Trade consumers. Within the social logic of differentiation, the consumption of Fair Trade products gives people the opportunity for self-fulfillment and -identification. Kate Soper in “Re-Thinking the ‘Good Life: Consuming Narratives: The Citizenship Dimension of Consumer Disaffection With Consumerism,” argues that ethical consumption, or ‘alternative hedonism’ as she defines it, is a changing concept of self-interest. She describes the possibilities of ethical consumption as following: “the intrinsic pleasure of consuming differently . . . a distinctive moral form of self-pleasuring or a self-interested form of altruism: that which takes pleasure in committing to a more socially accountable mode of consuming.”\textsuperscript{74} Soper clearly argues that ethical consumption is a means of self-identification for consumers. This shows that consuming Fair Trade consumption can function as a moral norm for ethical consumers.

It is not coincidental that ethical consumption and consequently the Fair Trade discourse have become increasingly more popular in the last few decades. Individuals have a heightened sense of consumption power in regard to the enormous variety of

\textsuperscript{71} Bryant and Goodman, “Consuming Narratives,” 44.
\textsuperscript{72} Matthew Adams and Jayne Raisborough, “Making a Difference: Ethical Consumption and the Everyday,” \textit{The British Journal of Sociology} 61, no. 2 (2010): 263.
\textsuperscript{73} Bryant and Goodman, “Consuming Narratives,” 359.
products in the currently heavily globalized marketplace. The media is additionally one of the key players in constructing the current consumer society. Although the past decades have seen a variation of organized consumer movements and campaigns, it was not until the 1990s that the ethical consumer was really targeted by mainstream media with the use of emotional marketing. The influence of media alone has contributed significantly to the development of the post-materialist society, the increasing popularity of consuming sign value and a consequent highly increasing consumer shift towards the Fair Trade discourse. Thanks to the World Wide Web, the international media is literally at people’s fingertips and with it are the media’s influential descriptive norms that prescribe the consumption of Fair Trade products to be crucial when one wants to be perceived as an ethical consumer. The New Consumer Magazine is an example of how media seeks to connect with ethical consumers and spread descriptive norms. This magazine declares itself to be “UK’s hottest ethical lifestyle magazine” and features ‘celebrity greenies’ and other examples of the how to consume ethically. This magazine clearly shows that ethical consumption is currently very popular and strengthens this argument by presenting Hollywood stars as role models of how to consume ethically. This exemplifies how descriptive norms, norms that assist an individual in how to identify in order to adhere to a certain social category, are of influence in regard to ethical consumption. Information on social injustice and the violation of human rights is additionally only a click away on one’s TV or computer screen. In addition to the increasing popularity of online grocery shopping, the ‘spectacle’ has induced the further development in ethical consumption.

If an individual clearly identifies as an ethical consumer, Matthias Varul aptly defines this as ‘ethical selving.’ Varul describes ethical selving as the consumption driven by a desire “to feel and be perceived as socially responsible.” Sooyoung Cho and Andreas Krasser add to this definition by stating that ethical consumption is “a vehicle for moral self-realization, guided by self-identification with ethical issues.” These authors perfectly show that both injunctive norms concerned with how one is

75 Peattie, “Green Consumption,” 211.
78 Varul, “Ethical Selving in Cultural Contexts,” 183.
perceived and moral norms focused on self-identification are important when 
explaining ethical consumption.

Consumers can participate in this ‘ethical selving’ in a variety of ways. The 
spectacle does not only influence consumers, consumers can also self-identify and 
influence others via the spectacle. Some remarkable and fairly contemporary 
examples of performing ethical selving can be found in social media. Although people 
who take pictures of food are often ridiculed\(^{80}\), there appears to be a trend of 
individuals photographing what they eat and spreading this via Facebook, Twitter, or 
Instagram. This phenomenon validates this thesis’ claim that food is now part of 
consumers’ lifestyle. People generally use social media as a means to connect with 
people with a similar lifestyle and thereby often feel reinforced in their beliefs and 
values.\(^{81}\) Especially the last platform, Instagram, is a perfect podium for the identity 
making process of an ethical selver. Via the app’s hasthtags, one can roughly figure 
out how many posts are made about Fair Trade products. Entering the hashtag 
‘#fairtrade’ in the app’s search tool, currently\(^{82}\) 295,720 pictures of consumed Fair 
Trade products are shared via the spectacle by ethical selvers. The hashtag 
‘#fairtradecoffee’ shows an additional 3,398 pictures of people who specifically 
define their consumed Fair Trade product to be coffee. It is clear that the people 
posting these pictures want to be perceived as ethical consumers and Instagram offers 
them the opportunity to satisfy this need. Additionally, Instagram provides an 
opportunity for companies and people to motivate others to consume ethically and 
buy Fair Trade products. Hashtags such as ‘#fairtrademonth’, ‘#fairtradechallenge’ 
and ‘#fairtradefriday’ appear to be motivators for purchasing Fair Trade products and 
are a coherent example of how descriptive norms can be spread via the spectacle.

3.4 Fair Trade coffee

The use value of a cup of conventional coffee in contrast to a Fair Trade one is 
generally the same. The sign value however is much different. The sign value of a 
Fair Trade cup of coffee can therefore in addition to its different production process, 
marketing and consumption, also be measured in added exchange value. Although the

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\(^{80}\) “Photos of Hipsters Taking Photos of Food,” SadandUseless, n.d., 
http://www.sadanduseless.com/2013/02/hipster-food/ (accessed 10 April 2015).


\(^{82}\) On April 10, 2015.
financial merits of purchased Fair Trade coffee beans are supposed to benefit the farmers that produced them, it appears that the retail price for which the coffee is sold is generally about a hundred times greater than the extra payment Fair Trade farmers receive.\textsuperscript{83} It makes one wonder how the sign value of this coffee can increase the retail price of Fair Trade coffee to such a large extent. Veronika Andorfer and Ulf Liebe aptly link the influence of sign value to the consumption of Fair Trade coffee in “Consumer Behavior in Moral Markets”. Andorfer and Liebe reason within the social logic of differentiation in order to explain how the added symbolic value of Fair Trade works: “When buying Fair Trade coffee – a more expensive but functionally equivalent product to conventional coffee – consumers can signal a high social status to and distance themselves from other members of society.”\textsuperscript{84} This exemplifies the function of Fair Trade’s sign value. Individuals can purchase Fair Trade coffee in order to signify an identity of someone who is ‘doing-good’. By spreading images of Fair Trade consumption, such a consumer also implies to be ‘better’ in comparison to other members of society.

Conclusion: The influence of identity-construction and norms on ethical consumption

It is apparent that sign value, and its identity-constructing functions positively influences the consumption of Fair Trade products. Its identity making functions are justified by the social logic of differentiation. All three social norm-categories [injunctive, moral, descriptive] additionally have an impact on Fair Trade consumption. Based on the existing literature, it appears that injunctive norms are the most important stimulators for Fair Trade consumer behavior. This assumption is based upon the extensive influence that a product’s sign value has on the consumer’s identity. In order to be perceived as an ethical consumer, or more broadly as someone who wants to do good from a distance, people must adhere to the injunctive norms that such a social category entails. In order for an individual to be perceived as an ethical consumer, Fair Trade consumption functions as a social norm that is significant in this identification process. This social norm can be defined as ‘doing-good.’ Fair Trade products have a high sign value of ‘doing-good,’ which is why the purchase and consumption of such products enable an individual to signify towards others that such a consumer is a person who is ‘doing-good.’

\textsuperscript{83} Griffiths, “Fairtrade: Comment on Tedeschi and Carlson,” 279.

\textsuperscript{84} Andorfer and Liebe, “Consumer Behavior in Moral Markets,” 1254.
However, in order to self-identify as an ethical consumer, there must be a motivation for consumers to commit to Fair Trade products. This is where the social logic of differentiation and moral norms are of influence. In order to be perceived as an alternative consumer, one must consume differently in order to stand out and signify a higher social status in relation to others. There are a variety of alternative commodities that consumers can choose from in order to differentiate themselves from others. A Fair Trade product is an alternative commodity that carries a very clear sign value and can therefore be a relatively easy and coherent means to such an end. By consuming Fair Trade products, consumers can further construct a coherent self-image as morally motivated person. This self-image can be defined as ‘someone who is doing-good at a distance.’

Descriptive norms appear to have a significant influence on Fair Trade consumption as well. These norms inform consumers what products, carrying what specific sign value they are supposed to purchase in order to be identified as someone who is ‘doing-good.’ Although injunctive norms might have the biggest influence on individual consumers, descriptive norms are essential in the dissemination and extension of the Fair Trade narrative. As long as descriptive norms are being produced and continually reproduced, the Fair Trade discourse is able to continually develop and challenge the normative International Free Market discourse. The media, online and offline, spread descriptive norms and have a widespread influence on consumers. They generally use the ‘spectacle’ in order to inform consumers why and how to identify as an ethical consumer. These descriptive norms are thus often spread via cultural means. In order to adhere to descriptive norms and identify as an ethical consumer, consumers can purchase products that carry a Fair Trade label. However, as aforementioned, consumers can also contribute to the dissemination of descriptive norms themselves via social media. Social media in this manner serves as an extension of other media and often strengthens the initial descriptive norm. A last, but important stakeholder in the dissemination process of descriptive norms for Fair Trade purchases are conventional or Fair Trade product importing companies. Via marketing tools they can disseminate descriptive norms that advantage them. However, injunctive norms have an influence on companies as well, so this dynamic works both ways. The next chapter will discuss this phenomenon in more detail.
Chapter 4: Spill the beans: How is your coffee produced?

Introduction

Consumers can have a significant influence on the (Fair Trade) coffee market and the stakeholders active on this market. However coffee companies can also influence consumers. The increasing group of ethical consumers and the highly relevant concept of sign value linked to these consumers, changes the ways in which companies address their potential customers. The market share of Fair Trade products has increased significantly. Whereas in the 1980s the market share of Fair Trade products was always under 3% of the total market, currently Fair Trade products such as coffee have market shares as high as 20% in multiple European coffee markets. The current post-materialist state of advanced societies will only continue to contribute to the popularity of this discourse in the future. Lise Langeland fittingly states that when “the patterns of consumption change, so do the ways in which the consumers should be addressed.” Companies are thus adjusting their marketing tools in order to profit from the current trend in ethical consumption. Based upon the previous chapter on consumption, this thesis assumes that the sign value of Fair Trade coffee is an important motivator for ethical consumers to purchase the product, even when it then costs relatively more. The sign value concept can lead to enormous financial advantages for companies that are able to tie a high symbolic value to their products, as sign value is generally cheap to produce and can be sold for a high price. Conventional coffee roasting companies therefore need to find new ways to signify that they are socially responsible, similar to Fair Trade certified companies, in order not to miss out on the expanding range of business that the increasing trend in ethical consumption offers. Even if conventional coffee companies did not initially want to address this consumer group, they are left little choice as traditional Fair Trade brands such as Max Havelaar have began to set social standards and norms to such an extent that other coffee firms have to adhere to them as well. In this chapter the Max Havelaar Foundation Netherlands and the large coffee roasting company

Douwe Egberts will function as two case studies that will assist one into understanding how the Fair Trade discourse has become relatively significant in the Netherlands. This thesis has selected these two companies as case studies because Douwe Egberts is the biggest and most successful conventional coffee roasting company in the Netherlands, whereas Max Havelaar is the most influential and biggest Fair Trade coffee organization. Using two case studies with significant authority and influence on the Dutch coffee market gives claims based on these cases more legitimacy.

Customarily it appears that Douwe Egberts fits into the International Free Market Economy discourse and Max Havelaar into the Fair Trade one. It can be determined that the ethical consumption market in the Netherlands is substantial as in 2011, 72% of Dutch citizens declared that they believe Fair Trade products contribute to the establishment of ‘a better world.’\textsuperscript{89} Based upon this high percentage, one can clearly assume that the Fair Trade discourse is challenging the normative International Free Market Economy narrative in the Netherlands. Additional research on Fair Trade consumption in the Netherlands supports this claim. A study on Dutch consumers, conducted by the Nationale Commissie voor internationale samenwerking en Duurzame Ontwikkeling (NCDO) shows that in 2013, 59% of Dutch households has bought Fair Trade products at least once, this is a high increase in regard to the 23% in 2007.\textsuperscript{90} The number of households that purchased Fair Trade products has increased from 1,289,000 households to 4,468,000 households between 2007 and 2013, and Fair Trade chocolate, fruit and coffee are the most purchased products of these ethical foods.\textsuperscript{91} Such a big rise in demand of Fair Trade coffee allows organizations such as Max Havelaar to effectively compete with Douwe Egberts coffee sales.

In addition to this economic pressure, one can also note an increasing social pressure towards Douwe Egberts, especially in regard to taking its corporate social responsibility (CSR).\textsuperscript{92} Over the last few years, Douwe Egberts has increasingly responded to this social pressure by focusing on decreasing its impact on the

\textsuperscript{92} Ingenbleek and Reinders, “The Development of a Market for Sustainable Coffee in the Netherlands,” 467.
environment and importing certified beans. This appears to be a rational decision when reading Matthew Adams and Jayne Raisborough’s article “Making a Difference,” in which these authors explain that consumption numbers of Fair Trade products are unprecedented, and “everything tied to it proliferates.”\textsuperscript{93} It thus appears to be fairly profitable to sell ethical products. In order to closely examine the shift towards the Fair Trade discourse in the Netherlands and assess whether this discourse truly challenges the normative International Free Market narrative, the focus of this chapter is two-fold. After shortly introducing both of the case studies, this thesis will examine how norms and ideas influence the decision-making behavior the two coffee companies as well as how the two companies disseminate norms and values themselves via their marketing tools.

4.1 The conventional coffee roasting company: Douwe Egberts

Douwe Egberts is a traditionally Dutch coffee roasting company, founded in 1753. The company can be perceived as traditionally Dutch to such a large extent, it is often said to have “taught the Dutch how to drink coffee.”\textsuperscript{94} Douwe Egberts has been a daughter company of the multinational coffee cooperation Sara Lee for three decades, but continued independently as ‘D.E. MASTER BLENDERS 1753’ in 2011. The coffee company has been the biggest coffee firm in the Netherlands for the past three hundred years, and accounts for about 70% of the total coffee sales in the country.\textsuperscript{95} This dominance in the Dutch coffee market gives the company an influential position in the international coffee market. However, coffee companies such as Douwe Egberts are continually pressured to take their CSR. CSR means that in addition to their commercial responsibilities, companies take their social responsibilities and take their company’s influence on the environment, animal welfare, development, labor conditions and human rights into account.\textsuperscript{96} Companies often express their CSR in their codes of conduct, but also in CSR-related marketing and brands. However, although Douwe Egberts has been aware of the crisis following the disintegration of

\textsuperscript{93} Adams and Raisborough, “Making a Difference,” 257.
\textsuperscript{94} Ingenbleek and Reinders, “The Development of a Market for Sustainable Coffee in the Netherlands,” 464.
\textsuperscript{96} Patrick de Pelsmacker, Wim Janssens, Ellen Sterckx and Caroline Mielants, “Fair-trade Beliefs, Attitudes and Buying Behavior of Belgian Consumers,” 126.
the ICA that hit coffee bean growers at the end of the 1980s, it appears the firm did not feel the responsibility to act. Douwe Egberts justified this inaction by stating that “Coffee and politics do not mix.” 97 Instead the firm argued that it was the responsibility of national governments to help their citizens.

In this thesis, Douwe Egberts will be examined as a significant example of a company that legitimizes its actions by using the rationale of the International Free Market discourse. However, this does not mean the company is not influenced by the increasing consumer shift towards the Fair Trade discourse. Although to a minimal extent and most prominently influenced by financial motives, it will be shown that the coffee company has demonstrated initiatives towards a higher level of CSR.

4.2 The Fair Trade label: Max Havelaar

In the 1980s, the earliest Fair Trade organizations set up labeling schemes that allowed corporations to certify some of their products as ‘Fair Trade.’ Fair Trade organizations aim to improve the level of equality of trade relations, as well as improve working conditions in a social manner in (semi-) periphery countries. 98 The Dutch brand Max Havelaar, now named Fairtrade Max Havelaar Netherlands, is generally known to have set up the very first Fair Trade label in 1988. The motto of this company is that “there is no better remedy against poverty, than the means to provide one’s own income.” 99 Although Max Havelaar does not solely sell coffee but also other products, it is similar to Douwe Egberts traditionally a coffee distributor. 100 Max Havelaar was the first Fair Trade label in the world and initially only focused on coffee as its Fair Trade product, but later expanded to cacao, tea, bananas, sugar, orange juice, flowers and gold. 101 It additionally is the most successful Fair Trade

label in the world.\textsuperscript{102} The name of the label is derived from a fictional Dutch character that stood up for exploited coffee farmers in Eduard Douwes Dekker’s (better known as his pseudonym Multatuli) \textit{Max Havelaar}.\textsuperscript{103} The Max Havelaar Foundation is intrinsically tied to Fair Trade International, which is not surprising when considering its influence on the history of the labeling organization. After the founding of the Dutch Max Havelaar, other countries in Europe joined this Fair Trade initiative, finally leading to the establishment of an international umbrella labeling organization in 1997: Fair Trade International.\textsuperscript{104}

Solidaridad, an international organization that supports Fair Trade and sustainability initiatives, is the founding organization of the Max Havelaar Foundation and heavily supported the foundation during its challenging first years. These challenging first years were amongst others due to the dominant position of Douwe Egberts on the Dutch coffee market. Although the market share of the label accounted for less than 1% when it started, Douwe Egberts feared the potential growth of this new initiative, as Max Havelaar was predicted to expand substantially after its establishment. Max Havelaar attempted to convince Douwe Egberts to work with the Fair Trade label, as this would give the Fair Trade market an enormous boost, however when Douwe Egberts refused, Max Havelaar planned to convince other coffee roasting companies to work with the label. Solidaridad employee Nico Roozen was told in a conversation with Douwe Egbert’s CEO that Max Havelaar would only be allowed a 5% market share, otherwise Douwe Egberts would sweep the label of the market.\textsuperscript{105} Roozen was convinced that Max Havelaar could get a market share significantly higher than 5% and the foundation continued to try and persuade other coffee roasting companies to join the initiative. However, Douwe Egberts effectively convinced all coffee companies but one in the Netherlands not to join Max Havelaar.\textsuperscript{106}

\textsuperscript{103} Multatuli, \textit{Max Havelaar: Or the Coffee Auctions of the Dutch Trading Company}, (Amsterdam: Elsevier, 1881).
\textsuperscript{105} Ingenbleek and Reinders, “The Development of a Market for Sustainable Coffee in the Netherlands,” 465.
\textsuperscript{106} Ingenbleek and Reinders, “The Development of a Market for Sustainable Coffee in the Netherlands,” 466.
In hindsight it appears that Douwe Egberts could have put less effort in preventing Max Havelaar from entering the market, as consumers were not identifying with the Fair Trade label as much as Max Havelaar had hoped. Until the 1990s there were not enough consumers concerned with ethics that Fair Trade organizations could substantially profit from.\footnote{Ward, “DIRTGIRLWORLD,” 30.} Fair Trade thus was not the trendy food product as it is currently is thanks to the increasing popularity of ethical consumption. Max Havelaar only managed to convince Neuteboom, a small coffee roaster, to produce Fair Trade coffee.\footnote{Ingenbleek and Reinders, “The Development of a Market for Sustainable Coffee in the Netherlands,” 466.} The coffee was sold in a variety of the major Dutch supermarket channels. In the decade that followed, Douwe Egberts was able to ignore Max Havelaar and its call for Fair Trade coffee production, as Max Havelaar never managed to generate more than a 3% market share in the Dutch coffee market until the mid-1990s.\footnote{Ingenbleek and Reinders, “The Development of a Market for Sustainable Coffee in the Netherlands,” 466.} There were just no other roasters that were willing to take the risk and produce Max Havelaar coffee. Although Max Havelaar was not selling a lot of coffee in the first decade after its establishment, the foundation persevered and chose to internationalize its Fair Trade concept during these unsuccessful years. When ethical consumption and Fair Trade coffee in particular, did become trendy after the second coffee crisis in the mid-1990s, so did Max Havelaar. However, with this increasing ethical market, competitors were soon to follow. Utz Kapeh, a label that also focuses on sustainable coffee production, emerged in the end of the 1990s and the concept became increasingly popular in the Netherlands. Even Douwe Egberts’ coffee beans are currently partly Utz Kapeh certified and the reason behind Douwe Egbert’s support for Utz Kapeh will be explained in the next section.

4.3 Norms and ideas influencing the decision-making behavior the two coffee companies

In order to determine what norms and values, deriving from the International Free Market and Fair Trade discourse are motivating Douwe Egberts’ and Max Havelaar’s actions, this thesis has designed the following matrix in order to coherently categorize the two companies.


<table>
<thead>
<tr>
<th></th>
<th>International Free Market</th>
<th>Fair Trade</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mode of production</td>
<td>Conventional, the mode of production deemed as normal in advanced societies.¹¹⁰</td>
<td>Focus on upholding human and labor rights in the production process.¹¹¹</td>
</tr>
<tr>
<td>International market preferences</td>
<td>As unregulated as possible in order to generate the most benefits.¹¹²</td>
<td>Regulated, most notably by offering a GMP to farmers.¹¹³</td>
</tr>
<tr>
<td>Marketing focus</td>
<td>To act in accordance with consumer demand.¹¹⁴</td>
<td>Intrinsic focus on the social injustice involved in production and trade.</td>
</tr>
<tr>
<td>Marketing objectives</td>
<td>Maximizing profits.¹¹⁵</td>
<td>Promoting sustainable development in the Global South.</td>
</tr>
<tr>
<td>Symbolic value</td>
<td>Perceived as ‘normal.’</td>
<td>A high value of ‘doing-good at a distance.’</td>
</tr>
</tbody>
</table>

In this matrix, the International Free Market and Fair Trade discourses are already categorized on the basis of this thesis’ theoretical framework. The different categories of the matrix have been identified on the basis of this framework as well. This thesis argues that such a matrix will assist one in determining what discourse both of the coffee companies are rooted in and act out of. First, in section 4.3 this thesis will assess what norms and values, deriving from what discourse, motivate the behavior of both companies. Second, in section 4.4 this dissertation will focus on what norms and values are disseminated by both Douwe Egberts and Max Havelaar, after which this thesis establishes in what discourse these companies are rooted and what this entails for the overall discussion on these two discourses.

¹¹⁰ St. Clair, “Global Poverty,” 140.
¹¹¹ Bryant and Goodman, “Consuming Narratives,” 357.
¹¹² Smith, “Fair Trade, Diversification and Structural Change,” 460.
¹¹³ Chambolle and Poret, “When Fairtrade Contracts for Some are Profitable for Others,” 836.
¹¹⁵ Friedman, “The Social Responsibility of Business is to Increase its Profits,” 52.
Douwe Egberts

With its “coffee and politics don’t mix” statement, Douwe Egberts clearly argues that it does not want get involved into issues concerning for example social injustice or the violation of human rights in relation to its coffee bean production. This thesis argues that Douwe Egberts is a significant example of a company that is firmly supporting and vice versa supported by the International Free Market discourse. The firm’s importation of Utz Kapeh certified coffee beans appears to be fairly illogical in this respect, however this dissertation clarifies in this section that importing Utz Kapeh beans can be justified from an International Free Market perspective. In this section, this thesis will therefore focus on this discourse’s norms and ideas that stimulate Douwe Egberts’ actions.

Douwe Egberts’ importation of Utz Kapeh coffee beans can be explained by the motivation of neoliberal norms that derive from the International Free Market discourse. As aforementioned, is it necessary for companies to differentiate themselves in order to maintain their competitive position in the increasingly globalized economy. Douwe Egberts has been able ascertain its dominant position in the Dutch coffee market relatively easily for two centuries. Douwe Egberts currently still is the biggest firm on the Dutch coffee market. However, it appears the firm’s dominant position became to be increasingly challenged when ethical sign value began to become more significant in the decision-making process of consumers. It must be noted that in the post-materialist age, coffee consumption should also be defined as a “‘symbolic circulation’; a circulation of values, narratives, and social distinctions.” Consumers are currently not only concerned with the use value of coffee anymore; they also focus on what such a cup of coffee signifies. Consequently, the dominant position Douwe Egberts has gotten accustomed to appears to be threatened to a certain extent and the company’s overall profits have been decreasing. Ethical brands such as Max Havelaar on the contrary, have become increasingly popular at the end of the 1990s by distinguishing themselves by their products’ ethical value. This appears to be in line with the Fair Trade narrative’s challenging of the International Free Market discourse. Douwe Egberts has tried to exploit the consumer shift towards ethical consumption, but based upon the

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company’s roots in the International Free Market discourse, it is clear that the firm would never do so by producing Max Havelaar coffee beans. Nico Roozen from Solidaridad explains the rationale behind this statement:

“DE [Douwe Egberts] would never accept that. For its core product, a system should be implemented for which price setting is not free because of a minimum price guarantee. In a competitive market, this would be impossible for such a company. They would be competed out of the market during times of price crises.”

The International Free Market norm that assumes that a free fluctuation of prices brings about the most revenue appears to lie at the core of this statement. As demand and supply should fluctuate freely in order to set the cheapest price, Douwe Egberts rejects the GMP mechanism of Fair Trade labeling organizations. The company defends this rejection as: “compensating coffee farmers for the burden of lower income by artificially paying guaranteed prices provides an incentive to over-production.”

According to Douwe Egberts, the GMP mechanism thus appears to regulate the coffee market to a certain extent and therefore hinders the fluctuation of coffee bean prices. However, if Douwe Egberts justifies its disinterest in producing Fair Trade Max Havelaar coffee beans in this manner, how can the company legitimize its importation of Utz Kapeh certified coffee beans?

This thesis argues that the firm can justify such a decision, because Utz Kapeh is not necessarily a consumer label, but could better be defined as a CSR concept. As the two coffee crises in the mid-1990s has led people to pressure coffee companies to take their social responsibilities in their production countries. This crisis was due to over-supply, most notably stimulated by the disintegration of the ICA and the unprecedented coffee bean production by farmers in Vietnam and Brazil. This over-supply drove coffee beans prices down to a large extent and many small coffee farmers saw their profits disappearing and their debts rising.

When it appeared that national governments could not solve this crisis, consumers linked the behavior of multinationals to the poor working conditions and increasing poverty of coffee farmers in developing countries. These consumer movements are often strengthened by campaigns organized by non-governmental organizations (NGOs) and in the past

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121 Bacon, “Confronting the Coffee Crisis,” 498.
decade these campaigns have gained more mainstream coverage in the media than they ever had before. These consumer movements, highly covered by the media, consequently led to an increasing focus on CSR for all multinationals involved in coffee trade. This thesis claims that the establishment of new (social) media and the spread of descriptive norms concerning CSR via popular culture have additionally greatly increased the pressure on multinationals. Oxfam Novib clearly explains why new media changes the way companies address CSR: “These shifts in both social technology and consumer behavior mean that companies are increasingly vulnerable to consumer opinion and must respond to consumer pressure faster than ever.” It is not coincidental that when Starbucks started to express an increasing level of CSR, most impressively by offering Fair Trade coffee in a variety of its establishments in 2000, other coffee companies quickly followed. These coffee companies followed Starbucks’ initiative in order not to lose out on the advantage Starbucks created for itself by increasing the ethical sign value of its coffee to a large extent. Therefore many firms decided to pay significant attention to their own ethical marketing tool; their CSR. In 2011, the United Nations (UN) additionally prescribed international businesses a set of responsibilities in regard to human rights. Under UN principles, companies were expected to ensure, by undertaking due diligence, that they did not violate human rights by their practices in the countries where they were producing their products. A global turn towards CSR can be noted amongst companies because of the descriptive practices of the UN in this regard.

These descriptive norms and practices have influenced Douwe Egberts’ actions and behavior as well. The firm has increased focus on its CSR significantly after the company’s celebration of its 250 years of existence, about three years after Starbucks did. The firm planned to celebrate its 250 years of coffee production intensively, however a campaign organized by Dutch NGOs, the so-called Coffee Coalition, attempted to temper these festivities. Their slogan was “It’s Douwe Egberts birthday, but there’s nothing to celebrate.” This campaign targeted Douwe Egberts specifically, claiming the firm financed slaveholders that violated human rights on

124 Kolk, “Corporate Social Responsibility in the Coffee Sector,” 230.
127 “Douwe Egberts is jarig, toch is het geen feest.”
their coffee plantations. Posters claiming that ‘there is nothing to celebrate,’ were plastered on buildings all over the Netherlands. In this manner, NGOs held Douwe Egberts publicly accountable for the violation of human rights that occurred in the production of their coffee beans. The campaign’s goal was to stimulate Douwe Egberts to take its social responsibility and attempt to uphold fundamental workers’ rights and decent prices for its coffee farmers. Douwe Egberts’ symbolic status as a cozy Dutch brand seemed less appealing to the Dutch public with all of this bad press surrounding the firm. The Coffee Coalition’s campaign prescribed descriptive ethical norms that were strengthened by the support of the Dutch NGO community. As Douwe Egberts wanted to be perceived by its consumers as a company that is ‘doing-good,’ the firm aptly responded to this campaign in order to maintain its identification as a ‘good’ company. Douwe Egberts therefore answered the Coffee Coalition’s requests and showed it increasing CSR by starting to import Utz Kapeh certified coffee beans. Its CSR initiatives paid off after a few years, as Douwe Egberts was said to sell [ethically] ‘good coffee’ in a national Dutch newspaper in 2014.

This dissertation argues that market incentive that the popularity of ethical consumption provides, in addition to the ethical norms both consumers and organizations attempt to steer Douwe Egberts’ actions with, have influenced Douwe Egberts to such an extent that the company is currently importing Utz Kapeh coffee beans for its coffee production. The identified market incentive is rooted in the additional added sign value of certified beans, as Utz Kapeh is injected with a symbolic value that is similar although less strong to Fair Trade’s sign value. It must be noted however, that these certified beans are only a marginal percentage of Douwe Egberts’ total amount of coffee beans. Only around 16%, of all Douwe Egberts’ imported beans are Utz Kapeh certified, although the company tries to increase this amount to 25% in 2015. As the firm had to increasingly compete with

132 Fridell, Fair Trade Coffee, 54.
Max Havelaar at the end of the 1990s and the beginning of the new millennium, Douwe Egberts lost part of its traditional consumer group to the ethical consumption movement. As consumption is essential to people’s identity-construction, and ethical consumption is becoming increasingly popular, companies such as Douwe Egberts can benefit financially from this consumer movement. Companies all over the world, with Douwe Egberts amongst them, have recognized ethical consumption “as a commercial opportunity for an expanding range of business.” When there is such an increase in ethical selvers, it would be strange for Douwe Egberts, who’s main goal is to generate as much profits as possible, to let a label such as Max Havelaar exploit this consumer shift. Fair Trade International for example has increased its profits by 12% in 2011 alone. In the Netherlands there is a definite similar trend in Fair Trade consumption sales, with Max Havelaar increasing its Fair Trade coffee profits with 28% in 2013, almost selling two million cups of Fair Trade coffee every day. Douwe Egberts in its turn has mostly seen its profits go down and its market share decreased. Although this decrease is due to a variety of reasons, the increase of sustainable coffee consumption has been identified as being a major contributor.

The Utz Kapeh certification system specifically suffices in Douwe Egberts’ CSR needs. Firstly, because Utz Kapeh is a CSR concept, it does not work with minimum guaranteed prices. It thus might cost Douwe Egberts more money to buy certified beans, but not to the same extent as would be the case for Fair Trade coffee. Nor would it go against the International Free Market norm concerning the free fluctuation of prices. Secondly is importing Utz Kapeh certified coffee perfect for companies that mostly want to perceived by others as ‘doing-good,’ and are less concerned with the self-identification of ‘doing-good.’ Gavin Fridell in Fair Trade Coffee: The Prospects and Pitfalls of Market Driven Social Justice adequately characterizes companies that are predominantly acting within the bounds of the International Free Market discourse, as mainly concerned with their public image. Therefore do the marketing strategies that such companies deploy aim “to manipulate, rather than meet the consumer demand.” Fridell explains that companies are

137 Fridell, Fair Trade Coffee, 73.
increasingly acting in accordance to consumers’ calls for Fair Trade products, however he emphasizes that these actions are generally minor commitments, to which the company in question then devotes an immense amount of positive publicity. Fridell’s argument fittingly applies to Douwe Egberts. Conventional coffee producers namely argue that their only responsibility as a company must be “to respond to consumer demand” whilst simultaneously staying competitive on the coffee market. The Utz Kapeh certification system is an example of a generally less demanding response to ethical consumer demand, especially in regard to Fair Trade labeling. However such certification still serves the purpose of producing a similar sign value to Fair Trade, although the Utz Kapeh label is less positively recognized by consumers than the Fair Trade label is. As Paul Ingenbleek and Machiel Reinders’ research on the most effective stimulators for sustainable development proves; are consumer labels such as Fair Trade and Max Havelaar the greatest stimulators of change. CSR concepts such as Utz Kapeh can be defined as ‘second-best’. Because of this finding, the Dutch province of Groningen demands from their coffee suppliers that their coffee meets Fair Trade benchmarks, instead of merely Utz Kapeh standards. Douwe Egberts has consequently sued the province for this incentive. It appears that Douwe Egberts refuses to take more of its CSR than the firm deems necessary in order to satisfy its ethical consumers. This finding strengthens the argument that Douwe Egberts is motivated by neoliberal values that center upon making profits and the firm is not taking its CSR because it wants to ‘do good’.

Importing Utz Kapeh certified coffee beans can be characterized as both responding to ethical consumption demands and the pursuit of the neoliberal ideal of successfully making profits by using the effectiveness of the free market. An example of this can be found on Douwe Egbert’s website, on which the company informs potential customers about its environmental sustainability. Increasing social justice is not one of the listed priorities in regard to Douwe Egberts’ sustainability efforts, but energy-effectiveness is. Douwe Egberts states to have invested in the most effective means of transportation for its coffee beans, in order to decrease its CO2 output. However the firm adds that this initiative naturally also saves the company fuel

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costs. Such a statement exemplifies the marketing strategy of the coffee company; it is willing to take its CSR, as long as the company benefits from it.

Max Havelaar

Max Havelaar clearly supports and is supported by the Fair Trade discourse. However, this thesis claims that the foundation’s successes are not only due to the added symbolic value of their products, but also due to its actions that are stimulated by neoliberal norms and values. Max Havelaar devotes a lot of attention to the social injustice its products are going against and this is an important aspect of the organization’s identity. However, the foundation’s successes in the last decade should partly be attributed to its growing conformity with the neoliberal ideals that derive from the International Free Market discourse. This exemplifies how the Fair Trade discourse is increasingly challenging the normative International Free Market discourse, but simultaneously also clearly ties itself to this narrative in order to develop further.

Moral norms have clearly influenced Max Havelaar from its establishment onwards. As aforementioned, did Solidaridad found the Max Havelaar foundation in 1988. Solidaridad is an organization that is concerned with upholding social responsible and sustainable supply chains, and has invested a lot of financial means in order to make Max Havelaar a successful labeling organization. The initial motive to set up Max Havelaar has therefore solely been focused on constructing an organization that is ‘doing-good’. Throughout the last two decades, the company has kept self-identifying with the social norm of wanting to ‘do-good.’ Max Havelaar organizes a few campaigns every year in order to raise awareness for this self-identified status of ‘doing-good.’ In these campaigns, the underlying message about Max Havelaar’s goals and objectives is continually the same; all messages revolve around the social problems that the organization wants to address. Max Havelaar clearly informs consumers about the moral imperatives that drive its actions. These imperatives are for example expressed on the organization’s website, where it states that Max Havelaar tries to tackle the imbalance in the international trade system, in

order to provide workers with a reliable wage and eradicate poverty in developing countries.\textsuperscript{145}

This thesis argues that not only moral norms, but also descriptive neoliberal norms and values are driving Max Havelaar’s actions to a substantial extent. The organization’s increasing popularity can even be deduced from its increasing accordance with neoliberal values. Fair Trade consumption can be defined as a new means of activism for consumers and Fair Trade products have a high ethical symbolic value. This added sign value also enables Max Havelaar to sell its coffee for more money. This higher retail price is necessary as it naturally costs more to produce Fair Trade coffee, as a lot of money is going towards the actual establishment of fair trade relations. It is therefore clear that without consumers willing to pay a higher price for their Fair Trade coffee, Fair Trade could not work.\textsuperscript{146} However, this higher retail price cannot precisely be linked back to these extra expenses. As research shows that the extra retail price of Fair Trade coffee is about a hundred times more than the extra financial means its coffee bean farmers receive and Fair Trade coffee farmers eventually only get 10\% of the additional price that consumers pay.\textsuperscript{147} Fair Trade labels such as Max Havelaar are free to charge whatever they please for their coffee and make use of this advantage, as people are prepared to pay a considerably higher price for the symbolic value ‘Fair Trade’ encompasses. The neoliberal value of making profits thus is clearly present in Max Havelaar’s marketing objectives, when examining Fair Trade prices.

The symbolic value that enables Max Havelaar to charge higher than average prices for its coffee is centered upon social injustice. Although Max Havelaar has originally been established because Solidaridad and other NGO’s were dissatisfied with the unfair consequences of global capitalism, it appears that the organization is also reaping benefits from the current state of the global market.\textsuperscript{148} An often-heard critique of the current state of consumption is that the relation between the producer and the consumer has disappeared. This broken connection then leads consumers to value a product merely on its sign value, instead of on the manner or circumstances under which it is produced. Consumers are consequently not informed enough to

\textsuperscript{146} Fridell, Fair Trade Coffee, 54.
\textsuperscript{147} Griffiths, “Fairtrade: Comment on Tedeschi and Carlton,” 279.
\textsuperscript{148} Ingenbleek and Reinders, “The Development of a Market for Sustainable Coffee in the Netherlands,” 463.
judge a product on its production process and are therefore unaware about the social injustice under which such products could be produced. In order to stimulate change in this regard, Max Havelaar informs Dutch citizens on the social injustice involved in the production of their coffee. It therefore might seem that the Fair Trade movement is challenging the current state of consumption in advanced societies, and to some extent it certainly is. However, influenced by the neoliberal value of increasing profits, Max Havelaar is definitely also enjoying the benefits of the post-materialist state of advanced societies. Sign value costs little, but it generates an impressive amount of exchange value, even for Fair Trade organizations, which have to invest relatively more in their symbolic value. Gavin Fridell characterizes Fair Trade to be “about reinforcing the commodification of our daily lives, as it now becomes possible to purchase ethics at the local supermarket.”\textsuperscript{149} Fridell characterizes Fair Trade discourse quite clearly, as he argues that Fair Trade might aim to work against multiple aspects of the current trade relations; it also uses current ethical consumption patterns to its commercial advantage. With regard to Max Havelaar’s recent successes, for example increasing its profits by 28% in 2013\textsuperscript{150}, one can say that the foundation is selling its symbolic value quite well.

Max Havelaar can be characterized as an organization that acts out of the Fair Trade discourse, whilst cooperating with the International Free Market. Fair Trade labels can charge higher amounts of money for their products than conventional producers can, because consumers are often willing to pay up to 25% more for Fair Trade coffee than conventional coffee.\textsuperscript{151} Coffee companies such Douwe Egberts would not be able to do this with Utz Kapeh certified coffee as they are competing with the prices of other coffee firms. However as the retail price for Fair Trade coffee is often much higher than the production costs, this could enable Max Havelaar to lower its coffee prices and truly challenge Douwe Egbert’s dominance on the Dutch coffee market. The fact that the label does not do this can be viewed as an appeasement strategy by the Fair Trade organization towards the conventional company. Without the dominance of the International Free Market discourse and the companies acting within its bounds, it appears that the Fair Trade narrative cannot

\textsuperscript{149} Fridell, \textit{Fair Trade Coffee}, 97.
develop further. Although Max Havelaar can be seen as a competitive participant in the Dutch coffee market, it decreases its own competiveness by not lowering its prices, even when this is possible in regard to its revenues. Max Havelaar depends on consumers on voluntarily choosing a more expensive, but Fair Trade product. In order to optimize this choice the label makes sure its coffee is as widely available as possible.\textsuperscript{152} Although Max Havelaar cannot outcompete Douwe Egberts in regard to prices, the label could choose to challenge the company in such a manner. However, in its niche position, Max Havelaar has a lot of possibilities to expand and enjoy the benefits the international free market, without actively engaging in free market competition. Additionally can lowering prices be seen as a neoliberal strategy, choosing not to lower its products’ prices thus also shows Max Havelaar’s correlation with the Fair Trade discourse. As Fair Trade is not specifically working against the system and on the contrary is acting increasingly more in accordance with neoliberal norms and values, Douwe Egberts tolerates Max Havelaar on the market in a similar manner as the International Free Market narrative accepts the existence of the Fair Trade discourse. Max Havelaar namely does not hinder neoliberal ideals such as free trade and free competitiveness on the Dutch market in its marketing actions.\textsuperscript{153}

Fair Trade organizations often choose to work with big corporations, instead of against them. The neoliberal norm of making profits is namely important for all actors involved and by cooperating, these profits can be maximized. For Fair Trade labels such as Max Havelaar, working with coffee companies and commercial supermarkets is essential in order to keep expanding, whilst the coffee companies in their turn can profit that the added ethical sign value of their Fair Trade coffee lines offers.\textsuperscript{154}

4.4 The dissemination of norms and values by the coffee companies

Douwe Egberts and Max Havelaar are not only motivated by norms and values, but both are also actively disseminating descriptive norms. In a post-materialist society, in which companies are competing over what product has the greatest sign value, a firm’s marketing tools and strategies are more important than ever. As consumption is

\textsuperscript{153} Fridell, \textit{Fair Trade Coffee}, 76.
\textsuperscript{154} Fridell, \textit{Fair Trade Coffee}, 73.
now essential to the construction of an individual’s identity, companies can influence this consumption by selling commodities with sign value that can assist in constructing such an identity. Via their marketing tools, companies are deliberately spreading norms and values in order to stimulate consumers to buy their products. Douwe Egberts and Max Havelaar naturally do not market a similar sign value of their coffee, however some overlap between the two can definitely be noted. Both spread the ethical sign value of their products; Douwe Egberts in relation to its Utz Kapeh coffee beans’ contribution of sustainability and Max Havelaar in regard to the fair circumstances under which its coffee has been produced and traded. In relation to such ethical values, this thesis has established a descriptive norm that relates to Fair Trade/ethical consumption in its chapter on consumers: in order to be identified as someone who is ‘doing-good at a distance’ it is necessary to purchase Fair Trade or ethical coffee. In regard to this norm individuals in their turn “can express their feelings of responsibility towards society and their appreciation of socially responsible companies and products through ethical consumption behavior.” Both Douwe Egberts and Max Havelaar compete for the coffee consumption of ethical selvers and in order to differentiate themselves they deploy their own specific marketing strategies. When discussing marketing in regard to these two coffee companies, it is important to note that although the image of an advertisement is meant to appease the potential consumer, its ultimate purpose is always to benefit the company behind the advertisement. This section will analyze the deployed marketing tools of both Douwe Egberts and Max Havelaar in order to examine how the dissemination of norms and values works and what appears to be the best strategy in order to reach ethical consumers.

**Douwe Egberts’ code of conduct**

As aforementioned, does Douwe Egberts proliferate itself as a traditionally Dutch coffee brand. The trend in ethical consumption offers many commercial opportunities and it appears that this market incentive is the rationale for Douwe Egberts’ increasing focus on issues such as environmental sustainability and just labor.

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158 Bryant and Goodman, “Consuming narratives,” 356.
standards in the past decade. Additionally, in line with its traditional image of selling high quality coffee, Douwe Egberts markets its coffee as being environmentally and socially ethical, as well as being ‘good’ in regard to the quality and historical heritage of the brand. The firm hereby spreads descriptive norms that aim to convince both ethical consumers as well as mainstream consumers to purchase its coffee. In this manner, the company can adhere to values important in regard to the International Free Market and are centered on generating profits.

Douwe Egberts’ current focus on sustainability, especially in regard to its Utz Kapeh certified beans, is defined in this thesis as a definite attempt of the company to profit from the trend in ethical consumption. The company signifies how ethical its coffee is on its website, in its press releases, and in its code of conduct. When analyzing the company’s website and its press releases, it appears that Douwe Egberts mostly attempts to reach out to ethical consumers that are concerned about the environment. There is a specific part of Douwe Egberts’ website that is completely focused on sustainability. In this section the firm obviously focuses on its Utz Kapeh certified beans, but also on its other sustainability initiatives such as environmental friendly packaging material, effective product transport, and the lowering of its carbon footprint. Specifically aimed at ethical consumers is the section on ‘responsible consumption’, which explains how Douwe Egberts consumers can ‘do-good at a distance;’ an argument often used in regard to ethical consumption. The first and seemingly most important tip to do so, that Douwe Egberts gives visitors of its website is to simply buy Douwe Egberts coffee. Thereby the company is spreading the descriptive norm that one should buy Douwe Egberts coffee in order to be perceived as someone who ‘doing-good’ at a distance. The devoted attention to sustainability on the website appears to strengthen this norm, although similar reinforcement of this norm can be found in one of the firm’s press releases. In an article focused on sustainable energy-use, Douwe Egberts self-identifies as a socially responsible company. The firm’s argument to support this claim is that it uses coffee waste to generate energy. According to this press release, such initiatives make Douwe Egberts an even more sustainable coffee producer. Therefore this thesis

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claims that the function of this press release is to reaffirm the firm’s constructed identity as a socially responsible company.

Douwe Egberts appears to signify how ethical it is via taking its CSR, in order to spread descriptive norms that motivate ethical consumers to purchase its coffee. The main means for a company to express its commitment to CSR is via its code of conduct. Unsurprisingly, Douwe Egberts does this as well. When analyzing this code of conduct, one can note that the firm continually reaffirms its ethical values and thus its earlier identified descriptive norms, whilst also strengthening its claims by using arguments that are central to the International Free Market narrative. There is a large section in this code of conduct on how Douwe Egberts’ employees have to be “responsible corporate citizens.” The tension between being ‘responsible,’ as well as ‘corporate citizens’ is not addressed in this section. In the text this appears to be a natural relation, however there is no justification for one to assume this is the case as the paragraph mainly informs employees not to break any laws. It appears that this texts merely functions as a means to state Douwe Egberts’ CSR, without any legitimization of that claim in this regard.

In the following segment on responsible citizenship, Douwe Egberts devotes significant attention to its CSR, most notably in regard to the environment and the upholding of human rights. Douwe Egberts appears to actively engage with environmental issues and emphasizes that it wants to “implement sustainable practices worldwide, striving to meet or exceed environmental laws and regulations.” In regard to labor standards and human rights, Douwe Egberts appears to be less active. Its code of conduct generally emphasizes that Douwe Egberts employees need to “comply with international trade laws” and adhere to local laws on labor hour and wages in the countries where the company grows its beans. However this argument is slanted, as the company has no choice in the matter. The UN charter on human rights implemented in 2011 enforces this commitment. This

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meager commitment finds it argumentation in the International Free Market discourse, from which can be justifiably argued that a company can freely increase its profits, as long as its adheres to the basic rules of society. The paragraph stating that Douwe Egberts’ employees need to “always act in the best interest of the company” further strengthens this claim. This code of conduct appears to be a tool for Douwe Egberts to signify its CSR to NGOs and consumers. Although the company appears to undertake initiatives in regard to environmental sustainability, this is the only part of the code of conduct from which can be deduced that Douwe Egberts truly does increasingly take its CSR.

*Douwe Egberts’ website and press releases*

Next to signifying the ethical responsibility of its coffee in its, Douwe Egberts motivates consumers to buy its coffee by focusing on other symbolic values as well. The company namely spreads values centered around quality and its inherent ‘Dutchness’ in order to motivate consumers to purchase Douwe Egberts coffee. The dissemination of these values can mainly be found on the firm’s website and in its press releases. An example of such a value can be found on the section on Douwe Egberts’ website on which the firm presents its new packaging material. Douwe Egberts manages to relate this material to the quality of its coffee beans. The firm argues on its website that the coffee leaves surrounding its main logo signify the coffee’s quality. Douwe Egberts appears to want to connect this quality value to the traditional Dutch character of the brand, as the title of this webpage on packaging material is “Douwe Egberts: roasted for the Netherlands.” This title essentially links the company to the Netherlands as well as to every individual that identifies as Dutch. This type of rhetoric reoccurs in other Douwe Egberts media outlets as well, most prominently in its press releases.

This dissertation claims that in Douwe Egberts’ press releases, the presumed Dutchness of its coffee is presented as its most important sign value. When assessing the company’s press releases in 2013 and 2014, no less than twenty of the fifty-four

articles released by Douwe Egberts positively connect the brand to the Netherlands. Every article that connects Douwe Egberts to the Netherlands in order to signify something positive about the brand is counted amongst the aforementioned twenty press releases. A clear example of Douwe Egberts’ signification as an inherently Dutch brand can be examined in an article in which the firm presents a self-conducted research that proves the scent of its coffee alone inspires one third of all ‘Dutch workers’. As this research is self-conducted it should be assessed critically. Especially as it appears that this article servers the function of promoting a new Douwe Egberts concept, called the ‘coffee corner.’ Neoliberal values on maximizing profits therefore appear to motivate the release of this article and the significations of Douwe Egberts’ Dutchness that can be determined from its content. The International Free Market norm on making profits can also be viewed as disseminated by Douwe Egberts in this press release, because the article implies that Dutch individuals who consume Douwe Egberts have a high chance of being inspired, and thus become more valuable as employees. A second press release also spread Douwe Egberts’ symbolic value as a Dutch brand. This article focuses specifically on ‘Dutch morning rituals,’ in which Douwe Egberts naturally plays an important part. The essential role of Douwe Egberts in a Dutch individual’s morning ritual that the company presents in this article again aims to motivate Dutch consumer to purchase Douwe Egberts products. Although Douwe Egberts is not a clear source of inspiration, nor a standard part of every Dutch, German, Italian or any other nationality’s morning ritual, both of these articles clearly entail a descriptive norm that tells an individual: ‘if you identify as Dutch, it is deemed normal to drink Douwe Egberts coffee.’

Another symbolic value that Douwe Egberts disseminates in order to generate revenue, revolves around the supposed quality of the firm’s coffee. Douwe Egberts claims that the expertise and love of its coffee roasters lead to the most qualitative and unique coffee. The company reaffirms the qualitative value of its coffee in multiple of its press releases, most notably when the firm presented its new coffee line the “D.E Master selection” in 2013. In this article, Douwe Egberts claims that so-called

171 “DE Meesterselectie”
‘quality masters’ help create its special Master coffee collection. By using such rhetoric, the firm argues that other coffee companies cannot compete with the quality of Douwe Egberts’ coffee, as there is no better blender than a ‘master’ blender. The descriptive norm present in such an article, informs one that it is deemed normal that an individual demands coffee of the highest quality. In order to consume such high quality coffee, one therefore must purchase Douwe Egberts coffee.

It is apparent that not only Fair Trade organizations use symbolic values to their financial advantage, companies such as Douwe Egberts do this as well. Douwe Egberts wants to inject its coffee with ethical symbolic value by expressing its CSR in many of its marketing tools. Especially the company’s coffee beans’ Utz Kapeh certification and the firm’s initiatives to increase environmental sustainability appear to serve this purpose. These symbolic values can address ethical consumers and it appears that Douwe Egberts wants to convince this consumer group, that consuming Douwe Egberts coffee can be part of the identity-making of an ethical consumer as well. Moreover, does the firm signify that its coffee is made out of high-quality beans. Not only because these beans are Utz Kapeh certified, but also due to its ‘master’ blenders. Additionally, Douwe Egberts uses its coffee’s traditional sign values to its full advantage by continually signifying the coffee as being inherently Dutch, thus informing consumers that if they aim to identify as traditionally Dutch, drinking Douwe Egberts is a means to do so. Based upon the analysis in the last two sections, this thesis categorizes Douwe Egberts as following.

<table>
<thead>
<tr>
<th>Table 3</th>
<th>Assessment Framework: Douwe Egberts</th>
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<tbody>
<tr>
<td></td>
<td>International Free Market</td>
</tr>
<tr>
<td>Mode of production</td>
<td>Conventional, the mode of production deemed as normal in advanced societies.¹⁷³</td>
</tr>
</tbody>
</table>

¹⁷³ St. Clair, “Global Poverty,” 140.
¹⁷⁴ Bryant and Goodman, “Consuming Narratives,” 357.
<table>
<thead>
<tr>
<th>International market preferences</th>
<th>As unregulated as possible in order to generate the most benefits.(^{175})</th>
<th>Regulated, most notably by offering a GMP to farmers.(^{176})</th>
<th>Based upon its rejection of Fair Trade because of the GMP mechanism, as unregulated as possible.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing strategy</td>
<td>To act in accordance with consumer demand.(^{177})</td>
<td>Intrinsic focus on the social injustice involved in production and trade.</td>
<td>To be connected with consumers and the environment.(^{178})</td>
</tr>
<tr>
<td>Marketing objectives</td>
<td>Maximizing profits.(^{179})</td>
<td>Promoting sustainable development in the Global South.</td>
<td>Based upon Douwe Egbert’s code of conduct: “To become the number two coffee / tea company in the world.”(^{180})</td>
</tr>
<tr>
<td>Symbolic value</td>
<td>Perceived as ‘normal.’</td>
<td>A high value of ‘doing-good at a distance.’</td>
<td>Inherently Dutch coffee which is socially responsible and of high quality.</td>
</tr>
</tbody>
</table>

A clear correlation between Douwe Egberts and the International Free Market discourse can be noted. Douwe Egbert’s seemingly inherent Dutchness appears to be exactly why the brand is perceived as the ‘normal’ and hegemonic coffee brand in the Netherlands. However, in order to reach its marketing objective to maximize profits.

\(^{175}\) Smith, “Fair Trade, Diversification and Structural Change,” 460.
\(^{176}\) Chambolle and Poret, “When Fairtrade Contracts for Some are Profitable for Others,” 836.
\(^{177}\) Oxfam Novib, “Behind the Brands,” 33.
\(^{179}\) Friedman, “The Social Responsibility of Business is to Increase its Profits,” 52.
and “become the number two coffee / tea company in the world”\textsuperscript{181} Douwe Egberts began to focus on ethical values and its CSR in order to additionally address ethical consumers and profit from the extra business they provide.

\textit{Max Havelaar}

Max Havelaar most prominently focuses on the dissemination of descriptive norms and values in regard to ethical consumption. However, the organization does not limit its sign value to mere ethical value. Max Havelaar for example attempts to tie its Fair Trade products to the larger ethical consumption movement. Max Havelaar additionally uses the marketing possibilities that the spectacle provides to its advantage. Although one could argue that promoting Fair Trade coffee is especially difficult in the Netherlands, with Douwe Egberts’ strong symbolic value in this country, Max Havelaar actually has the greatest Fair Trade product distribution and retail turn over in the world.\textsuperscript{182} Lise Langeland in “On Communicating the Complexity of a Green Message” explains that Max Havelaar’s successes are due to the organization’s marketing strategy. This strategy entails “not to engage in a free trade versus fair trade debate, but to present the social problems that fair trade attempts to accommodate.”\textsuperscript{183} This explains why Max Havelaar never claims to be better or more ethical than conventional coffee companies, but focuses on what its coffee signifies. The organization is quite fruitful in selling its symbolic value and does so by spreading norms and sign values concerning fairly traded coffee.

A qualitative research study on Fair Trade consumption motives, conducted by the NCDO, informs one about the consumers that Max Havelaar wants to address. In 2010, there were two important motives for consumers in the Netherlands to purchase Fair Trade products. These two motives were “to support farmers and producers in developing countries”\textsuperscript{184} and ‘to do something good.’ The latter can be defined as the earlier identified norm of ‘doing-good at a distance.’ Both motives reoccur yearly in this research on Fair Trade consumption behavior, as roughly 50% of the research’s interviewees in 2007, 2008, 2009 and 2010 define their Fair Trade consumption to be

\begin{flushleft}
\textsuperscript{182} Fridell, \textit{Fair Trade Coffee}, 59.
\textsuperscript{184} \textit{Fairtrade in de Boodschappentas 2010: Onderzoek naar Aankoopgedrag en –Motieven Fairtrade Producten 2010}, (Dongen: NCDO, 2011), 16.
\end{flushleft}
motivated by one of both of these two motives. Especially in regard to Fair Trade coffee consumption, individuals note being influenced by notions of ‘doing-good.’ In order to address such consumer needs, Max Havelaar’s marketing techniques spread the descriptive norm that if one wants to ‘do good,’ consuming Max Havelaar coffee is a means to do so. Max Havelaar therefore declares to aim at tackling international social injustice in trade relationships between developed and developing countries, it carries out this message in its marketing as well. The foundation does so most notably via its website, traditional media such as magazines and folders, and by using the spectacle. As selling Fair Trade is generally the process of selling ethics, an organization’s success is dependent on how well it manages to sell such sign value. Max Havelaar’s main marketing activity is to create public awareness amongst Dutch citizens about the existing unfair trade relations in the neoliberal global market. On its website, but also in development magazines such as OneWorld, Max Havelaar therefore attempts to generate attention for the stories of Fair Trade farmers and inform people on the positive influence Max Havelaar has had on these farmers’ lives. The argument underlying this marketing strategy is that consumers whom receive this information feel the need to identify themselves as someone who is ‘doing-good’ and thus consume Fair Trade products in order to help construct such an identity. Max Havelaar increases the possibilities for this identification by for example selling t-shirts and coffee mugs, with which consumers can signify their identity as ethical selvers continually. Max Havelaar’s fundamental assumption therefore entails that increasing citizens’ identification with ethical problems will eventually lead to increasing global justice. Of course this growing identification would also lead to increasing profits for Max Havelaar, as Max Havelaar’s marketing techniques must be recognized as being socially responsible initiatives, but also as a means to respond to the market incentives ethical consumers provide.

185 Fairtrade in de Boodschappentas 2010, 16.
187 Fridell, Fair Trade Coffee, 169.
Comparable to Douwe Egberts, Max Havelaar also ties non product-related symbolic value to its own, in order to address ethical consumers. In the aforementioned study on Fair Trade consumption motives in the Netherlands, a secondary, but often-mentioned reason with which consumers explain their Fair Trade consumption motives is rooted in the assumption that these products are produced biologically.\(^{192}\) This identified motive clarifies the rationale behind the relation Max Havelaar tries to establish between Fair Trade and organic products. One must note that organically produced food products are also popular amongst ethical consumers, perhaps even more so than Fair Trade products.\(^{193}\) These two means of production do not relate per se as they are focused on two different outcomes. One can argue that where “Fair Trade is good for the soul, organic is good for the body.”\(^{194}\) However, when analyzing Max Havelaar’s press releases, one finds that the seemingly natural relation to organic production is often made. Consumers tend to see ethical and Fair Trade consumption as one consumption movement.\(^{195}\) This thesis argues that Max Havelaar has recognized this tendency and consequently addresses consumers in a fitting manner. In a self-constructed supermarket folder Max Havelaar Fair Trade recipes are described as ‘fresh,’ ‘healthy,’ ‘energizing’ and ‘good’ (both in an ethical and a taste tense.) These are all adjectives that one would sooner expect to describe organic products instead of Fair Trade ones. In another press release, Ekoplaza a Dutch organic food store for example is announced to have started selling “biological Fair Trade coffee capsules.”\(^{196}\) The article then mostly describes the innovativeness of Fair Trade coffee capsules, as this is a fairly recent initiative. However, the definition of these capsules as specifically ‘biological’ is remarkable. As the emphasis on the organic nature of these coffee capsules simultaneously tells one that other Max Havelaar products cannot automatically be assumed to be biological as well. However, it appears that Max Havelaar tries to obscure this assumption, as the added symbolic value of organic production enhances the total sign value of Max Havelaar’s products.

\(^{192}\) *Fairtrade in de Boodschappentas 2010*, 17.

\(^{193}\) Peattie, “Green Consumption: Behavior and Norms.”

\(^{194}\) Adams and Raisborough, “Making a Difference,” 264.


Max Havelaar additionally enhances its products’ sign value by relating its organization to the spectacle. In the chapter on consumers it has already been established that this is an effective marketing strategy and Max Havelaar is profiting from such a marketing tool. Max Havelaar for example presents Dutch television icon Floortje Dessing as its Fair Trade ambassador.\(^\text{197}\) The symbolic value Floortje Dessing, a well-known world traveller, is inherently different to Fair Trade sign value. However, by connecting Dessing’s identity as a world traveller to Fair Trade products, Max Havelaar enhances its own symbolic value extensively. In this manner, Max Havelaar informs consumers that if one wants to construct an exotic and adventurous identity similar to Floortje Dessing’s, consuming Max Havelaar products is a means to do so.

Based upon the analysis in the last two sections, Max Havelaar can be categorized as mainly rooted in the Fair Trade discourse, although it must be recognized that the organizations is additionally partly motivated by norms and values deriving from the International Free Market discourse. In this thesis’ assessment framework, Max Havelaar can be categorized as following.

Table 4 Assessment Framework: Max Havelaar

<table>
<thead>
<tr>
<th></th>
<th>International Free Market</th>
<th>Fair Trade</th>
<th>Max Havelaar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mode of production</td>
<td>Conventional, the mode of production deemed as normal in advanced societies.(^\text{198})</td>
<td>Focus on upholding human and labor rights in the production process.(^\text{199})</td>
<td>Focus on improving farmers’ living situations and development.</td>
</tr>
<tr>
<td>International market preferences</td>
<td>As unregulated as possible in order to generate</td>
<td>Regulated, most notably by offering a</td>
<td>Regulated, most notably by the GMP mechanism.</td>
</tr>
</tbody>
</table>


\(^{198}\) St. Clair, “Global Poverty,” 140.

\(^{199}\) Bryant and Goodman, “Consuming Narratives,” 357.
Focus on social injustice and improving coffee farmers’ lives.\(^{203}\)

Marketing strategy

<table>
<thead>
<tr>
<th>GMP to farmers.(^{201})</th>
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</thead>
<tbody>
<tr>
<td>Intrinsic focus on the social injustice involved in production and trade.</td>
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</tbody>
</table>

Focus on social injustice and improving coffee farmers’ lives.\(^{203}\)

Marketing objectives

<table>
<thead>
<tr>
<th>Maximizing profits.(^{204})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promoting sustainable development in the Global South.</td>
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</tbody>
</table>

Informing consumers on social injustice, as well as profit from the higher prices the organizations charges.

Symbolic value

<table>
<thead>
<tr>
<th>Perceived as ‘normal.’</th>
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<tbody>
<tr>
<td>A high value of ‘doing-good at a distance.’</td>
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</table>

Ethically good coffee, as well as a mainstream ethical [organic] and exotic value.

Most notably its key focus on international social injustice is what intrinsically roots Max Havelaar in the Fair Trade discourse. However, what stands out in regard to the association between Max Havelaar and the Fair Trade discourse is that in its marketing objectives and its self-assigned symbolic value, a correlation can be found between the organization and both discourses. This correlation exemplifies where the Fair Trade discourse and the International Free Market discourse collide. The Fair Trade discourse might be challenging the International Free Market narrative, but it is also firmly working in accordance with the norms and values deriving from the latter discourse. This thesis argues that the Fair Trade discourse works in and against the system. By using Max Havelaar as a case study, this dissertation clarifies the workings of the Fair Trade discourse. Max Havelaar is a coherent example of a company that identifies with the Fair Trade discourse, because the label is influenced by moral norms and self-identifies as an organization that is ‘doing-good’. Max

\(^{200}\) Smith, “Fair Trade, Diversification and Structural Change,” 460.

\(^{201}\) Chambolle and Poret, “When Fairtrade Contracts for Some are Profitable for Others,” 836.

\(^{202}\) Oxfam Novib, “Behind the Brands,” 33.


\(^{204}\) Friedman, “The Social Responsibility of Business is to Increase its Profits,” 52.
Havelaar has also embraced multiple commercial opportunities over the last decade, influenced by neoliberal instead of ethical norms. This fits into the development of the Fair Trade discourse as well, as this narrative might be challenging the dominant International Free Market discourse; it also uses core aspects of this narrative to its advantage. This finding assists in explaining the recent successes of the Fair Trade discourse. However, one must simultaneously recognize the limitations of the further development of the Fair Trade discourse because of this accordance with the International Free Market discourse.

**Conclusion**

In this chapter the norms and values involved in conventional and Fair Trade coffee purchasing in the Netherlands have been examined. Based upon this analysis, this thesis has identified the following norms to be of influence on the decision-making process of the coffee company firmly rooted in the International Free Market discourse; Douwe Egberts. First, the neoliberal norm favoring free market principles motivates Douwe Egberts’ decision to work with the Utz Kapeh certification system instead of the Fair Trade labeling system that calls for a minimum guaranteed price. Second, do descriptive ethical norms emphasized by consumers, the UN, the ILO and non-governmental organizations stimulate Douwe Egberts to increase its CSR and focus on issues such as sustainability. Third, the neoliberal value concerning the increasing of profits has stimulated Douwe Egberts to recognize and take advantage of the consumer shift towards ethical products. The company hereby answers the demands of Dutch ethical consumers, whilst simultaneously increasing its sales turnout.

Whilst Douwe Egberts is influenced by these norms, the company also goes to great lengths in order to disseminate norms and values itself. The firm does so in order to convince consumers, ethical or not, to buy its coffee and enable the company to maintain its dominant position in the Dutch coffee market. The identified norms and values disseminated by Douwe Egberts are as following. First, by presenting itself as a company, which actively tries to improve environmental standards and global sustainability, Douwe Egberts informs consumers that if an individual wants to be perceived as someone who is ‘doing-good,’ that individual should consume Douwe Egberts coffee. Second, Douwe Egberts additionally carries out the value of having coffee of the best quality, informing consumers that if they want the greatest coffee
drinking experience, Douwe Egberts is the best option for them. Third, the inherent Dutchness of the brand assists Douwe Egberts in increasingly enhancing its firm’s sign value. The company continually reaffirms this Dutch value of its products in its slogan and its press releases.

Similar in regard to Douwe Egberts’, are Max Havelaar’s actions also influenced by norms and values. In this thesis’ analysis, the following norms are perceived to be of influence. First, Max Havelaar is founded and continually influenced by the moral norm of wanting to be an organization that is ‘doing-good’ from a distance. Secondly however, is Max Havelaar also influenced by the neoliberal norm that stimulates enhancing profits. NCDO’s research informs Fair Trade organizations such as Max Havelaar that increasingly more household purchase Fair Trade products. Especially in regard to Fair Trade coffee consumption, the value of ‘doing-good at a distance’ has been identified an important motivation for these consumers. Much alike Douwe Egberts, Max Havelaar recognized the commercial opportunities that ethical selvers provided. In order to profit as much as possible, Max Havelaar has not been working against neoliberal companies such as Douwe Egberts, but tries to work with commercial partners in order to generate as much profits as possible within the free trade market.

In order to ‘do-good,’ whilst also increasing profits, Max Havelaar has tried to reach out to consumers and motivate them to purchase Max Havelaar coffee, instead of Douwe Egberts’ conventionally produced Utz Kapeh certified coffee. This thesis has therefore identified that Max Havelaar disseminates the following norms and values in order to establish this. First, Max Havelaar recognizes the effectiveness of spreading a descriptive norm in regard to ethical consumption. The organization therefore is continually generating public awareness for its cause, international social injustice, and how Max Havelaar is tackling this problem. The organization notifies consumers that if they want to be perceived as someone who is ‘doing-good,’ they should buy Max Havelaar products in order to legitimize such an identity. Second, Max Havelaar is additionally enhancing its products’ symbolic value by linking the products to organic food products, as well as to Floortje Dessing, in order for the products to serve as an adventurous identity-making tool.

By establishing the norms and values influencing the decision-making process of coffee distributors Douwe Egberts and Max Havelaar, as well as the norms and ideas these companies both disseminate, one can understand how consumers are
motivated to either choose for conventional or Fair Trade coffee. It appears that this
decision is not solely based on a consumer’s identification as an ethical selver, as
Douwe Egberts offers some valid purchasing options for this group of consumers as
well. However, based upon the increasing sales numbers of Max Havelaar in the
Netherlands, one can conclude that this organization is more effective in addressing
ethical consumers than Douwe Egberts is. As a dominant player in the Dutch coffee
market, Douwe Egberts is faced with the difficult task to address both ethical and
conventional consumers. The company tries to do so by selling Utz Kapeh certified
coffee, but thereby is not able to reach the ethical selvers that demand more than a this
certification. Max Havelaar on the contrary does not face this problem, as it takes a
marginalized position in the coffee market and can therefore generate enough revenue
from its preferred group of ethical consumers. As Max Havelaar’s marketing
strategies are aimed at working within the free market, the organization will not
threaten the normative position of Douwe Egberts in the Dutch coffee market. This
thesis predicts that additionally the organization will never attempt to do so. Although
Max Havelaar has been founded out of dissatisfaction with the status quo of the
International Free Market economy, the organization appears to be satisfied with
stimulating small changes in regard to CSR and continually increasing the benchmark,
whilst profiting simultaneously. Max Havelaar has definitely stimulated the trend in
ethical consumption, after which the organization profited from the consequent
increase in Fair Trade retail turnovers. The organization will be able to continue
profiting if it maintains and extends its products’ strong sign value.
Conclusions

In this thesis, the influence of norms and ideas deriving from two discourses, the International Free Market discourse and the Fair Trade discourse, has been assessed in relation to three identified stakeholders. First, this dissertation has established that a consumer shift towards Fair Trade products can be noted in advanced societies. Secondly, the influence of norms and values on consumers as well as coffee bean importers has been examined and it has been determined that they have a substantial influence on all of the three stakeholders. This analysis has been made in order to reach the following conclusions on to what extent norms and values stimulate choices for either conventional or Fair Trade coffee. As well as additional conclusion on the further development of the Fair Trade discourse.

It can be determined that the symbolic value of ethical products such as Fair Trade products are significant in explaining the increasing popularity of Fair Trade consumption and the consequent further development of the Fair Trade discourse. Following the logic of social differentiation it can be concluded that the consumption of sign value is inherent to a consumer’s identity-making process. Consuming appears to be less centered on what a product has use for, but more on what it represents. It can be concluded that all social norm categories [injunctive, moral and descriptive] motivate consumers to purchase Fair Trade products. In regard to moral norms, it is clear that individuals can be stimulated to purchase Fair Trade products, and thereby consume its symbolic value; in order to self-identify as someone that is ‘doing-good’ Towards others this self-identification can additionally be used in order to signify that an individual is ‘better’ in comparison to other members of society, rightly because such an individual self-identifies as someone who is ‘doing-good’. Such a moral norm is continually strengthened by the influence of injunctive and descriptive norms, as in this thesis it has been established that in advanced societies, others will perceive an individual as ‘doing-good,’ when this person purchases Fair Trade products. In post-industrialized society, descriptive norms also continually inform consumers what sign values they need to purchase in order for one’s identity construction to be culturally accepted. In regard to the Fair Trade discourse, descriptive norms deriving from this discourse state that it is vital to purchase Fair Trade products, in order for an individual to be identified as someone that is ‘doing-good’ by the society and culture that person acts within. The clear symbolic value of Fair Trade products greatly
assists ethical consumers in their identity construction and explains why Fair Trade sales are increasing and the Fair Trade discourse is expanding.

However, from the chapter on coffee companies it can be concluded that this expansion is not endless, nor will the Fair Trade discourse experience the same popularization rate in the next few decades. In this chapter, the influence of norms and values on Douwe Egberts and Max Havelaar has been assessed. It is clear that Douwe Egberts can be defined as a firm that acts within the bounds of the International Free Market and its actions are determined by the norms and values that are disseminated by this discourse. However, such a position does not limit Douwe Egberts in increasing its CSR, importing Utz Kapeh certified coffee beans or addressing ethical consumers. Such actions are justified by the rationale of the International Free Market discourse as they can be explained to be motivated by the neoliberal norms and values centered on making profits and the free market concept. The rationale behind increasing one’s CSR therefore is that it should be seen as an investment opportunity, especially when descriptive norms stimulated by consumers, international organizations and NGOs have enforced the firm to do so. Douwe Egberts disseminates norms and values itself; in order to compete with the earlier identified descriptive norms of the Fair Trade discourse, which effectively address ethical consumers. Douwe Egberts self-identifies as a socially responsible company and via its marketing tools the firm spreads descriptive norms that inform consumers that if they want to be perceived as an individual that is ‘doing-good,’ they should consume Douwe Egberts coffee. Although Douwe Egberts’ symbolic value addresses ethical consumers less effectively than Fair Trade organizations such as Max Havelaar do, it can be concluded that Douwe Egberts’ sign value certainly addresses a wide range of consumers. The firm does not only spread the value of ‘doing-good,’ it also spreads additional sign values centered on its quality as well as its inherent Dutchness. It can be concluded that Douwe Egberts disseminates these norms and such values because the firm is motivated by the normative neoliberal nature of the International Free Market discourse. This motivation lies at the core of the rationale behind Douwe Egberts’ rejection of Fair Trade coffee and choice of conventional, albeit Utz Kapeh certified, coffee production.

Douwe Egberts appears to try and dive into the same ethical consumer pool that Max Havelaar derives its customers from. Based upon the Fair Trade retail turnover, one can say that Douwe Egberts’ initiative has not yet been as successful as
Max Havelaar’s marketing strategies in this regard. As Max Havelaar is inherently influenced by the moral norm of wanting to be an organization that is ‘doing-good’, its symbolic value as an organization that is ‘doing-good’ is strong. The organization uses this high sign value in order to spread the aforementioned descriptive norm to consumers: in order for an individual to be identified as someone that is ‘doing-good’ by the society and culture that person acts within, one must buy Fair Trade [Max Havelaar] products. The organization is clearly influenced by the Fair Trade discourse in this regard. This is especially clear when assessing the great focus on social injustice that Max Havelaar has in its marketing. However, one can also conclude that Max Havelaar is increasingly acting in accordance with norms and values that derive from the International Free Market discourse. Thanks to the organization’s strong sign value and its cooperation with commercial partners, the profits that the immense numbers of ethical consumers offer are much higher than the eventual merits that Fair Trade coffee farmers receive. Max Havelaar therefore does not reject, nor challenge actors from the International Free Market economy but increasingly cooperates with them.

Such actions exemplify the development of the Fair Trade discourse quite coherently. Although ethical consumption is presented as a means of ‘new’ activism, this activism should be defined as a small act of resistance against unfair trade relations, with similarly small results in this regard. The Fair Trade discourse does not motivate Fair Trade organizations to be agents of change, although they can be recognized as stimulators for greater CSR. Although the Fair Trade discourse is developing and increasing its sphere of influence, this influence increasingly correlates with the norms and values of the International Free Market discourse. This thesis therefore concludes that the Fair Trade discourse attempts to partly change the International Free Market discourse, but is not challenging it, nor will it do so in the future. Although its correlation with the International Free Market narrative allows the Fair Trade discourse to come out of its niche position in advanced societies, it also limits the further development of the discourse to a large extent. This thesis is led to assume that Fair Trade will never be the normative means of coffee production. As the Fair Trade discourse is mainly concerned with going against international social injustice, it appears that social injustice will persist in coffee trade relations when no alternative discourse emerges and truly challenges the normative International Free Market.
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