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6-11-2020

### The Politics of Fair Trade Consumption: A U.S. perspective

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#### Repository Citation

Burns, Caroline and Ibrahim, Ameera. The Politics of Fair Trade Consumption: A U.S. perspective (2020). 10.31219/osf.io/n74hk [article]. <https://digitalcommons.stmarys-ca.edu/school-economics-business-faculty-works/1091>



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Fair Trade Winds, which owns stores in Seattle, WA, Boulder, CO, Springfield, OH, Bar Harbor, ME, Jamestown, RI, and Fairfax, VA, exhorts visitors to its website:

Shop ethically responsible brands whenever you can! Fair trade clothing is always a safe bet. When you shop fair trade you know that every care is being taken to make sure the people making the clothing are treated fairly and with respect and dignity. (Fair Trade Winds, n.d).

Similarly, in announcing its offering of Fair Trade certified apparel, the clothing purveyor Patagonia quoted its Director of Social and Environmental Responsibility calling the move a way of “empowering the people purchasing our products,” say it was “part of a larger strategy to raise awareness with our customers on how they can make a difference in the world with their purchasing decisions” (Fair Trade Certified™, 2013). The case these purveyors make for fair trade clearly invokes the idea of ethical consumption—an idea that can encompass buying organic, buying local, buying reusable bags, buying products made in America, boycotting certain products or companies, boycotting others, buying union made products, and buying products that make political statements. Consumers whose point of view drives their purchasing decisions are growing in number and they view these consumption choices as a legitimate form of empowerment (Shaw, Newholm, & Dickinson, 2006).

According to Goodman (2004) interest in fair trade rose in prominence as a response to what he describes “aid fatigue” (p. 892) where consumers became less convinced that aid works in long term poverty reduction and moved towards supporting the “trade not aid” model. Gendron (2009), however considers it to be the outgrowth of the solidarity trade movements of the era, which in turn grew out of the political solidarity movement which supported the politically and economically marginalized. Moreover, Lyon (2006) reinforces the notion that political choices and conscience of Northern consumers drives fair trade consumption.

In this paper we turn our attention to the question of whether or not fair trade consumption in the U.S. constitutes political consumption—that is, whether it is motivated by political beliefs. Self-identity and consumption are not discrete and those who identify as political citizens may engage in ethical consumption as a means to be consistent in their consumption as in other aspects of life. This paper explores if there is opportunity in the U.S. to promote fair trade as a collective political action rather than framing it primarily in terms of individual action. Production, policy, and progress hinges on buy-in from consumers and encouraging more people to get on board with the goals of fair trade is contingent on them hearing about and relating to fair trade goals. Moreover, Dubuisson-Quellier (2010) states:

The activity of grocery shopping is strongly informed by a wide variety of prescriptions and devices, such as plans, dispositions, and constraints from the consumer's side; trademarks, labels, and packaging from the product side; and prescriptions, commercials, disposals, and sales from the market environment inside and outside the supermarket [40]. This wide variety of devices, combined with that of the supply, contributes to making purchase choices highly erratic and unstable. Prescriptions from the government, fair trade, or organic food labels participate in this diversity of devices, thus contributing to framing and unframing consumers' choices.

To this end, we explore if an efficacious stakeholder group (prescriber) to help grow the fair trade movement might be politically minded civil society organizations because individual consumers, fair trade businesses, and fair trade organizations alone cannot create the sea swell of awareness needed to effect change in the time frame needed; post haste. We investigate if there is a political story to be told by civil society organizations that might grow the fair trade movement and contribute to the meeting of the Sustainable Development Goals (SDGs). We believe that civil society organizations have a unique vantage point with which to approach consumers of a political bent.

Civil society represents a fundamental part of the democratic system and highlights issues of importance. It has the ability to express controversial views; represent those without a

voice; mobilize citizens into movements; build support across stakeholders; and bring credibility to the political system by promoting transparency and accountability. In terms of policy formulation, civil society is a valuable partner in providing deep subject-matter expertise based on first-hand experience, trialling and scaling up innovations in social services and facilitating citizen engagement. (The World Economic Forum, 2013).

## Background

Fair trade clearly represents an effort to capitalize on the evolution of consumer activism, but whether sales reflect a unity between consumers' political views and their consumption behavior has not been addressed. Pragmatically, speaking the success of Fair Trade depends on consumers actively seeking out and purchasing Fair Trade products at least partially for ethical or political reasons because traditional self-benefit reasons are unlikely to sustain the products in the market. While ethical consumption may extend back to the nineteenth century, the literature's engagement with the politics of consumption extends back to only to the 1990s (Shaw and Black, 2010). Conceptual scholarship on the fair trade consumption seem to point in the direction that political preferences play a role, but empirical investigations of the claim have been sparse (Lyon, 2006).

Follesdal (2004) states that political consumerism seeks to redress business and institutional practices and is described in the literature as behavior congruent with global civil society). Papaioannou (2013) points out that people in the West increasingly convey their disquiet about society and the environment in a consumption context. They need an appropriate means to display their concerns and politics based consumption may just be that outlet; it gives citizens a direct mechanism to effect change outside of their normal political sphere. As von Mises famously put it:

With every penny spent the consumers determine the direction of all production processes and the minutest details of the organization of all business activities.... In the political democracy only the votes cast for the majority candidate or the majority plan are

effective in shaping the course of affairs. The votes polled by the minority do not directly influence policies. But on the market no vote is cast in vain. Every penny spent has the power to work upon the production processes. (Von Mises 1949, 271).

Political consumption allows citizens an opportunity to leverage power in the political space they might not otherwise have in turn influencing the means of supply. Through it, consumers act in solidarity with likeminded citizens in ways that may connect them to more people than traditional forms of activism would. The academic community is now largely in agreement that consumption has deeper meaning and social scientists and humanities scholars alike agree that consumer choice is political choice (Micheletti & Follesdal, 2007). It is now recognized that consumption is a form of activism supporting global justice and human rights (Micheletti & Stolle, 2008). The incidence of civil society organizations, government institutions, and individual citizens using political consumption to achieve their ends has grown in the 21<sup>st</sup> century (Micheletti & Follesdal, 2007).

In at least some sense, the question as to whether *fair trade* consumption is political has been definitively answered in the affirmative. Lyon (2006) finds that fair trade consumption is a political endeavor for some consumers. Moreover, Goodman (2004) also reveals that consumers of fair trade foods consider their choices to be political. The purchase of fair trade coffee in particular allows people to speak to their sentiments related to what Lyon (2006, p. 245) describes as “political fatalism” and worries about the lack of government concern regarding many social and economic issues. While Fair Trade has not always been viewed as a form of political consumerism—for the first thirty years it was not considered political—it assumed a political bent in the 1980s (Wilkinson, 2007).

Shaw, Newholm, and Dickinson (2006) found that consumers acknowledge an “interconnectedness of political and ethical consumption” (p. 1057). Similarly, Benton (2013)

found that the consumers of ethical products were also active in other forms of activism, such as boycotts, protesting, donating to causes and signing petitions. Similarly, fair trade research shows that people who decry globalization and neoliberalism are likely to consume fair trade products (Clarke, Barnett, Cloke and Malpass, 2007). Moreover, Bryant and Goodman (2004) argue that changes in the supermarkets shelves reveal overall changes in consumption in the global north. He explains that in fair trade, Northern NGOs tell the story about the mechanisms and goals while of fair trade while activist groups work in more direct ways by effecting structural changes in the market. He argues that “the label texts of fair trade would ring somewhat more silent without the overtly politicized activist discourses proffered and performed by the organizations engaged in these campaigns” (p. 901). The current research, however, does not address political beliefs but political identity. Goodman also finds that when they engage in ethical consumption, individuals “work and re-work [their] identity through the overtly meaningful acts of consumption and engagement with commodities” (p.895). He points out that this ability is “often class-based.” Another potential pathway by which politics may influence ethical consumption is that politics can influence a consumer’s attitude towards helping others.

### **Significance**

If growth in fair consumption is in any way dependent on individual consumers spreading the word, then future growth of the movement is limited considering Brown’s (2015) argument that a barrier to further growth is limited by fair trade consumers themselves; that is, their concerns about appearing “preachy” by highlighting the social benefits of fair trade to others and thus not doing in favor of regaling the fair trade products’ attributes. Moreover, Dubuisson-Quellier (2010) argues that marketing is not without its weaknesses in changing ethical consumption patterns and that perhaps stakeholders beyond the marketplace might be engaged to

help shift consumption trends. Therefore, if there are as pointed out, limits to what can be expected from those already active in the fair trade marketplace any support extended by civil society organizations to reach the yet-to-be-converted should be encouraged. And if indeed fair trade in the U.S. has a political bent, the clout of civil society organizations so inclined should be leveraged.

### Findings

On analysis of data from 350 fair trade consumers we found evidence that suggests fair trade consumption seems to be tinged with political activism at least in a U. S. context. We asked consumers whether politics was meaningful in their consumption practices and on regressing the data we found that there is a positive influence of politics as a decision making criteria and the frequency of frequency of fair trade purchases. That is to say, the more consumers report that they use politics in their consumption decision making process the more fair trade they purchase.

	<i>Coefficient</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>
<b>Politics Influence Purchase</b>				
<b>All Sample</b>	<b>0.366393758</b>	<b>0.043239035</b>	<b>8.473680255</b>	<b>0.000000000</b>
Independent	0.251256281	0.138754457	1.810797914	0.079873817
<b>Democratic</b>	<b>0.388950154</b>	<b>0.070577615</b>	<b>5.510956325</b>	<b>0.000000210</b>
Green	0.136212625	0.152599061	0.892617711	0.376810604
<b>Republican</b>	<b>0.451952883</b>	<b>0.132429627</b>	<b>3.412777734</b>	<b>0.001484387</b>

We also found that consumers who align with the Green party are most likely to buy fair trade, Democrats next, then Independents, and finally Republicans. Simply put, consumers who identify as Greens and Democrats are most likely to buy fair trade. That is not to say though that everyone else is averse to fair trade consumption. When on a four point scale from never buy (0) to always buy the fair trade option (3) Republicans reported as buying fair trade less often.

<i>Political Party</i>	<i>Average of Frequency of fair trade purchase</i>
The Green Party	2.416666667
Rather not say	2.130434783
None of them	1.966101695
The Democratic Party	1.778688525
Independents	1.647058824
The Republican Party	1

However when we drill down into the data we find that in terms of the interactions between party affiliation, politics as a decision making criteria, and fair trade purchase frequency only the Democrat and Republican consumers presented with meaningful results. There were no indicators that demographics were influential. We did however see a values derived influence in the data. With these politically minded consumers being very much influenced by Universalism, Security, and Power values.

#### Multiple Regression Summary

	<i>Coefficients</i>	<i>Standard Error</i>	<i>t Stat</i>	<i>P-value</i>
Intercept	1.135222425	0.145679349	7.792610479	9.20086E-14
<b>UNIVERSALISM</b>	<b>0.307744899</b>	<b>0.072132638</b>	<b>4.266375217</b>	<b>2.61748E-05</b>
BENEVOLENCE	-0.120530582	0.066091967	-1.823679765	0.069130259
TRADITION	-0.003816088	0.051710129	-0.073797684	0.941217335
CONFORMITY	-0.01058247	0.049787072	-0.21255457	0.831809321
<b>SECURITY</b>	<b>-0.12619477</b>	<b>0.05704118</b>	<b>-2.21234499</b>	<b>0.02764645</b>
<b>POWER</b>	<b>-0.125157441</b>	<b>0.054320208</b>	<b>-2.304067763</b>	<b>0.021857104</b>
ACHIEVEMENT	-0.071358743	0.053653762	-1.329985814	0.184467159
HEDONISM	-0.079954869	0.045054335	-1.774632096	0.076906344
STIMULATION	0.019411114	0.042690571	0.454693241	0.64963728
SELF-DIRECTION	0.075356334	0.062958462	1.196921466	0.232220371

On further examination of the data the information becomes more interesting. Republicans are negatively influenced by Benevolence where as Democrats are not. And Democrats are positively influenced by Universalism whereas Republicans are not. Democrats

are also negatively influenced by Achievement and Security values. So there seems to be clear underlying motivations for fair trade consumption activities along party lines.

We see these findings as meaningful in terms of message development and choice of civil society organizations with which the fair trade movement might partner. The efficacy of these choices should not be underestimated. The United Nations knows that the SDGs will not be delivered without creating partnerships with civil society organizations when it publicizes that it acknowledges “the role of the diverse private sector, ranging from micro-enterprises to cooperatives to multinationals, and that of civil society organizations and philanthropic organizations in the implementation of the new Agenda (United Nations, 2015, para 41). We would encourage those inside the fair trade movement, in particular fair trade organizations, to develop these partnerships with civil society organizations with a view to engaging their support in advancing American consumers’ knowledge about fair trade. In particular, we suggest the use of specific political messages about how fair trade can alleviate some of the pressure borne by governments and intergovernmental agencies such as the UN in solving issues of poverty globally. According to the U.S. State Department there are 1.5 million NGOs in the U.S. (U.S. Department of State, 2017) so there is ample opportunity to create partnerships. Moreover, again according to the U.S. Department of State the U.S. is the biggest financial supporter of civil society in the world, with \$2.7 billion invested in civil society from 2010 to 2014 (The White House, 2014). Therefore, this seems like a stable conduit by which citizens can receive news, education, and advocacy messaging long into the future.

Messages can be channeled through political oriented groups in particular. In terms of the outcomes of our findings it looks like reaching out to democratically minded voters would be an appropriate place to start. The Democratic Party states:

With less than one percent of the federal budget, our development assistance has helped cut extreme poverty in half, drastically decreased maternal and child mortality, reduced global hunger, provided food security, countered deadly pandemics, promoted education, and put an AIDS-free generation within reach... We need to continue this work and make more progress on important global goals like ending extreme poverty and hunger... We will support local development efforts, recognizing the self-determination of the peoples and countries we assist to direct their own futures... Democrats will fight to end child labor. We will promote broad-based economic growth across the world, pursuing a global economic agenda that promotes rising wages and invests in quality public services, workers' rights, and environmental protections. (Democratic National Committee, 2016).

It is clear that the Democratic Party has an overlapping agenda with the agenda of the fair trade movement and the UN's Sustainable Development Goals so it is not a stretch to imagine that more Democratic Party minded consumers might be recruited into the fair trade consumer ranks via civil society organizations amenable to Democratic Party. The Greens also offer a lot of opportunity. In fact, there is opportunity for appropriate messaging with all parties.

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