

Helping Students Reflect and Transform: Studying Fair Trade Coffee in Nicaragua

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Abstract

This paper examines goals, methods and experiences of teaching a study abroad class to MBA students in Nicaragua that focused on fair trade coffee. The class was designed to immerse students in sustainability through studying the supply chain of fair trade coffee, through living in a village cooperative, visiting roasting sites, and meeting families and workers who played various roles in producing coffee. We use an approach of critical reflexivity to analyze the class's structure and outcomes and make suggestions for those designing such an experience.

Introduction

Educating future managers about systems supporting sustainability is of critical importance and has been recognized in arenas both academic (Benn and Dunphy, 2009; Brower, 2011; also see *The Journal of Management Education's* special issue, 2011) and practitioner (c.f. *The Harvard Business Review's* Spotlight, 2014). Familiarizing students with models aiming to address ecological, economic, and social issues can help them formulate alternative narratives of relations among these systems (Starkey and Crane, 2003) as well as challenge students' existing taken-for-granted "meaning perspectives" Mezirow (1995). With experiences disrupting existing meaning perspectives, students grapple with dissonance and a transformation in understanding can occur, "the same as that which Paulo Freire has called 'conscientization'" (Mezirow, 1995: 44). Given our class's inherent challenges to students' existing assumptions and values, part of our mission in this immersion study abroad course was to provide opportunities and processes facilitating students' reflection and transformation, as they resituated themselves and their relation to the sustainability of the coffee food system (Galt, Parr, Van Soelen Kim, Becket, Lickter, Ballard. 2013).

Critical reflexivity (Cunliffe, 2004) builds on Pollner's (1991) observation that with certain experiences there is "an unsettling" in assumptions and processes that describe reality (1991: 370). With this disruption in understandings Cunliffe proposes that critical reflexivity focuses on: "Existential: Who am I and what kind of person do I want to be? Relational: How do I relate to others and to the world around me? Praxis: The need for self-conscious and ethical action based on a critical questioning of past actions and of future possibilities" (2004: 408).

These existential, relational and praxis dimensions provide a foundation from which we drew in designing and implementing our class.

Focusing on fair trade in Nicaragua offers a rich opportunity for such reflexivity. Fair trade coffee explicitly codifies social movement responses to inequities in free market systems of production and trade (Bigney, Haggerty and Welcomer, 2010; Jaffee and Howard, 2010). Sustainability is institutionalized in fair trade via floor-level prices, worker-governance mechanisms, and in supporting community and ecological priorities such as health care, education, and soil stabilization. Behind these fair trade operating principles is a theoretical critique of free market coffee production that highlights the large proportions of indigenous producers left impoverished as distributors such as Proctor and Gamble, Nestle and Starbucks, garner a steady stream of profits. MBA students have largely been exposed to the free market paradigm, with potentially some smaller exposure to alternative models addressing concepts such as triple bottom line, sustainability, or micro finance. So, as we designed the class, we expected that there would be “unsettling” as students (and our) assumptions and values were challenged.

Fair Trade Background

The fair trade movement emerged in response to issues of coffee producer poverty and associated environmental degradation. Through the early 1990s different labeling and certification initiatives were formed and operated independently, certifying and promoting fair trade in each country. Because this created confusion for both producers and consumers, these National Initiatives (NIs) came together and formed the umbrella organization of the Fair Trade Labeling Organisations International (FLO) (Fair Trade Labeling Organisations International, 2014) in 1997. FLO today is composed of 3 producer networks, 25 fairtrade organizations (Fairtrade International, 2014). FLO standards for coffee specifically address social development such as democratic decision-making and nondiscriminatory inclusion in organizations; an open relationship between farmer and buyer, and environmental standards such as minimal use of agrochemicals, and attention to soil fertility (Fairtrade International, 2014).

One key component of fair trade is its price. This price is “fair” in the sense that it is supposed to roughly equal the cost of sustainable production as well as offering a premium for members to pursue projects that have social, ecological or economic benefit (Fair Trade Labeling Organisations International, 2014). Because the market price worldwide for conventional coffee “c-price” is volatile coffee producers are at the mercy of weather, consumer demand, large volume purchasers and other macro impacts. Since price instability is one of the greatest problems for producers, coffee farmers all over the world live in a situation of uncertainty, making it difficult to make plans for the future (Milford, 2004: 4). Fair Trade guarantees a minimum price that gives security to the producers. For instance, the 2011 minimum fair trade price was \$1.35 per pound of Arabica and \$1.05 for Robusta. There is an additional \$.30/lb. premium for organic coffee (Fair Trade Labeling Organisations International, 2014).

Certification of fair trade is in flux. Formerly, fair trade coffee was required to be only for small independent farmers, emphasizing the importance of supporting local economies in lieu of large corporate plantations. However, in 2011 Fair Trade USA, a large certifying organization departed from this standard and announced it was going to certify coffee from plantations. “Paul

Rice, chief executive of Fair Trade USA, said the fair trade movement was dominated by hard-liners who resisted needed changes. ‘We’re all debating what do we want fair trade to be as it grows up. Do we want it to be small and pure or do we want it to be fair trade for all?’” (Neuman, 2011). Fairtrade USA argues that its expanded approach to certification is more inclusive and higher impact: “If fair trade continues to [exclude] the poorest of poor,” Rice said, “it’s really on moral thin ice....Don’t we want to democratize fair trade? Don’t we want fair trade to be more than a white, middle-class movement?” (Sherman, 2012). Originally fair trade was intended to “re-embed international commodity production and distribution in ‘equitable social relations’ ... produced under favorable social and environmental conditions” (Raynolds, 2000: 297). However, as Jaffee and Howard (2010) state, the drive for corporate profit has led to corporate cooptation of certification organizations: “Standards have been transformed from a mechanism with which to force the internalization of ecological and social costs, into a device that places its imprimatur upon production and trading structures that continue the externalization of those costs (e.g. non-unionized laborers can now be used on large-scale monocrop plantations of both organic and fair trade products)” (2010: 394).

Our trip to Nicaragua occurred just after Fairtrade USA’s redefining of fairtrade was announced, and therefore offered the class a rich opportunity to understand this rethinking of certification requirements from the cooperatives’ perspective in Nicaragua.

Pedagogical Structure and Discussion

Our goals in this class also included understanding theoretical approaches of fair and free trade; seeing fair trade supply chain practices; gaining a familiarity with the global coffee industry and coffee growing history of Nicaragua; and experiencing living in a coffee-producing village. We travelled to Nicaragua in late December-early January and prior to departure we had three meetings with class participants to discuss logistics (e.g. immunizations, clothing, passports/visas), to learn about Nicaraguan history and socio-economic status, and met with a graduate student from Nicaragua to talk about norms and culture. We chose to focus, in this initial stage, on the logistics involved with preparing for a trip, as well as the cognitive features of trade theory and Nicaragua’s history. Assignments for the course were a trip journal (25%) – where each student was expected to record their thoughts and impressions of each day’s activities, reflecting on what was most memorable about the day, what and how you learned about Nicaragua’s culture and economy, the day’s relation to fair and free trade, and any readings you are connecting to; an interview with someone on the trip (15%) - a minimum 7 question interview with someone on the trip that was either a speaker (e.g. economist, historian, cooperative member) or a village member. The interview was required to relate in some way to the student’s research paper; participation on the trip (10%)- respectful, curious and attentive conduct that included attending all meetings in Nicaragua and participate in scheduled activities; and a research paper (50%). In this infrastructure of goals, assignments, and experiences we hoped to compliment students’ intellectual knowledge systems with embodied physical and emotional experiences.

To embed existential, relational and praxis dimensions, we incorporated situationally-based planned and spontaneous discussions that dovetailed with assignments. For example, we had discussions about “fairness,” especially regarding the living standard in the village where we lived for a few days, the price we pay in the U.S. for a Starbucks latte, and the power structure in

Nicaragua and globally that holds small independent coffee farmers at a disadvantage. After our visits to producers we talked about the immediate tensions that arose from these visits, for instance differences between landowners' and workers' points of view. When we spent a half day harvesting beans and compared our "pickings" (approx. one-half of a 40# bag from 10 of us) to the average daily yield of five bags per harvester, we again confronted the vivid difference between the very hard work of growing and harvesting coffee beans, and the compensation received. Perhaps most potent (and humbling) was the friendliness and grace with which we were accepted into village life, though our relative wealth and position as U.S. coffee consumers certainly put us in a dubious ethical position. Discussions were emotional as students were "struck" (Cunliffe, 2004; Wittgenstein, 1980) and reacted to these vivid experiences. We suggest that though this course incorporated reflective and transformative junctures, opportunities for enriching these processes exist and could more fully extend transformation and associated constructions of sustainability.

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