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What impacts do Fairtrade have on working conditions?

- A study of coffee producers' experiences in Nicaragua.



Bachelor Thesis in Human Resource Management, 15 p.

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Abstract

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Purpose

The purpose of this study is to explore how coffee producers experience the impacts that Fairtrade has on their working conditions based on the case-study of CECOCAFEN in Nicaragua.

Theory

To analyze the results from this field study social capital has been used as theory. Social capital has shown to be a contributing factor to the enhancements in the producers working conditions. Networks are the base in social capital as they facilitate cooperation for mutual benefits. The value lies in that the network together can be able to achieve things that individuals could not create by themselves. The reason why networks and cooperation can accomplish improvements together is the shared norms, values and expectations they have.

Method

This is a qualitative study based on 14 interviews with members of the cooperative CECOCAFEN, to capture their experiences of changed working conditions since they became Fairtrade-certified. The interviews were made in three villages and the interviewees were of varied ages and had different positions in the organization. During the interviews observations of the interviewees were made and field-notes were taken. When the interviews and observations were compiled the coffee producers' answers could be divided into four categories: economy; education; organization; and self-esteem, pride and commitment.

Result, analysis

The results show that through being organized in Fairtrade cooperatives the members have access to a stronger social capital. Cooperation between the members creates advantages that would not be possible otherwise. Through being Fairtrade-certified they have been able to reach out to a new market and get a more stable economy. With improved economic resources they have the possibility to invest in education. The schools have reached a higher standard and the members in CECOCAFEN have also learnt to educate each other. The greater amount of social capital has also resulted in personal development such as pride and self-esteem.

Keywords: Fairtrade, Social capital, coffee producers, working conditions, cooperative.

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Appendix

1. Introduction

Fairtrade aims to reduce poverty and increase the living standards in developing countries through trade (Nicholls & Opal, 2005). Part of the existing research mean that Fairtrade has an important impact on poverty reduction, but the outcomes are complex and there are many factors that contribute to the enhanced economy (Le Mare, 2008). Other scholars concludes that Fairtrade is not beneficial for poor people at all, as there is a risk that the money intended for the producer could end up with middlemen as administrative and other costs (Griffith, 2012). Because of these different opinions and our interest in Fairtrade-related questions we thought it would be interesting to create our own understanding by doing a field-study. Therefor we applied for a scholarship financed by SIDA (Swedish International Development cooperation Agency) called MFS (Minor Field Study).

Nicaragua is one of the poorest countries on the western hemisphere, where GNP is USD 1197 per capita (2011) (Utrikespolitiska Institutet, 2012). The country receives 8% of GNP from foreign aid (FN-förbundet, 2012; Utrikespolitiska Institutet, 2012). The economy is based on agriculture and coffee is the main export. As Nicaragua is depending on their agricultural products, they are vulnerable to changes in commodity prices on the world market (FN-förbundet, 2012). Fairtrade could reduce the vulnerability in economy for the certified coffee producers and offer an alternative to get a better income and be able to earn their living. This makes Fairtrade an alternative to foreign aid. Fairtrade also acts to enhance living conditions for the coffee producers. Both the producers' economy and living conditions are depending on their work as certified coffee producers. It is relevant from this point of view to see if Fairtrade has an impact on the producers' working conditions. The subject is also relevant to the program Human Resource Management, which we are studying at the University.

A poor country like Nicaragua where Fairtrade operates to create better prerequisites for the producers was a suitable option for doing a field-study. With the scholarship we went to the region of Matagalpa, Nicaragua, to interview and gather information about Fairtrade-certified coffee farmers. We saw the advantage of using a case-study and contacted the cooperative CECOCAFEN that has 2637 connected coffee producers. The cooperative was willing receive us and help to coordinate contact with interviewees. Through our experiences in Matagalpa

we had an opportunity to see how Fairtrade works in that particular area. Fairtrade has impacts on the coffee producers working conditions but also the cooperative CECOCAFEN itself has that. It is hard to separate Fairtrade from the cooperative, because when the interviewees talk they use Fairtrade and CECOCAFEN synonymously. To be able to be a part of the cooperative, the producers need to be Fairtrade-certified and this is why they do not separate these two. Because both Fairtrade and CECOCAFEN have impacts on the working conditions we chose not to separate them in the text either.

In this thesis the definition of the term ‘working conditions’ is made based on how the interviewees talk about it in the interviews. Working conditions for them is everything that is affected by their work, both in their working situation and in their life in general.

Organization and society are some of the main themes in our education. These themes facilitate the understanding of working life. Fairtrade and the certified producers are examples that are relevant to study within these subjects. The coffee producers within CECOCAFEN are organized in cooperatives and we find it interesting to see whether this is beneficial to their working conditions. In a globalized world it can be an advantage to be able to put Human Resource Management into a bigger perspective. To go abroad and do this study has given us a broader knowledge of organization and work in another country.

1.1 Purpose and problem

The purpose of this study is to explore how Fairtrade-certified coffee producers experience the impacts that Fairtrade has on their working conditions. In order to do that, we use the Fairtrade-certified cooperative CECOCAFEN in Nicaragua as a case-study. We seek to understand and describe the experiences of the producers. Based on this the formulation of our problem is:

What impacts of Fairtrade do coffee producers in Matagalpa, Nicaragua experience in their working conditions?

2. Background

In the following section a background is given to the organization Fairtrade. Criteria for coffee producers is brought up and also previous research on Fairtrade. It is important for the understanding and further reading to get a basic knowledge about this organization and what it stands for.

2.1 Fairtrade

Fairtrade Labelling Organizations International (FLO) was started in 1997 in Bonn, Germany. It is an umbrella organization which aims to unite all the fair trade labels started in the late 80s and early 90s, for example Rättvisemärkt (Sweden) and Max Havelaar (Belgium, Switzerland, Denmark, Norway and France), to get a worldwide standard and certification. Fairtrade is operating in 58 producing countries and have 827 Fairtrade certified producer organizations in Latin America, Africa and Asia. 1.2 million people are working within these organizations, but as many as six million people get affected of Fairtrade standards. When one producer is certified the whole family benefits and trough the social premium the whole community can take part of the advantages (Fairtrade, 2012).

Fairtrade helps producers to enhance their economy and living standards through trade. This is more sustainable and gives the producers more pride and self-respect than aid does. Fairtrade aims to give producers in developing countries an opportunity to improve their business and reduce their poverty through giving them access to the market under beneficial circumstances (Nicholls & Opal, 2005). It aims to an economic, social and environmental development in the countries. The criteria are also based on the conventions about human rights in work from ILO (International Labour Organization). Fairtrade International is the main coordination body of Fairtrade. They have four tasks; to establish international standards for Fairtrade, to organize support for the producers all around the world, to develop a global strategy for Fairtrade and to promote fair trade internationally (Fairtrade, 2012).

All coffee producers that are Fairtrade-certified work in small plantations that are organized in cooperatives. The producers own the cooperative together and all the decisions are made democratically among them. The standards for coffee that Fairtrade establish acts as a

protection for the producer against the unpredictable coffee market, it makes sure that the coffee producers will get a price that will cover their expenses for a sustainable production (Fairtrade, 2012). The main points of Fairtrade standards for coffee are:

- To give the certified producers a chance to make plans for and invest in their farms through guaranteeing a price that will cover the cost of their production. FLO calculate a minimum price which cover the costs of production, gives the family a provision and can help with improvement of the farm. If the world market price is not reaching the minimum price the producers still get paid that price, but if the world market price rises above the minimum price the Fairtrade certified producers get the same price as the rest of the market (Nicholls & Opal, 2005). For Fairtrade certified washed Arabica coffee the minimum price is USD 1.40 per pound or the market price if that is higher (Fairtrade, 2012).
- Having a minimum criterion to make sure that the conditions for production and trading of Fairtrade certified products are fair both economic and social and that they work for a sustainable environment. For coffee producers the trade standards are for fairer negotiations, to make sure people know the role of fixed price and to decrease speculations. Environmental standards for the coffee producers are to reduce agrochemicals and to develop sustainability (Fairtrade, 2012).
- The Fairtrade premium which is a sum of money additional to the price that goes to a communal fund. The coffee producers are organized into cooperatives and the money is after democratic decisions used for enhancing the development in the community. It will improve economy, social standards and the environment in the community (Fairtrade, 2012). They can use it for development projects like building schools and new roads or in more social projects like pension funds (Nicholls & Opal, 2005). The premium for the coffee producers is USD 20 cents per pound (of which USD 5 cents are going to enhance productivity and quality) (Fairtrade, 2012).
- To give the opportunity of pre-financing on request of the producers organizations. For coffee farmers up to 60 % of the cost price can be pre-financed through credits (Fairtrade, 2012). The importers have easier access to credit than the producers in developing countries and the pre-financing is a way to give the producers a more even income during the year (Nicholls &

Opal, 2005). The credit is given on good conditions, and for the coffee farmers that live in countries with undeveloped markets for credit and where credit can be quite expensive, this is something that really benefits them (Boot & Whetstone, 2007).

- To help the producer to make long-term relationships with buyers and to have better control over the trading process (Fairtrade, 2012). Fairtrade makes sure that the importers of Fairtrade coffee sign long-term contracts so that the producers have a more stable income. This gives an opportunity to invest in their production which can increase their income further and help to develop their farms (Nicholls & Opal, 2005).

2.2 Previous research

To be able to get a broader view of the organization we have read a number of scientific articles. Below four of them are presented, two are mainly positive and two are critical to Fairtrade.

In the first study Ruben and Fort (2012) uses information about 180 randomly selected Fairtrade farmers and 180 non Fairtrade farmers in Peru. The producers were handed questionnaires with a wide range of questions that the authors then compare to each other to see if there are any differences in production, income and expenditures; wealth and investments; and attitudes and perceptions. One main finding in the study was that Fairtrade showed to have a central role in the development of the quality of coffee production. When it comes to maintaining a sustainable environment they did not find any significant differences between Fairtrade certified and non certified producers.

The comparison only showed slightly effects on production and income. Ruben and Fort (2012) have two explanations of why there are almost no visible differences, partly that the price for coffee was high during the period of the study (2007-2008) and partly that Fairtrade does not buy all the coffee that certified farmers produce, which means that they have to sell the rest of it to the open market. What on the other hand did show was that Fairtrade-certified producers had more assets in animals and agricultural, which indicates a bigger wealth. They had also put more money into their houses, to make improvements to their living standard. Another thing found in the survey was that Fairtrade producers were content with being

organized and saw more advantages with the service that the cooperative provides. There were some specific points that the Fairtrade farmers pinpointed as good outcomes from being in a cooperative as the price, technical assistance provided and market management service.

The second article that is written by Le Mare (2008) is focused on the outcomes of Fairtrade for producers and organizations. It is looking to describe how Fairtrade affects development in different aspects such as social, economic and institutional development; gender equity; sustainable development; poverty reduction and market relations. She concentrates on the question ‘what happens to people who are involved in Fair Trade?’ It is a literature review on a number of case studies and empirical research of Fairtrade in a range of products in different countries.

Le Mare (2008) means that Fairtrade should be understood as a process that helps producer organizations to achieve Fairtrade certifications, that continually makes improvements within the Fairtrade organizations and that seeks to influence markets and business practices. Another important feature of Fairtrade is to support the producers while they gain the skills to be able to compete successfully and enter new markets.

In the article by Le Mare (2008) it is pointed out that Fairtrade has an impact on poverty reduction and that it does contribute to the wellbeing of the producers, but that the outcomes are complex and there are many factors that influence the extent of the impact. Le Mare (2008) states that the social benefits of Fairtrade are as important, or even more important than the economic benefits. In her literature review she found that the main achievement of Fairtrade is the social benefits it creates. Among them can be mentioned the creation of a learning environment, growing confidence and self-esteem, as members of Fairtrade cooperatives have considerably better opportunities than other farmers. One area that is lagging behind according to Le Mare (2008) is the gender equity within Fairtrade. The majority of the studies that includes gender come to the conclusion that more needs to be done when it comes to equality between them.

2.2.1 Criticism to Fairtrade

Griffith (2012) claims that the money paid for Fairtrade products is unlikely to reach the poorest farmers at all. He means that the money intended for the producer is likely to get stuck somewhere in the marketing chain as there are several levels involved from the producer to secondary and primary cooperatives (Griffith 2012). Booth and Whetstone (2007) also question whether fair trade helps to reduce the poverty in general or just for a certain group of people. There are fees for the farmers to be Fairtrade certified where the minimum charge is USD 2200 for a group of 100 producers or less, and then there is an annual charge of at least USD 1260. It can be hard for the poor producers to pay these fees and therefore Fairtrade can be seen as an organization that gives benefits for those that are already certified. The poorest farmers that want to unite but that cannot pay for the certifications are left outside the organization. Booth and Whetstone (2007) also criticize is that there is no guarantee for what quantity Fairtrade will buy from the farmers and that will make them vulnerable even if there is a minimum price.

Furthermore Griffith (2012) criticizes cooperative marketing to be an inefficient way of organizing the producers. The market will not work in a different way just because the producers are organized in cooperatives, and the cooperatives are exposed to risks when they consist of small farmers that have no business experience and are low-educated. In the system with cooperatives, Griffith (2012) also sees the risk that the poorest producers are excluded. The most educated and healthy producers have better opportunities to meet the criteria of Fairtrade and to create efficient cooperatives. That means that producers with the poorest conditions are unable to live up to these criteria and are left outside.

Griffith (2012) implies that the Fairtrade industry has failed to give the facts on what happens to the money and to prove what achievements have been made from it. He states that the extra money is spent on certification costs and administrative expenses. Booth & Whetstone (2007) write that a majority of Fairtrade's net income goes to promote its own brand. For an organization that aims to make it better for poor people in developing countries it is interesting that they use that amount of money to become bigger.

3. Theory

In this chapter we present the theory of social capital that we have chosen to analyze our data and answer our research question. During our case-study we noticed that the cooperation within the cooperative CECOCAFEN and Fairtrade played an important role in improving the working conditions. Social capital is a theory that shows the importance of networks to make progress together. It was after we started analyzing our data that we explored the social capital theory and its explanatory ability to analyze our findings. Next, we introduce the social capital theory and some of its related conceptual frameworks. Later in chapter of analysis, we will use social capital to analyze our results.

3.1 Social capital

Social capital is a concept that has been used since the beginning of the twentieth century, but the term developed during the late 80s and early 90s by Bourdieu, Coleman and Putnam (Halpern, 2005). Bonds between individuals and social networks are fundamental in social capital, as well as the norms for reciprocity and trust that comes out of them (Putnam, 2001). Social capital has a number of values, economic as well as non-economic. The value lies in that people find meaning of using social networks to achieve what they want (Coleman, 1988). Networks provide a base for social unity because they facilitate cooperation for mutual benefits, both between people who know each other and with others as well (Field 2003). All members of a social unit benefit from the interactions within the network or organization (Davies & Ryals, 2010). Social capital makes things happen that would not be possible otherwise (Coleman, 1988). Examples of social capital are family, different kinds of associations and working contacts (Putnam, 2001).

3.1.1 Basics of social capital

Social capital has been defined in many different ways. Most definitions of social capital nowadays include three basics that derive from the early work of Coleman (1988). The basics are networks; some norms, values and expectations that are shared within the group; and sanctions that work to keep the network and norms functioning. For example a network can be a neighborhood. Living in that neighborhood and having different relationships with the

neighbors is characterized by rules and social norms, like supporting each other in different ways and not playing loud music late at night. Sanctions in neighborhoods are often informal and based on good or bad behaviors, it can be gossip, reprimands or even threats for something that is negative as well as praise for positive behaviors (Halpern, 2005).

Pretty and Ward (2001) have developed a definition of social capital that is built upon the above mentioned basics. Their definition consists of four different parts, which are: relations of trust; reciprocity and exchanges; common rules, norms and sanctions; and connectedness, networks and groups.

In the category called relations of trust, Pretty and Ward (2001) mean that trust facilitates co-operation. Resources are liberated when people do not have to put energy in controlling each other and can trust everyone to do what they are expected to do. As trusting someone induces reciprocal trust it can also contribute to a social obligation. Trust can be separated in two types: the trust in a person we know, and the trust in someone that arises because of our confidence in a certain known social structure (Pretty & Ward 2001).

Another factor that increases trust is reciprocity and exchanges. When people simultaneously exchanges items or experience, this contributes to long term obligations between them as they both have an interest in reciprocating the other (Pretty & Ward, 2001). Educational situations outside of school when we learn from friends, at work or in other circumstances are examples of how people exchange experiences. In these learning settings social capital and the reciprocity it creates between people is more important than when it comes to regular education (Halpern, 2005). When a community that has reciprocity as a foundation, it is more efficient than when people in a community are suspicious. People that trust each other are more willing to engage in volunteer work, participate more in politics and associations and show a greater community involvement (Putnam, 2001).

Common rules, norms and sanctions are mutually agreed means of behavior that put group interests above the individual interest. They give individuals the conviction to invest in group activities, when they know that others will do the same. There are also mutually agreed sanctions to punish those who break the rules (Pretty & Ward, 2001). Norms and effective

sanctions is a form of social capital that can both promote and restrict different actions (Coleman, 1988).

Pretty and Ward (2001) finally writes about connectedness, networks and groups. There can be different types of connections between groups, such as mutual help and exchange of information, trading or common celebrations. Connectedness is shown in all kinds of groups at the local level (Pretty & Ward, 2001). Putnam (2001) means that social contacts in networks affect the productivity of individuals and groups. A number of development studies have shown that when people are well organized in groups and projects are built upon their knowledge and participation, then the project is more likely to succeed and activities to continue after the project is finished (Pretty & Ward 2001). To be organized in networks can, among other things, affect the economic development in different ways on different levels. An individual with a big social network and feelings of trust to others is related to lower unemployment and higher income (Halpern, 2005; Putnam, 2001). Networks are considered to be important to business success, and they can also help offering access to loans and finance (Field 2003). Cooperation between economic stakeholders can under certain conditions be a better impulsion for growth than competition on the market (Putnam, 2001). Also on a community level there are indications that social capital has a correlation with economic growth (Halpern, 2005; Putnam, 2001).

Social capital is not only a positive concept, it can be used to reach things that can be seen as bad. Even though it can enable cooperation between people, the outcome can be either good or bad (Halpern, 2005). Networks and reciprocity is in general good for the people that are inside of the network, but the external effects of the social capital are not always positive. The social capital can be used for vicious, antisocial means just like any other form of capital (Putnam, 2001).

3.1.2 Functions of social capital: bonding, bridging and linking

Except the three general basic components of social capital (networks, norms and sanctions) there are also three functions which are called bonding, bridging and linking (Halpern, 2005). These functions involve connections between groups, from micro- to macro-level (Pretty & Ward. 2001).

Bonding social capital can be referred to the strong bonds that can exist between family members, close friends or inside small communities. It involves chains between people in similar situations (Field, 2003; Halpern, 2005). For example within a company the employees can rely on each other, cooperate, and share information and understandings (Halpern, 2005). Bonding social capital forms a base for reciprocity and mobilizes solidarity. Bonding social capital creates a strong loyalty within the group, but can also generate a strong resistance against the people outside the group. Negative external effects are more common in this form of social capital (Putnam, 2001).

Bridging involves more distant links to similar persons, such as loose friendships and colleagues (Field, 2003). Research has found that social capital, and especially bridging social capital, has an impact on education that is generally positive as it has been connected to higher levels of performance (Field, 2003). Where the community involvement in education is strong the students have more access to social capital and the results are effected positively (Putnam, 2001). Bridging social capital can also be norms produced in societies that make strangers cooperate in a successful way (Halpern, 2005). In bridging social capital the network is useful for a connection with external assets and distributions of information (Putnam, 2001).

Linking is a third dimension of social capital and it goes even further than bridging and reaches people in different situations outside the community and makes it possible to use resources that are not available in the community (Field, 2003).

Just because social capital can be divided into bonding, bridging and linking it does not mean that different social networks can be put into one of these categories. Instead bonding, bridging and linking are dimensions that the social networks have more or less of and is used to compare different forms of social capital (Putnam, 2001).

4. Method

We have chosen to do a qualitative research in which we have used case-study as a method. The reason why we chose this method was because we wanted to explore how coffee producers experience the impacts that Fairtrade has on their working conditions. Doing a case-study is a suitable method to get a deeper understanding of individuals experience in a specific organization (Yin, 2009). All producers of coffee in Fairtrade are organized in cooperatives and to establish contact with a Fairtrade-cooperative gives an insight that would be difficult to achieve otherwise. Therefore there is a value of using the Fairtrade-cooperative CECOCAFEN as a case-study to answer the question and help to get a deeper understanding of the problem. In the case-study we have used semi-structured interviews as our tool because we want to capture the experiences of our interviewees. During the interviews we have also made observations where we looked at the body language and facial expressions of the interviewees.

We have chosen to use purposive sampling to reach the sampled persons relevant for our study. Organization, locations and interviewees have been chosen because they are of interest for the understanding of the problem. We have through this selection method sought to ensure that the members of the selection represent a variation when it comes to gender, working positions and age groups (Bryman, 2011). The purposive sampling has been made through a so called snowball sampling as we have initially contacted key persons with relevance for our theme. These persons were able to give us access to additional respondents (Bryman, 2011). After meeting with our local supervisor at the cooperative CECOCAFEN it was decided that we should visit three villages, San Ramon, El Coyolar and El Roblar. We wanted to visit more than one village to see if there were any differences in how the producers experience their working conditions. Our local supervisor arranged contact with persons from the cooperative in the villages. When we arrived on site these persons helped us contacting relevant interviewees for our study. We interviewed both producers and members with other positions in CECOCAFEN, this to get a broader view of the organization. Our study is built upon 14 interviews of which eight of the interviewees were men and six were women. The ages varied between 22 years and 70 years old. The interviews took place both in the facilities of CECOCAFEN and in the homes of the producers.

During the interviews the work was divided, one of us made the interview the other one focused on observing the interviewee. All the interviews were recorded and then translated and compiled into texts. Detailed field notes of the body language and facial expressions were taken during the observations, these were later expanded in order to be used in the analysis. In the work with analyzing our data we have used thematic analyze because it was a suitable way of sorting out our data. After careful review of our collected data we have been able to identify different recurring categories from the interviews (Bryman, 2011). To be able to see the frequency of expressions that demonstrates these categories we used color-coding. The categories that we found after we analyzed the data were economy; education; organization; and self-esteem, pride and commitment. When the results were gathered and we started to analyze the data we explored the social capital theory and its explanatory ability to process our findings. Then, we searched for literature and scientific articles about social capital and developed understanding of the theory. Finally we wrote analyze, discussion and conclusions. In order to illustrate our conclusions we have also constructed a model.

Reliability in qualitative studies is connected to low-inference descriptors (Silverman, 2006). To get as big reliability as possible we have pre-tested our interview guide and made some adjustments. When we found our questions to be well designed we practiced the interview to get a natural flow in the interview-settings. We also recorded all our interviews to be able to hear them again because details could easily have been missed if we would only have taken notes. All the interviews were carefully translated from Spanish to make it easier for us to work with the collected material. To strengthen the reliability in our observations we took short notes during the observations which we developed further afterwards. To ensure the validity of our study we have used the constant comparative method that Silverman (2006) writes about. With this method a limited part of the collected data is first analyzed, this is done by finding categories. Later these categories are used to see if they fit the rest of the data. This is what we have done when we made our thematic analysis. We started to look for categories already when we had made just a few interviews and later we found the same categories recurring in all the interviews. When all data was gathered we compared the interviews and expanded the number of categories.

In this study the ethical guidelines of research from the Swedish research council have been used (Forskningsrådet, 2012). The information requirement has been taken into consideration

as the interviewees have been informed about the background and conditions of the study. We informed that participation was voluntary. The interviewees agreed to get interviewed and talk about their working conditions, which is recommended in the consent requirement. We also made sure that nobody could get access to the interview data and the result in the thesis cannot be connected to a specific interviewee. With this approach we took the confidentiality requirement into account. All gathered data has been used exclusively for this thesis and by that the utilization requirement is fulfilled.

A weakness in our study that we did not think about from the beginning is how we could isolate Fairtrade from other variables affecting the coffee producers' working conditions. The fact that the producers are organized in cooperatives turned out to be a factor in the enhanced working conditions. It is impossible to study Fairtrade without including the cooperatives in the research. Our research question is about the impacts that Fairtrade has, but our thesis has come to include even the impacts of working in a cooperative. Another variable that we did not focus on is the gender-perspective, which is important to study. We chose to do this limitation because of the lack of time and resources to do that.

4.1 The case-study: CECOCAFEN

In the following section we present the cooperative CECOCAFEN that this study is built upon. To be able to understand the context and the background of our research, knowledge about CECOCAFEN is of importance.

The Central Association of Northern Coffee Cooperatives, CECOCAFEN, was founded in 1997. CECOCAFEN is situated in the three regions Jinotega, Matagalpa and Nueva Segovia in the northern area of Nicaragua. CECOCAFEN has a social engagement as a base, and they act as employers. Therefor their mission is double; both to sell and commercialize the coffee of their producers and to improve the life for farmers, their families and communities. The organization consists of 10 basic cooperatives and two unions, it has 2637 connected producers of which 709 are women (CECOCAFEN, 2012). CECOCAFEN export an annual average of 2760000 kilos, of which 100 per cent is Arabica washed coffee (Folder 1, CECOCAFEN, 2011).

The harvest period lasts between October and March. The beans are hand-picked, the producers remove the pulp that is put into tanks for natural fermentation and washed from residues. After they have been sundried the beans are stored and processed, and later hand selected for the best quality (CECOCAFEN, 2012). CECOCAFEN provide their member cooperatives with commercialization and export of their coffee. They also assist with dry mills, credit and technical assistance. Another part is helping to manage in the implementation of productive projects and organizational development (Folder 1: CECOCAFEN, 2011). CECOCAFEN is part of the socio-economic development through their different programs and projects in the local communities. Among them can be mentioned the micro-credit program called GMAS (*Grupo de Mujeres en Ahorro Solidario*, eng: Woman's group for solidarity savings), scholarships for young people, programs for health, buildings of schools and salaries for teachers, cultural and sportive movements, and repairing of roads. In this way the whole community is able to take part of the benefits of the Fairtrade cooperatives (CECOCAFEN, 2012). Furthermore there are programs for reforestation, replantation and conservation of natural grounds, as part of the biological protection (Folder 2: CECOCAFEN, 2011).

All the producers in CECOCAFEN are Fairtrade-certified from the moment they are affiliated to the cooperative. The process of getting certified takes eight days and consists of inspection of the plantation, the producers and the technicians. The inspectors are looking to see if the producers are fulfilling all the conditions they have to, to become certified. Even if the process to get certified only takes eight days there is a constant work to fulfill the demands of Fairtrade. Every year certified producers are being controlled to see that they still accomplish the conditions that they have to if they want to remain certified (Interview, April 17, 2012).

It is possible for new producers to incorporate with the cooperatives, as they are open to new members. The producers who aspirate on becoming members apply verbally, to later continue on with a full-scale application, which includes a letter of interest and an economic report. These are assayed during the yearly meeting and the application is either approved or denied. All cooperatives have a part of their budget deposited for administrative fees. The cost of becoming a member varies depending on the size of the producer, but normally is around 50 USD (Interview, April 17, 2012).

5. Results

In this section we will present what impacts of Fairtrade that the coffee producers experience in their working conditions. During our compilation and review of the interviews we have found four categories that we will go through one by one. The categories are: organization; education; economy; self-esteem, pride and commitment. As the result did not differ between the villages we have chosen to present them all together.

5.1 Organization

It is a perennial opinion that it is a good thing to be organized and that it has a lot of advantages. There have been big changes that would not have been possible without being organized in cooperatives. One of the interviewees says that ‘it has been a 360 degrees change’. Another thing that a lot of people talk about is that they support each other, cooperate and help one another. They find it important to make sure that everyone is aware of what has to be done, a few members cannot risk the survival of the whole cooperative. One thing that illustrates the unity among them is commentaries like ‘we are like brothers and sisters and we are stronger together’. One producer express it as, ‘even if we are small, we are bigger than the big producers’.

The interviewees talk about that there are several ways in which it facilitates to be organized in cooperatives. One person says that it is profitable and a number of persons give the example that it was not possible before to get a loan as poor individuals. As organized they have greater possibility to get a loan. The producers also feel that they have a stronger voice together and that they can express their opinions in different ways. Now that they are organized they feel like they are a force to be reckoned with and to be taken serious. They say that they experience a greater feeling of significance. One woman express that ‘women now have more social capability, we can affect work and give a women perspective in the cooperative’. Some of the interviewees also say that they have a greater feeling of independence now when they do not have to obey any patron but have their own land.

Many of the respondents mean that there is a clear difference between organized and unorganized producers. They describe it in different ways. One producer says ‘when someone

is sick we can help and fill in for each other, but the unorganized producers do not have that possibility'. Some say that the unorganized ones do not have hope, 'they just produce their coffee, sell it to the open market and there is nothing more to it'. Producers that are part of the cooperative on the other hand do have hope. One interviewee says that 'it is possible to see the influence of Fairtrade with your own eyes, we take care about the environment and do not litter'. Another producer expresses that those who are unorganized now can see that it is good and important to be organized and that it makes a difference.

5.2 Education

As a whole, many of the interviewees describe the importance of education and what a difference education has made since they got Fairtrade certified. An important progress is that they have been able to build and invest in schools. Specific areas of advancement have been noticed within the coffee production and its quality improvement. Among others are diversification of plantation to achieve a more stable income during the year and consciousness about the environment. The advance has also been notable for life in general. They feel like they are continuously developing and that it is possible to move forwards and learn.

Matureness through education has been pointed out by several persons. The amount of education in different levels seems to be very important. Fairtrade has made the producers more educated and it has reduced the level of fear among them. It has been mentioned that before they got Fairtrade certified they were afraid and uninformed, but now it is not the same. 'With education people dare to express themselves and to be more open'. Among the social projects financed by the Fairtrade premium education is regarded as one of the most important.

Within the cooperative several people have got further training in a number of subjects. They also educate each other and give advice about coffee production and what they have to do to be a part of the cooperative. This is also a way to make sure that all members are well prepared for their task so that no one risks the future of the cooperative. If someone does not live up to the requirements they get a warning and a chance to correct the shortcomings. New

members are introduced and supported by everyone. There are also courses held in groups treating diversified essential themes such as health and groceries.

The interviewees say that the villages now have a better contact with each other and that gives them an opportunity to learn more and exchange experiences. There are also new opportunities to travel, both domestic and international. It opens up to further occasions to develop and learn.

As an example on the increased level of education many of the interviews talk about the enhanced awareness of the environment since the producers got Fairtrade certified. There are several improvements in how they take care of the environment and avoid pollution, which also means a better work environment for the coffee producers. Agrochemicals and pesticides are restricted and the producers are aware of the consequences they can cause. 'It is obviously much cleaner in the surroundings nowadays, we take care of their garbage and do not litter'. Reforestation is another example of how they protect nature. The interviewees talk about that they differ from unorganized producers. They mean that producers that are not Fairtrade-certified do not follow any agreements and have no commitments. A comment about the unorganized producers is that 'they do not reforest and do not preserve nature, they are not conscious about the environment'.

5.3 Economy

When the interviewees talk about economy they first and foremost state that Fairtrade has entailed a better price for the products. It has opened up to a new market and the producers do not have to depend on the local market. This means that they now experience new hope and expectations. The enhanced price also implies less worries and less fear of crisis. The surplus has made it possible to vary the production, which leads to more even proceeds. 'There is no longer necessary to await the income of the three months coffee harvest'. Many also pinpoint that they find it central that they can now afford to own their property and this has given them a feeling of independency.

Another significant economical factor that they mention is the Fairtrade social premium. It helps to improve quality of life for the producers, their families and the community. It also

helps to keep economic stability during periods of low income. 'With the premium it is possible for us to feel calm and not worry as much about the difficult periods'.

A lot of the interviewees manifest that Fairtrade is vital to them. They say that Fairtrade has helped them considerably and that it gives them a good life. The producers manage economically and are not having the feeling of falling apart. Without Fairtrade it would not be possible to continue with the coffee production and that would have made the producers unemployed. Fairtrade has given them a brighter economic future. One respondent said that Fairtrade means: 'Something big. Something big that helps you to survive'. Although Fairtrade means a lot to the producers economically, there are some that mention that other members of the cooperative sometimes worry when the market coffee-prices are rising. When this happens the difference between Fairtrade and market prices are not as obvious as in times of crisis.

5.4 Self-esteem, pride and commitment

All interviewees express that the society and community has changed since the work with Fairtrade started. They talk about different areas that have evolved through being Fairtrade certified. One thing is that people have stopped being afraid of talking and share experiences about their working situation with each other and with strangers. Nowadays everything is more out in the open and they have developed the ability to communicate. One interviewee said that 'before people would have hidden when they saw you two strangers coming, but now it is different'. Now that the fear is not an obstacle, there is another willingness to debate and argue for themselves. They even dare to outreach to show the benefits of Fairtrade and to be organized in cooperatives and explain to others what they have learned.

Another thing that shows the development of the society is that people are more committed to continue with the progress and therefore are more involved in projects. A lot of the producers talk about that they are engaged in several projects through CECOCAFEN and that they continue to proceed step by step. Promoters form new groups to teach and exchange knowledge within different subjects to the members of the cooperative, such as health, eatables and family counseling. It has been expressed that every project is a victory. The project with international exchanges is also a win and a new dimension in their work, it helps

them a lot and they learn a lot from it. Now they experience that they have more skills when it comes to a number of things like health, taking care of the body and family relations. ‘That is so important!’ One producer says: ‘it feels like CECOCAFEN has been here throughout my whole life, not only fifteen years, just because it has meant so much’.

There are several expressions that show that the producers feel proud of their work and what they have achieved during the years. One person express that ‘there are so many beautiful things to say about Fairtrade and CECOCAFEN that there are no words for it’. Another person illustrates this with telling how it would be impossible to leave the cooperative. ‘Even if it the chance would come to represent Fairtrade in the government, the work with the cooperative is way too important’. They mean that they have succeeded with so much, but they have made a big effort to get there. Now they feel more like a recognizable force.

Several of the interviewees talk about that their children are the proof of their success. They often tell their children that ‘everything around you comes from the work with Fairtrade’. Now they have the ability to study and get a new, brighter future. They look at this with gratefulness to Fairtrade, because it would never have been possible without the organization. We have observed during our interviews that there is a great amount of pride among the producers of what they have achieved in their villages and through the cooperative. It has been visible through their facial expressions, gestures and the way they talk with great involvement, pride and dedication about important subjects.

6. Analysis

In this chapter the theoretical framework will be applied to analyze the content of the results. To facilitate the readability and make a clear structure the main themes of the results are utilized. The four main themes are: organization; education; economy; self-esteem, pride and commitment.

6.1 Organization

Field (2003) writes that networks provide a base for social unity because it facilitates cooperation for mutual benefits. The interviewees express that it is a good thing to be organized and that the big changes that they have experienced would not have been possible without the cooperation within the organization. The organization has helped to enhance the education and economy for the producers. Another example that the members mention is that they now have the opportunity to get loans that they were not able to get before they became organized. These possibilities to get better living conditions shows that social capital can make things happen that would not be possible otherwise (Coleman, 1988). As organized the connection between the producers create an added value as it gives advantages in many different areas in life. Social capital has a big impact on the working and living conditions of the coffee producers. The relationship among the producers is important when social capital is created. The producers in CECOCAFEN draw parallels both to how their situation was before they were organized in cooperatives and to other producers that still are not organized and how their situation is now. In this comparison they can see the importance of being organized and the difference it makes. It has contributed to stronger social networks, enhanced economy and a greater amount of knowledge. Another important thing is that they now express that they now have greater hope for the future. Ruben and Fort (2012) also found in their study that Fairtrade producers were satisfied with being organized in a cooperative and that they saw many advantages that they get through the cooperative. Griffith (2012) on the other hand is critical to organize coffee producers in cooperatives. He writes that it is an inefficient way of organizing and that it will not create any benefits on the market.

The members of CECOCAFEN support each other, cooperate and help one another. This is due to reciprocity and common values between them. It also indicates that there are relations of trust within the cooperative and relations of trust facilitate cooperation. By trusting each other they do not have to waste energy in controlling what everyone does, instead they can count on that people do what they are expected to (Pretty & Ward, 2001). Now that they are organized in a social network they help to educate each other, if someone is sick they can replace that person and make sure that the production keeps on going and they plan future enhancements together. This kind of solidarity and reciprocity among the producers show that there is bonding social capital within CECOCAFEN.

All the members of an organization can benefit from the interactions within the network (Davies & Ryals, 2010). The interviewees describe these benefits from interactions with statements like now they have a stronger voice together and that they are a force to be reckoned with. This has made them get a greater feeling of significance that they would not have as unorganized. The social network has given these advantages, which proves that to be organized in cooperatives has made an impact on the producers. When producers are inside the network they get access to the positive effects that it brings, but people in the community that are left outside can only have the advantages that are given to the whole community. They cannot get the advantages of being part of working in a cooperative, and the feeling of connectedness it brings. This shows that social capital is not only positive, it is possible that it could have negative effects on the people excluded (Halpern, 2005). Booth and Whetstone (2007) implies that Fairtrade excludes the poorest producers as they do not have the possibility to pay for certification-fees. They are left outside the cooperative and do not have the chance to take part of the benefits that being organized creates.

6.2 Education

The influence of social capital on education is generally positive (Field, 2003). The result has shown that education is seen as something very important among the producers and the level of education has risen significantly since they got Fairtrade certified. The social network has created opportunities to coordinate the system of education in a better way. A big improvement is that families have the opportunity to send their children to school. This is due to that the organization has contributed with better economy for the family as well as the community. The community has invested in local schools and thereby improved the educational system. It is not solely the improved economy that has made the community go in for education, but also their increased level of social capital that they create within the cooperative. All the interviewees talked about the importance of schools and education. As the whole community is strongly involved, the results among the students are more likely to be improved (Putnam, 2001).

Fairtrade has educated the producers in different subjects such as the environment and production of coffee. This has improved the level of quality in the products. Ruben and Fort (2012) also found in their study that Fairtrade has a big impact in the development of the

quality in coffee production. When they on the other hand compared Fairtrade-certified and non certified producers they did not see differences in creating a sustainable environment. Through education and greater knowledge the interviewees dare to express themselves and to be more open. During the interviews, we observed how the interviewees were open to contact and willing to talk about their work and what they have accomplished. The interviewees said that this would not have been possible earlier, when they did not have the knowledge that they have now. As the organization has developed, the members have also created a better contact with other villages, which has led to more learning opportunities as they exchange knowledge. Norms produced in societies that make strangers cooperate in a successful way is called bridging social capital (Halpern, 2005). The reason why this cooperation works is that both parties know the social structure of CECOCAFEN and therefor have confidence in one another despite the fact that they do not know each other personally. The contact between producers in different villages and the exchange of knowledge between them can be seen as an example of bridging social capital. This contribution has given new input to be able to evolve CECOCAFEN and their skills. Through the contacts they have broaden their horizons and strive for better results in all fields.

Working contacts is one important form of social capital as they can cooperate and share information. The producers in CECOCAFEN educate each other and give advice about the coffee production and about what requirements need to be fulfilled to be part of the cooperative. This is a thing that Le Mare (2008) also found in her study, that one important benefit that Fairtrade generates is the creation of a learning environment. The mutually agreed rules and norms to welcome new members by introducing and supporting them is an important part of the cooperative. This is done to make sure that all members are well prepared for their tasks so that no one risks the future of the cooperative. If someone does not live up to the standards there are sanctions like warnings. Common rules, norms and sanctions give members of the cooperative conviction to invest in group activities because they know that others will do the same (Pretty & Ward, 2001). Within CECOCAFEN there are also courses held by members treating varied subjects such as environment, health and groceries. This shows, as Halpern (2005) writes that we learn a lot outside of school from friends, at work or in different everyday happenings in our lives. Social capital is more important in these kinds of learning situations than in regular education. The internal education has contributed to reach the amount of prosperity that they have today. A significant win that the

interviewees talk about is the improved environment. We conclude that this improvement has been possible due to more social capital that has contributed to better education.

6.3 Economy

The economic value of social capital is that people together can use the social structure to achieve common goals (Coleman, 1988). The members of CECOCAFEN use each other and the cooperative to develop their production and thereby get a better economic situation. Together they have a possibility to reach resources outside of the community, which is a dimension of social capital that Field (2003) refers to as linking. In the case of Fairtrade, it means that the producers have gained access to a new market and no longer have to depend on the local market. This has meant a lot to the coffee producers in CECOCAFEN, as they get a better economy and hope for the future. Fairtrade has given the producers economic stability thanks to the social premium, the more varied production and the ability to get loans. We noticed during the interviews that this was important to them and that Fairtrade has helped to keep the economic stability during periods of low income. This is a relief for the producers as they do not have to worry about economy during the periods of the year when income is at a low level. All the interviewees talk about that their whole economic situation has changed for the better through being Fairtrade-certified. Above all they mention their personal economic situation but they also often refer to the growing economy of the whole community. The study by Ruben and Fort (2012) did show that Fairtrade only had a small effect on the income, but they saw that Fairtrade producers had more assets in animals and agricultural than non certified producers had. They also explained the minor differences in income with the high coffee price at the moment the study was performed and that Fairtrade does not buy all the coffee produced by certified farmers.

Social capital can affect the economic growth in different ways on different levels. An individual with a big social network and feelings of trust to others is related to lower unemployment and higher income (Halpern, 2005; Putnam, 2001). Through CECOCAFEN the producers have gained a bigger social network and with the norms and sanctions within the organization it creates a mutual sense of trust. They express that without Fairtrade they would not be able to continue with the coffee production and they would be unemployed. Unemployment would be a disaster for their families as this is often their only source of

income. Furthermore, we believe that unemployment would break down the social capital as they no longer could gather around the coffee production.

The organization itself is an important form of social capital, where the employees can rely on each other, cooperate and share information and understandings (Halpern, 2005). These structures reinforce the reciprocity between the members in CECOCAFEN, and strengthen the social capital. Together they have developed the production and gained a better quality of their coffee cultivation, this has also contributed to their enhanced economic situation. Networks like CECOCAFEN are considered to be important to business success (Field, 2003). The achievements made through a Fairtrade cooperative have contributed to enhance the quality of life for the producers, their families and the community.

6.4 Self-esteem, pride and commitment

A community that has reciprocity as a foundation is more efficient than a community where people are suspicious. When people trust each other they are more willing to engage in volunteer work, participate more in politics and associations and show greater community involvement (Putnam, 2001). Many of the interviewees talk about that they are engaged in several projects through CECOCAFEN that involves health, eatables and family counseling. This shows that there is a strong bonding social capital between the producers and the commitment to contribute increased awareness is big among them. They see every project as a victory and they feel that it gives them more skills when it comes to a number of things. The different projects help to improve both working and living conditions for all the members.

When social networks within the community are built upon trust, it is more likely that they also dare to communicate and share experiences with others (Pretty & Ward, 2001). The interviewees said that they have stopped being afraid of talking and now discuss their working situation with each other and with strangers. It was possible to see in their expressions that they now believed in themselves and were proud of their development. Reciprocal trust can contribute to social obligations (Pretty & Ward, 2001), for example if you get an advice from someone you are more willing to give advice yourself. The producers consult each other on a daily basis and the ability to give information and instruction also strengthen their self-esteem.

There is a strong feeling of connectedness to the cooperative. Bonding social capital creates a strong loyalty within the group (Putnam, 2001). Reciprocity and exchanges increases trust and when people simultaneously exchange experience, it contributes to long term obligations between them (Pretty & Ward, 2001). We can see that trust and obligations are strong among the members in CECOCAFEN. Something that illustrates this is that one of the interviewees says that it would be impossible to leave the cooperative even if the chance to represent Fairtrade in the government would come up, as working with the cooperative is way too important. The strong bond and engagement among the members contributes to continuously reinforce the social capital and the improved social capital makes CECOCAFEN a successful organization.

When people are well organized in groups and their work is based on their knowledge and participation they are more likely to be successful (Pretty & Ward, 2001). Several of the interviewees express that they through the organization have succeeded with so much and that they are proud of their work and everything they have achieved. They have built up their community and enhanced their working and living conditions. They are proud of their children who they see as the proof of their success. Through the producers commitment to CECOCAFEN they have successfully made progress in their work and achieved a new sense of pride and self-esteem. That Fairtrade helps to produce bigger confidence and self-esteem among the producers is also something that Le Mare (2008) concludes in her study.

6.5 Connections and interaction

The four different categories organization; education; economy; self-esteem, pride and commitment are connected and influence each other. Through being organized in cooperatives the producers get a stronger cohesion and together they can create a better economy for everyone. In the organization they also invest in education, which leads to a collectively improved self-esteem. Education is another factor for the enhanced economy as they through education get a greater knowledge and prerequisites for the production. Education also contributes to a better work environment as they learn not to use pesticides and to reduce the pollution. Better economy enables the investment for increased education. With growing economy the whole community is affected, they get better living conditions and a greater hope for the future. The effects of being organized, more educated and having a stable

economy lead to a greater amount of pride, commitment and self-esteem among the producers. Their success in these different areas has made them believe in themselves and what they can achieve. The mutual influence that the categories have on each other makes it hard to separate them from one another, instead they need to be seen as an interacting entirety.

7. Discussion and conclusions

In this final chapter conclusions are being presented and there will be a discussion of the findings in this study. Suggestions on further research are given as well as a reflection upon our work.

This thesis has explored how coffee producers in CECOCAFEN, Nicaragua, experience the impacts that Fairtrade has on their working conditions. The analysis made on these results, showed social capital to be an important part of all changes perceived by the producers. The interviewed coffee producers constructed a positive image of Fairtrade and the work they do. They mean that Fairtrade and the cooperative are the foundations of the improved working conditions. They have experienced improvements in organization; education; economy; and self-esteem, commitment and pride. Our initial thought was that the term 'working conditions' would imply things like the way of working, working hours and work environment. The coffee producers had a broader definition of the concept. Changed working conditions to them include everything that has changed in and around their work. This finding suggests that working conditions and the associated impacts are perceived differently in different socio-cultural and economic contexts. In the interviews this created another interpretation of the questions than we first thought. This has been positive, as it has widened the initial view of the term working conditions that we had.

Fairtrade, CECOCAFEN and the social capital created within the cooperative all have impacts of the working conditions of the coffee producers. We have developed a model to illustrate these connections (figure 1).

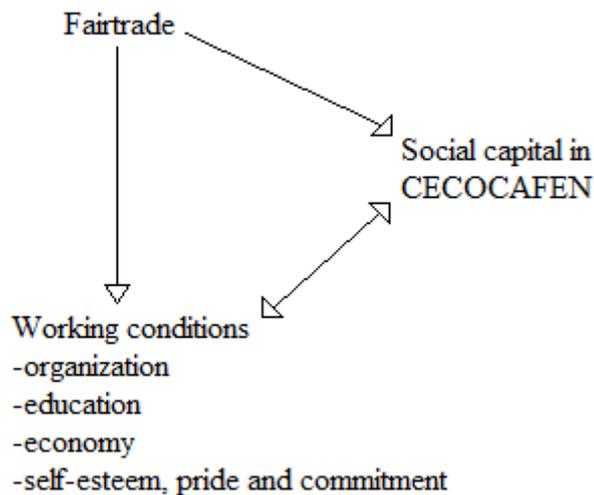


Figure 1: Impacts on working conditions

All the producers in CECOCAFEN are Fairtrade-certified. Fairtrade affect their working conditions to a certain extent, but also CECOCAFEN and the cooperative work has an impact. Because the whole cooperative CECOCAFEN is Fairtrade-certified and everything that they produce is cultivated with Fairtrade standards it is hard to separate them. In this study we did not have the possibility to determine which one of them that has had positive impacts on the enhanced working conditions that we have found. We conclude that many of the changes are due to the cooperative work in CECOCAFEN, but Fairtrade has affected some of the improvements (see figure 1). The producers themselves acknowledge and tell about their enhanced working conditions, but they see CECOCAFEN and Fairtrade as a unit that has created these enhancements together. The cooperative work has resulted in a number of advantages like stronger social networks, enhanced economy and greater amount of education. We conclude that these achievements would not have been possible without the cooperative and the increased social capital that the cooperation between the members creates. Through the cooperative work the producers have increased social capital and the increased social capital has in its turn enhanced the working conditions (see figure 1).

When the members in CECOCAFEN collaborate and by that create more social capital, they can succeed with things that they could not do by themselves. This is supported by Ruben and Fort (2012) who write that organized producers are more content and see advantages with the

service and outcomes that the organization provides. When it comes to education among the producers in CECOCAFEN the increased social capital has led to more knowledge because they educate each other and has exchanges with other villages. The producers also put great emphasize in that Fairtrade has given their children possibility to go to school and thereby create a better future. The investment in education would not have been possible without economic means. Both Fairtrade and CECOCAFEN have contributed to that the producers have created more social capital and through that gained access to a new market and a more stable income. The social capital and Fairtrade has also contributed to important outcomes in personal development like increased self-esteem, commitment and pride. This is a conclusion that Le Mare (2008) draws in her study as well. All the findings above show how organization itself is an important form of social capital where the producers can rely on each other, cooperate and share information and understandings within the cooperative (Halpern, 2005). These structures reinforce the reciprocity between the members in CECOCAFEN, and strengthen the social capital (see figure 1). The four different categories, organization; education; economy; and self-esteem, pride and commitment, are connected and influence each other. It is hard to separate them from one another as the mutual influence they have makes them an interacting unity. Impact of Fairtrade in one category of working conditions affects another category and this interaction makes enhanced improvements on working conditions overall. The changes in working conditions that we have found have resulted in enhancements for the whole community and their life situation. From this we draw the conclusion that work plays a central role for the development of society in general.

We have conducted a case-study where we gained insight in the experiences of changed working conditions within the specific organization of CECOCAFEN and can therefore not be said to have transferability to all Fairtrade organizations. However, the conclusions reached in this study could be discussed in the context of similar agricultural cooperatives with similar previous levels of social capital. The result could also be discussed in the context of other similar agricultural cooperatives in Nicaragua and maybe even in an extended region where the living conditions are roughly the same.

To further examine if the result in this study can be transferred to other cases it would be interesting to compare Fairtrade-certified producers with non Fairtrade-certified producers to see if the working conditions differ in different levels. Our findings indicate that there is an

actual difference between Fairtrade-certified producers and non Fairtrade-certified producers based on the producers' perceptions. We suggest that further research could look at if non Fairtrade-certified producers experience the same difference. A reflection that that appeared is if CECOCAFEN would have been able to achieve the same differences and improvements in working conditions without being connected to Fairtrade. It would also be interesting to look at this with research that does not just study the experiences of the producers but include other research approaches and methods as well, such as expanded observations and examination of documents.

Most previous research has focused on the economic consequences of being Fairtrade-certified. From the findings in this study we conclude that there are other outcomes that are just as important and needs to be further examined, for example education. Also Le Mare (2008) means that there are other than economic benefits that comes out of Fairtrade. She writes that social benefits are also vital to study. What could also be further examined is how the habitants in the community around Fairtrade producers perceive Fairtrade production. During the interviews the producers made constant references to other producers who were not Fairtrade certified. They often mentioned what non-certified producers did not do, or pointed out how they differ from certified producers in cooperatives like their own. The frequent attempts by the producers in CECOCAFEN to distinguish themselves from producers who are not Fairtrade certified can be seen as a way of constructing and strengthen their own identity as 'certified producers'. It would be interesting to also see it the other way around - how the persons excluded from the cooperative experience their situation and how are they affected by Fairtrade. The producers left outside the cooperative might experience negative effects from being excluded. They do not have access to the social capital within the cooperative and the advantages that comes with it. It has not been possible to include these questions in this study because we needed to put a limit to the research.

In this study the result has shown that Fairtrade has a predominantly positive impact on the producers working conditions. This does not mean that it is possible to state with certainty that Fairtrade is as well functioning in all places. Critical research shows that Fairtrade does not have the same positive outcomes everywhere. For example, Griffith (2012) and Booth and Whetstone (2007) question if Fairtrade manage to reach out and help the poorest producers.

A reflection considering the result is that all the interviews were made in Spanish, and the thesis is written in English. None of these languages is our mother tongue, which might have given a slight divergence in the understanding of the results. Another thing that may have affected the results is that some of the interviewees were not used to the situation of being interviewed. This could have made them a bit inhibited so that they did not develop their answers as much as we hoped for.

We used snowball sampling as a method of selection where a few key persons helped us to get in contact with different interviewees. This was a good way to meet relevant persons for the study, but on the other hand these key persons influenced the selection of respondents. A question is if this in some way can have affected the result, as the key persons could have chosen to provide contact only with persons who were positive to the cooperative. Another reflection about our method is the anonymity of the interviewees. As they were selected by the key persons the interviewees were aware that someone knew that they participated in the study. The fact that the villages were small and that we as outsiders attracted attention also made it difficult to attain complete anonymity.

Through writing this thesis we have gained experiences that we will carry with us into our own working life. It has been a great challenge to make a field-study in a developing country and we have learnt a lot during the time. We have been able to face unexpected situations and learnt to communicate with people in circumstances that are different from our own. This has strengthened us to believe that we can get in to and manage tough tasks in our future working life. It is also an advantage to have been able to see working conditions in another part of the world. This insight gives a wider perspective in our carrier in the field of human resource management.

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Appendix

ENTREVISTA

1. Puede Ud. contarnos cómo ha sido involucrado/a en CECOCAFEN al principio?
2. Cuánto tiempo ha trabajado aquí?
 - Cuántas personas trabajan aquí?
3. Puede Ud. describir un día de trabajo?
 - Es un trabajo duro?
 - Gana Ud. Suficiente para ganarle la vida? Esto se ha cambiado desde entraron al COMERCIO JUSTO?
4. Cuántos años tiene?
 - Tiene Ud. familia?
 - Educación?
 - Dónde ha trabajado antes?
- 5.Cuál es su opinion general de COMERCIO JUSTO?
6. Que significa COMERCIO JUSTO para Ud.?
7. Ud. Se identifica con el COMERCIO JUSTO?
8. Hay algo negativo de COMERCIO JUSTO?
9. Cree Ud. que tiene un empleo seguro?
10. Cómo afectan las diferentes temporadas a su trabajo?
 - Qué hace Ud. durante la temporada baja (para ganarle la vida)?
11. El medio laboral se ha cambiado en alguna manera desde entraron el COMERCIO JUSTO?
 - La manera de trabajar se ha cambiado en alguna manera?
- 12.Cuál es la mayor diferencia entre antes (de COMERCIO JUSTO) y ahora?
13. Su situación economico se ha cambiado desde entraron el COMERCIO JUSTO?
14. Tiene Ud. diferentes perspectivas al futuro ahora?

15. Su comunidad se ha cambiado en alguna manera desde entraron el COMERCIO JUSTO? (económico, social, cultural)
- La situación de su familia se ha cambiado "
 - Su medio ambiente se ha cambiado "
16. Cómo siente Ud. de su trabajo?
- Esto se ha cambiado desde entraron el COMERCIO JUSTO?
 - El compromiso a su trabajo se ha cambiado en alguna manera?
17. Sienta Ud. que desarrolla más de su trabajo ahora (comparado con antes del COMERCIO JUSTO)?
18. Sienta Ud. que tiene influencia sobre el trabajo?
19. Hay algunos proyectos sociales aquí que conoce Ud.?
- Cuáles?
 - En su opinión, cual es el proyecto social más importante aquí?
 - Tiene Ud. algunas proposiciones de proyectos nuevos?
20. Puede Ud. expresar sus opiniones sobre los proyectos?
- Se lo toman en serio?
21. Conoce Ud. a alguien que trabaja en una finca que no es conectado al COMERCIO JUSTO?
- Hay diferencias?
 - Cuáles son?
22. Ud. tiene conocimiento del manual de políticas de empleo (de CECOCAFEN)?
- Cree Ud. que está obdecida?
23. Tiene Ud. la libertad de organizarle en un sindicato sin interferencia por parte del empleador?