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Power Relations in the Global Production Network for Orthodox Himalayan Tea

Analyzing Fairtrade Tea Production in East Nepal and Darjeeling Through the Power-as-Translation Framework and the Power Cube

GEO 511 Master's Thesis

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Summary

The history of Darjeeling is deeply intertwined with the production of tea. Without tea, there would be no Darjeeling as we know it today. Established as a hill station during colonial rule, Darjeeling is now nestled between Bangladesh, Nepal and Bhutan in the North-East corner of India. Tea production mainly takes place on 87 Plantations with a total area of 17'500 hectares, employing roughly 100 thousand workers in peak season. Workforce on Darjeeling plantations are forcedly migrated families, mainly from eastern Nepal who have worked and lived on Darjeeling plantations since their inception during colonial rule. Being extremely export oriented, 48 of the 87 plantations are Fairtrade certified. Despite exporting some of the world's most expensive teas, living conditions on plantations are inhumane and workers are deprived. The failure of fully implementing the Plantation Labour Act (PLA)is seen as one of the root causes to the problem.

The Plantation Labor act of 1951 obliges the plantation management to look after the workers like a patron after his clients, providing facilities such food rations, infrastructure, and private houses, writing colonial relations in the law of the newly independent India. Ever since activists and researchers have pointed to the incomplete implementation of the PLA that has resulted in the deprived living condition on plantations.

Fairtrade can be seen as one of the projects addressing the failures of implementing the PLA that is trying to improve livelihoods of impoverished plantation workers. After 25 years of Fairtrade existence on Darjeeling tea plantations, researcher, activists as well as practitioners assess the changes it has brought to the producing communities in a sobering tone. Various fair trade projects are active in Darjeeling as well as in the neighboring east Nepal that has entered orthodox tea production only recently.

Against this background, the presented Master's thesis examines how the fair trade idea interacts with existing power relations in the production region for orthodox tea from Darjeeling and east Nepal (OHT) to better understand why Fairtrade certification is continuing despite its hitherto inability to bring about the revolutionary changes it set out for.

Conceptually, the research is embedded in the Global Production Network framework (GPN). Developed as an advancement of Global Value Chain (GVC) theory, the GPN framework carries a distinct ontological and epistemological approach to economic development. On the ontological level, it suggests that global production & trade are best conceptualized as a series of interactions in a network. On the epistemological level, taking a GPN approach stresses that understanding the social and developmental dynamics of contemporary capitalism can best be understood through investigating the production process in various localities. Key to the production process in GPN theory is the incorporation of non-economic as well as non-state actors as vital forces for local social and economic development in an increasingly globally interlinked economy. Trade therefore is not solely a bargaining process between supplier and demander but a social process of exchanging goods in a network of reciprocally dependent and variable powerful actors. Governance in a GPN is defined as the rules, institutions, and norms that channel and constrain economic activity and its impacts. From this broad concept of governance follows a complexity and richness of manifestations of on-the-ground governance processes requiring different 'lenses' for the analysis of actors involved in governance. The lenses offered in GPN theory are value, embeddedness and power.

The following study takes the power lens to investigate the multi-scalar and multi-actor dimensions of the GPN for Fairtrade Darjeeling tea. Inspired by Ian cook's work on "follow the thing" the positionality of the researcher

is deliberately employed in order to gain access to actors connecting consumers with producers, entering the GPN for OHT from the customer perspective.

For the analysis of fair trade's interaction with the power relations in the production region for OHT, the discursive and material dimensions of power are separated.

The discursive dimension of power focuses on how the fair trade idea is narrated between retailers, plantations owners, managers, laborers, and Fairtrade officials. The idea of power as translation – in a one sentence summary - posits that the "spread of any token in time and space" is in the hands of individual actors. These individual actors can drop, modify, add to or subtract from the token. Each of the actors in the pathway of the token is not simply resisting or transmitting the token but they are shaping it in order to support their own different projects. Through the notion of power as translation, with the fair trade idea as the token, the analysis argues that Fairtrade is shaped by the actors that are carrying it out on the ground. Following the top down approach of value chain certification, it is first the plantation owners, then the plantation management and finally the plantation workers' representatives who are in touch with the fair trade idea. The presented analysis suggests that this information chain results in a translation of the fair trade idea that is strongly influenced by plantation owners and managers.

The material dimension for power addresses tangible manifestations of the certification through Fairtrade Labelling Organizations International eV (FLO), such as the payment and investment of the Premium. The power cube as developed by John Gaventa (2006) is used to asses if new arenas for decision making are created through the Premium and where the decisions and bargaining processes surrounding the Premium take place. The gathered evidence suggests that interaction of the Premium with existing power relations is neither as straight forward nor as much in favor of small farmers and plantation workers as implicated in its design. Rather, the decision about the existence as well as the amount of welfare created through the premium is taken inside a black box that is neither accessible for consumer nor farmers or workers. Thus, instead of connecting the consumer with the small farmers and plantation workers, Fairtrade is struggling to bring about the revolutionary changes it set out for because there is a tendency for the decision about the existence and the amount of premium to take place inside the black box through the Fairtrade certification.

In conclusion, this thesis presents a plausible argumentation for reasons why Fairtrade is continuing in the case of Darjeeling tea plantations even though it has been underachieving in the last 25 years. The focus of the argumentation lies on the power implications Fairtrade carries in its implementation.

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Terms and Abbreviations

ATO	Alternative Trade Organizations
CSR	Corporate Social Responsibility
CTC	Cut tear curl production method for tea, mainly used for domestic markets and tea bag production
DANIDA	Danish International Development Agency
DTA	Darjeeling Tea Association
fair trade	The spelling of fair trade with a lower ‘f’ and ‘t’ refers to a movement includes many stakeholders (i.e. cooperatives, alternative trade organizations, educators, activists – organized and individual) that may or may not have a formal role and voice within the certified system.
Fair Trade	The spelling of Fair Trade with a capital ‘F’ and ‘T’ refers to any other certification system that sells social and economic development through the labelling of consumer goods (e.g. UTZ).
Fairtrade	The spelling of Fairtrade as one word with a capital ‘F’ represents the certified Fairtrade system of the Fairtrade Labeling Organisation International e.V. and all the appertaining organizations and individuals.
FLO	Fairtrade Labelling Organizations International eV
FPC	Fairtrade Premium Committee
GI	Geographical Indicator
GOI	Government of India
GPN	Global Production Network
GVC	Global Value Chain
HL	Hired Labor Setup
ILO	International Labour Organization
GRSVS	Golden River Sanjukta Vikash Sansta
NAPP	Network for Asian and Pacific Producers
NBU	North Bengal University
NFO	National Fairtrade Organization
OECD	Organization for Economic Co-operation and Development
OHT	Orthodox Himalayan Tea
PLA	Plantation Labour Act
Premium	Premium with a captial 'P' refers to the Fairtrade intervention of the social premium that is paid for Fairtrade certified sales to the respective Fairtrade certified producers (FPCs in HL situations and SPOs otherwise).
SNV	Netherlands Development Organization
SPO	Small Producers Organization
ToC	Theory of Change
TPI	Tea Promoters of India
TTCI	Tea Trading Corporation of India
UNCTAD	United Nations Conference on Trade and Development
UNX	United Naturex Dot Com Pvt Ltd
USAID	United States Agency for International Development
VSSOs	Voluntary Standards Setting Organizations
WFTO	World Fair Trade Organization

1 Introduction

In 2011, 4.7 million metric tons of tea were produced worldwide. Of the 4.7 million tons, 577'000 were produced compliant with a so-called voluntary sustainability standard such as Fairtrade, Rainforest Alliance or similar and 180'000 tons have been sold as labeled products (Potts et al., 2014, p. 301). Global tea consumption has grown strongly in the recent past leading as the second most consumed beverage right behind water. India is the largest producer and consumer of tea in the world, where more than 3 million workers make their living from tea production alone (McCarthy, 2014; Forum for the Future, 2013, p. 4; Makita, 2012).

In this Master's thesis, I investigate how fair trade is playing out in the local context in east Nepal and Darjeeling orthodox tea production. While describing how fair trade is unfolding in the place of production, the focus is laid on how fair trade interacts with local power relations. Hence, the historical context of tea production and the emergence of the current production system and its internal dynamics are determining for the insights of this Master's thesis. In the introduction, a brief history of both fair trade and tea production is outlined in some detail before summarizing the state of the research in the nexus of fair trade, tea, and Darjeeling. Finally, the research questions guiding the following analysis are presented.

1.1 Tea

Tea from India is popularly known as generic Indian tea or more specific as Assam, Nilgiri or Darjeeling tea. All of them refer to different production locations and thus different flavors of tea. Besides its origin, tea is characterized through its production process and further quality characteristics such as the color of the liquor, taste and leaf grades. First, orthodox and CTC teas are distinguished. CTC refers to the production mode of "crush, tumble, curl" and is resulting in lower value tea, mainly used in Indian domestic as well as tea bag consumption. Second, there is orthodox tea production where the whole leaf is preserved as good as possible. Orthodox tea from India is predominantly exported and generally sold in specialty stores in loose leaf packages, where the shape of the leaf refolds during the steaming processes, unleashing the stored tastes of the misty hills where they grew. Amongst the orthodox teas, Darjeeling is most prestigious one often described as the champagne of teas and its taste is characterized with expressions borrowed from exquisite vines (Besky, 2014; Sen, 2009).

The history of Darjeeling, the north most district of the Indian state of West Bengal, bordering with Nepal, Bangladesh, Bhutan and Sikkim, is deeply intertwined with the production of tea. Without tea, there would be no Darjeeling as we know it today. Tea has been the cause that Darjeeling has evolved from a remote hill station to a booming industry. Tea still is, next to tea based tourism, the economic backbone of Darjeeling (Besky, 2014).

Today, there are 87 plantations growing Darjeeling tea, out of which about 60 are organic certified, and the number of organic certified plantations is growing. At present, about 17'500 hectares of land are invested in growing tea, yielding about 10'000 tons annually. During tea season, roughly 100'000 of the 400'000 residents on tea plantations are directly employed in tea production, while many others work in supporting businesses. Notwithstanding of this small production it is of larger importance for the general Indian economy, being one of India's most famous exports (Tea Board of India, 2017). According to the Tea Board of India, 80% of the tea grown in Darjeeling is exported to Europe, North America, and Japan. Export numbers are unreliable as worldwide consumption of Darjeeling tea is estimated to be 40 million tons a year. Therefore, some researchers suggest that between 90%-98% of total Darjeeling tea production is exported. The problem of counterfeit

Darjeeling tea has been one of Tea Board of India's and especially the Darjeeling Tea Association's (DTA) major challenges in the last 10 years, reaching the establishment of a Geographic Indicator (GI) with the World Trade Organization in November 2016 (Besky, 2016; World Trade Organization, 2005). The forging of labels in the international market also hints at the huge demand for Darjeeling tea, which amounts to just 1% of the total tea output in India but is remarkable in terms of the money that it can command in the world market. Differing from intuition, a GI defines not only the geographical area where a certain good is produced but further gives "… description of the product, the ingredients or inputs and production process" (FAO, 2014, p. 29). Therefore, a product registered under a GI is further characterized by its distinctive production process. For Darjeeling tea, GI status is only given to tea that has been produced on the 87 predefined plantations that have been registered with the tea board. Inherent to the production of tea on a plantation is the colonial history with the employment of indentured labor. For Darjeeling tea, the most precious production step is the plucking of "two leafs and a bud", represented on the logo of the Darjeeling brand by a Nepali woman holding a tea leaf with her delicate hands (Besky, 2014). The following section briefly describes how tea cultivation started in Darjeeling and what the specific role and history of labor in the production of this specialty tea is.

Despite of being native to the eastern Himalayas, tea was neither cultivated nor drunk here until the middle of the 19th century. Tea cultivation was brought to Bengal and Darjeeling by the English East India company after the first opium war between China and England in order to create a supply for tea independent from China. The first bushes planted in Darjeeling were stolen from China and thus differ from the local varieties that can be found in Bengal and Assam. The distinction between Chinese (camillia sinensis) and Assamese (camillia assamea) tea bushes is important as Darjeeling tea as well as orthodox tea from east Nepal will always be grown from the camillia sinensis variety. Like in many other hilly regions in India, British Raj have set up a hill station for recreation of the colonial rulers as well as for testing the cultivation of various tropical products. In Darjeeling, cultivation of tea was a most valuable option along the steeped hills that are characteristic for Darjeeling (Besky, 2014). The optimal altitude for producing fine Darjeeling tea is between 600 and 2000 meters above sea level and distinctly distinguishes Darjeeling tea from tea cultivated in the Terai, the plain area that is bordering the Himalayan foothills (Tea Board of India, 2017).

Plantation workers are forcedly migrated labor from central Indian tribes and (east) Nepal. In order to clear the jungle and create the plantations the British colonial masters had to recruit laborers from outside Darjeeling. Initially, workers were recruited from different tribal areas, many of which were afflicted by famines. During the 1800s, Nepal's oppressive Rana monarchial regime resulted in miserable living situations for many of its subjects, especially in the eastern region bordering Darjeeling. In order to sway families to leave their homes in Nepal, plantations offered laborers housing, farmland, and schools for their children, privileges unknown to them back home. So-called sardars brought workers from Nepal to Darjeeling. Sardars were ethnic Nepalis who recruited workers from the same community year after year replicating whole Nepali communities on Darjeeling plantations (Besky, 2008; Besky, 2014; Makita, 2012).

One reason to encourage families rather than single households or even individual workers was the goal to retain a captive labor force at low wages. With relocating whole families, male workers were prevented from becoming recalcitrant while the reproduction of labor force was guaranteed inside the plantation (Sen, 2009). Because of the reproduction of labor on site as well as the remoteness of the plantation, the newly created spaces were out of reach of colonial authorities. Therefore, planters, meaning the owners and/or operators of the plantations, were

becoming majors of their own local chiefdoms. Planters were given powers such as the right to imprison those who refused to work, as well as responsibilities, for example the duty to provide housing, health care and education, making the plantation something like a microstate. Nobody, not even policemen, could enter this chiefdom without permission from the planter or managers. Even if a manager assaulted a laborer or took girls from laborer families as his mistresses, there was no recourse to dispute the manager's actions or authority (Makita, 2012). This production of a captive labor force was in the beginning a very bloody process with an unaccounted number of people losing their lives too early because of the requirements put against them without the provision of adequate living conditions. All of the current plantation workers are direct descendants of the imported laborers of 150 years ago, inheriting the job in the plantation from generation to generation (Besky, 2014; Sen, 2009).

The history of serfdom results in a distinct self-esteem, reinforcing and maintaining the plantation system longer than the colonial rule. While women were employed in tea plantations, their men were recruited for the army or hired as cooks or coolies. Nepali migrants have settled in many parts of India, but in Darjeeling district, they are the majority. Because of their different language, culture and customs they often experience marginalization from other parts of the Indian population. People from Darjeeling expressed their marginality by referring to them as 'the people from the hills'. In India, hill people see themselves as different from people in the plains. It is not a class, race or caste based difference, but implies personality type, like "simple" "hardworking", "loyal", "honest" (Sen, 2009). Apart from these self-ascribed characteristics there are both positive (like "deft tea workers", "expert pluckers") and negative (like "promiscuous" and "prone to alcoholism") representations of plantation workers in Darjeeling ascribed from planters as well as "plains people". The negative as well as the positive images were popularized during colonial times to legitimize strict field and shop floor discipline (Sen, 2009).

The functioning of the plantation system is depending on a Patron-client relationship. The self-esteem of plantation workers as bulk population can be interpreted as a result of a patron-client relationship that has been lasting since the plantation venture was started. The dyadic tie between owner/manager (patron) and laborer (client) is often portrayed as an instrumental friendship in which the owner with his higher socioeconomic status uses his own influence and resources to provide protection and benefits for labor. As a result, the labor reciprocates through offering general support, assistance and loyalty to the patron that go beyond the commonly known working relationship (Makita, 2012). In Sarah Beskys (2014) seminal work "The Darjeeling distinction", many plucking women are reported to recall the old time when this patron client relation was still intact and supported from both sides. However, decay of values and a new economic elite according to them lead to the takeover of plantations by business men that were not interested in retaining the patron-client relationship. The internal hierarchy in Indian plantations can be interpreted as the combination of British ideas of gentries' lordship and indigenous ideas of zamindari entitlement. The hierarchy on tea plantation is a clear portrayal of the colonially built dependency structure on tea plantations. The vertical hierarchy comprises of four categories starting from top to bottom with the management, staff (including all remaining white-collar workers), sub-staff and workers. Communication traditionally flows through all the stages of hierarchy and interaction of management and workers are very uncommon (Makita, 2012).

However, in recent decades, patronage and strict hierarchies have become weaker in tea plantations. To explain the weakening patron–client relations on tea plantations, scholars point to the globalization of the industry as

well as the increased mobility of the plantation population. In Darjeeling, roughly 70% of plantation household members work at least part time outside of the plantation today (Besky, 2008; Besky, 2014; Makita, 2012; Sen, 2009).

The patron-client relationship is institutionalized in the Plantation Labor Act (PLA) of 1951 obliging management to look after the workers like a patron after his clients. The welfare of plantation workers is regulated in the PLA that is prohibiting employers from inhuman behavior and exhaustively regulating the working and living conditions on plantations. The PLA is the positive bequest of the otherwise totally exploitative colonial regime (Besky, 2008). While the landmark in workers' rights warrants extensive facilities to workers, it also retains the patron-client relationships on plantations in official Indian law, obliging plantation owners to provide for their workers far more than a regular employer is compelled to. On the one hand, plantation owners have to provide facilities that normally the central government would provide. An example for this is the plantation owner's responsibility for food security through the distribution of food rations. On the other hand, the employer provides housing on plantations that is otherwise regulated by the market or the government. Besides the PLA there are other, working conditions related acts that try to reform the relationship between the worker and planters from a master-servant relationship to an employer-employee relationship. Yet today, PLA regulations are neither fully implemented nor has the patron-client relationship between plantation workers and planters been abolished (Besky, 2008; Besky, 2014; Makita, 2012; Sen, 2009).

The failure to implement the PLA results in extreme impoverished living conditions on plantations, which are inhumane. More than 50 years after the establishing of the PLA and notwithstanding the rising consumption and big business in tea production and sales, labor in tea production is systematically undernourished, unprotected and deprived. The "State of Sustainability Initiatives Review 2014" mentions the labor conditions and wages are the main critical factor in tea production concerning sustainability (Potts et al., 2014, p. 304). With the wages being at a critical low, provisions guaranteed by the PLA are crucial for the living standard on plantations. Scientific articles as well as advocacy reports have been published proofing that the PLA is not fulfilled completely and that the failure to comply with the PLA requirements is punished with fines not adapted since colonial times (2010; BBC, 2015; BBC, 2016; Besky, 2008; Besky, 2014; MISEREOR, 2014; Potts et al., 2014; SOMO, 2008). Various NGOs researchers and activist groups have reported on the miserable living conditions on closed tea plantations. Reports from northern Bengal have made the news where tea workers starved to death after their plantation has been abandoned after production became unprofitable (BBC, 2015; BBC, 2016). Miserable conditions in green leaf tea production are not restricted to plantations alone. Small-holders often face an even more exploitative market situation with earnings far beneath what needs to be spent for decent living conditions (MISEREOR, 2014; SOMO, 2008).

Besides politics and labor unions, Fairtrade has been promoted as a part of the solution to the inconsistent implementation and the continuing exploitation of plantation workers, confronting the dreadful conditions on Darjeeling tea plantations. Today, out of the 87 tea plantations, 48 estates are certified under the Fairtrade label promising a better future to the plantation workers.

Compared to India, tea production in east Nepal is very young and basing on a different mode of production. Although the roots of tea production in Nepal stretch back to the 1860s, when the first tea seeds were planted in royal tea plantations, it wasn't until the 1960s and 70s that small-scale farmers started planting their own tea plots after importing tea seedlings from India (Mohan, 2015). While in Darjeeling 87 tea estate produce 10

million kilograms of orthodox Darjeeling tea, in Nepal roughly 15'000 small farmers produce 3 million kilograms of orthodox tea with similar qualities than Darjeeling teas. Production of tea in Nepal is thriving, experiencing a five-fold increase between 1999 and 2015 in just 16 years (National Tea and Coffee Development Board, 2017).

In respect to the field study site, comprised of east Nepal and Darjeeling, the term "Orthdox Himalayan Tea", further called OHT, is defined as tea which is produced in eastern Nepal as well as the district of Darjeeling and processed using the orthodox processing method.

While Darjeeling tea has been established as a world brand a long time ago, tea produced under the same conditions in Nepal struggles to reach the export market and all too often is sold to Indian middle men who are selling the tea in the Indian or international market as counterfeit Darjeeling tea (Mohan, 2015).

Compared to India, where no foreign government's development programs are present, Nepal sees a lot of influence from development agencies from European countries. In the last two decades, these agencies have focused amongst others on the development of value chains in agriculture. USAID as well as DANIDA have or had identified value chains which are key to the development of rural agriculture in Nepal and target specific steps in production and processing in order to increase value capture in rural areas. Tea has been a focus in both of these , resulting in increased capacities amongst small tea growers (DANIDA, 2013; USAID, 2011). This influence of development aid lies in contrast with the weak presence of Fairtrade in the region, where only one tea producer is certified Fairtrade.

The development of the Nepalese tea sector has been observed by the Darjeeling tea producers with suspicion, discrediting Nepalese tea whenever they could. For them, Nepalese tea is the main responsibility for the mismatch between Darjeeling tea production and sales. Interviewed planters have even accused retailers and Western governments to deliberately invest in Nepal tea in order to hamper Darjeeling tea and build up a viable competitor. In the most recent strikes on Darjeeling tea plantations, starting from 09 June 2017, all of the 87 tea plantations have stopped to produce tea. All over the news is the fear that Nepal tea will fill the gap and harm the reputation of Darjeeling tea as the sole queen of teas (Dutta, 2017; Sovon, 2017).

The differing dynamics of development aid and Fairtrade influence as well as small farmers and plantation production combined with a growing rivalry in between Nepal and India are exploited in this analysis to contrast each other and give inspirations for the analysis.

1.2 Fairtrade

1.2.1 History

The concept of a global neoliberalism, which revolves around the restructuring of the world to facilitate the spread of free-markets, is currently the subject of much debate in the social sciences. One dimension to the broader catchphrase of neoliberalism can be termed the deregulation or rather the reregulation of economic activities: to transform previously untradeable things into tradable commodities (Igoe & Brockington, 2007). Historically, governments have exerted social protection through the regulation of economic activities. Since the early 1990s a plurality of governance strategies, often termed transnational private governance regimes, have emerged to replace what has been removed by neoliberal austerity measures. External auditors overseeing corporate activities using voluntary standards, so called "third party certifiers" are key to transnational private governance. What distinguishes market-driven certification systems from the regulation through national laws is their voluntary nature anchored in economic incentives as opposed to compulsory rules and coercive power by the state government (Dammert & Mohan, 2015; Raynolds, 2014). Thus, in transnational private governance schemes built around standards and certification both the producer as well as the consumer of a certified product have to benefit in order to replace what has been removed by neoliberal austerity measures. For example, social protection for marginalized producers is sold to the customer through various Fair Trade labels (Bacon, 2010). One of the new forms of governance in agricultural commodities is that of the fair trade movement. Apart from the governments' and labor unions' influence it has become a new third governing authority when it comes to the protection of agricultural workers and small holder farmers from the turmoil of global capitalism (Bacon, 2010). To prevent confusion through the various spellings of fair trade, *Table 1* gives an overview of the three different spelling of fair trade that are used in the presented Master's thesis.

Table 1: The different spellings of the term fair trade in the presented Master's thesis.

Fairtrade	The spelling of Fairtrade as one word with a capital 'F' represents the certified Fairtrade system of the Fairtrade Labeling Organisation International e.V. and all the appertaining organizations and individuals.
fair trade	The spelling of fair trade with a lower 'f' and 't' refers to a movement including many stakeholders (i.e. cooperatives, ATOs, educators, activists – organized and individual) that may or may not have a formal role and voice within the certified system.
Fair Trade	The spelling of Fair Trade with a capital 'F' and 'T' refers to any other certification system that sells social and economic development through the labelling of consumer goods (e.g. UTZ).

Tracing back the history of the fair trade movement, two different phases of fair trade can be identified, which resulted in two competing ideals around fair trade today. In the first phase, the ideas and ideals were far from an organization promoting transnational private governance. Fair trade began as an 'alternative' trade system based on a set of commonly held principles such as producer empowerment, closer producer-consumer relationships, gender equity, long term partnerships, transparency, and sustainable development. Starting in the 1950ies, Alternative Trade Organizations (ATO), later organized under the umbrella of the World Fairtrade Organization

(WFTO), were creating direct trading relationships between small-scale producers of handicraft and tropical products that differed from the existing and often exploitative structures in trade (Bacon, 2010; Hutchens, 2009; Shreck, 2005). The creation of new trading relationships was challenging the prevailing industrial market conventions based on efficiency and price competition and replacing them with relational civic trading conventions based on trust and social welfare (Raynolds, 2017, p. 5).

In the political context of a struggle for national economic liberalization, ATO's pioneering alternative approaches to trade played a vital role in educating consumers and creating activism as well as support for marginalized producers amongst Northern consumers (Hutchens, 2009).

Core to the corporate strategy of ATOs is the credo to sell only 100% fair trade products. Often, these shops, sometimes called "worldshops", are backed by political or religious organization engaged in development activities. In order to supply 100% fair trade products, on the one hand the selection in so-called "worldshops" was often limited and on the other hand new supply chains, governed by actors with the same commitment of 100% fair trade, had to be created (Shreck, 2005). For ATOs the offers in their shops were primarily orientated on what their producers could supply and not what the customers really needed to buy. Thus, buying in early "worldshops" can be compared to donate money with receiving a thank-you gift like handicraft jewelry or a packet of coffee. An example for the alternative trade value chain built up for popular tropical commodities is given by Bacon (2010) with the coffee value chain within Equal Exchange in the US that starts with coffee from Fairtrade certified *cooperatives* through *cooperatively* owned importers to a *cooperative* roaster and into *cooperatively* owned cafes. Devine Chocolates, Cafedirect, and Germany-based GEPA are further examples given for fair trade value chain creations along the ideas of ATOs.

In a second phase of the development of the fair trade movement, the basic fair trade principles have been codified into standards intended to support the propagation of the principles (Bacon, 2010, p. 124). Anna Hutchens (2009) calls the emergence of certification of fair trade practices "… a new but not substitute approach …" to address the problem of inequalities in global trade. Reasons for the creation of the standards, which are detached from the creation of trading realities, are various. While some authors argue that the limits to solidary trade became recognized, others see the cause for the standard creation in the collapse in producer prices for many agricultural commodities in the 1980ies (Hutchens, 2009; Tallontire, 2009, p. 1004).

In 1988, UCIRI (a Mexican coffee producers cooperative) and Solidaridad (a Dutch NGO) united to create the first fair trade seal (Max Havelaar) in order to sell fair trade coffee from Mexico in Dutch supermarkets. This seal enabled corporations that were not 100 percent fair trade, such as supermarkets, to sell certified products amongst several other products (Bacon, 2010; Hutchens, 2009). The increased impact and visibility of the Max Havelaar labelling approach drew similar initiatives in other consumer countries to opt for labels. For example, tea entered the fair trade market when, in 1993, Transfair Germany certified its firs tea plantation in Darjeeling. Tea has since then been a pioneering product sold from plantations in the fair trade market (Dolan, 2010). Joining all the efforts in 1997 FLO, which now comprises of 22 different national fair trade organizations and further 9 labelling initiatives was set up in Bonn, Germany.

When marketing fair trade products, both the certification as well as the ATO path for carrying out fair trade have always put the producers in the center of the attention, making them and their stories a distinct quality of the sold products (Raynolds & Bennett, 2015).

1.2.2 Governing structure of Fairtrade International Labelling Organization

FLO is a non-profit, social mission organization unifying a number of different national labelling schemes. The national labelling schemes are still of key importance to the Fairtrade projects as they are holding the license to the Fairtrade certificate and are responsible to create the demand for Fairtrade certified products. FLO has become the economically most important and publicly most visible organization representing fair trade certification since its creation (Dammert & Mohan, 2015; Hutchens, 2009; Reinecke, 2010). FLO is made up by national Fairtrade organizations (NFO), producer organizations, traders and external experts and is responsible for setting the international Fairtrade standards.

NFOs are responsible for licensing, advertising and advancing the sale of Fairtrade certified products in their country. On an organizational level, NFOs represent the interest of Northern consumers in the FLO system.

Fairtrade producer organizations represent the interest of Southern producers in the process of standard setting as well as designing producer support. Three different producer organizations for south America, Africa as well as Asia & the Pacific exist. For this Master's thesis, only the Fairtrade producer organization NAPP representing producers from Asia & the Pacific is of interest (Hutchens, 2009).

1.2.3 Basic governance principles in the FLO system

The FLO certification system for Fairtrade products follows the mission to improve the position of the poor and disadvantaged producers and is based on three principles. The first principle are generic standards, differentiated for smallholder production and plantations, complemented by product-specific criteria where appropriate. The standard can be seen as the regulatory dimension of the Fairtrade mission. Compliance with the standards at any stage in the value chain are prerequisite for the sale of a Fairtrade certified product. FLOCERT is the sole third-party certifier that is eligible to certify compliance against the Fairtrade standards (Dragusanu, Giovannucci, & Nunn, 2014). In general, standards for production include social as well as environmental regulations. In smallholder production, organized through small producer organizations (SPO), there is a focus on criteria for a democratic participative structure, freedom from discrimination, child labor and gender equality. SPOs can have the legal form of cooperatives, societies or self-help groups (Fairtrade Labelling Organizations International eV, 2016a). For plantations and cooperatives employing workers, labor standards include freedom of association, criteria for wages and accommodation, occupational health and safety standards and a ban on child and forced labor. For traders of Fairtrade products, the standards include that traders have to pay the FLO minimum price plus the Premium, agree to partial pre-financing for certain crops if producers ask for it, and commit to a long-term trade relationship (FAO, 2014, p. 21).[1]

Second, FLO certification can guarantee a minimum floor price. Minimum price and Premium are the monetary incentives given to producers to reach on the one hand planning stability and on the other hand investment in the social infrastructure of the producing communities. A basic goal of Fairtrade, apart from the granting of market access to marginalized producers, is the protection of workers and small farmers from the turmoil of global capitalism. Price fluctuations are seen as a threat to sustainable production of SPOs as they do not have the means to balance between the good and the bad years. To stabilize producer prices, FLO can set a minimum floor price for each certified product that is sold to Fairtrade certified retailers. For most products, there is a

[1] For further information about the Fairtrade standards see: https://www.fairtrade.net/standards/our-standards.html

Fairtrade minimum price that aims to cover the costs of sustainable production – even when world market prices fall (FAO, 2014, p. 21). In opposition to orthodox tea from any other production region, no Fairtrade minimum price for Darjeeling tea does not exist.

Third, FLO guarantees a social premium for Fairtrade certified sales. The social premium is an additional amount of money paid by the consumer and directly transferred to the producer of the Fairtrade product. The social premium helps producers to improve the quality of their lives. It is paid on top of the agreed Fairtrade price, and producers decide democratically how to use it. In SPO situations, the executive board of the SPO is also responsible for the investment of the Premium while in hired labor (HL) situation a specific body, the Fairtrade Premium Committee (FPC) is created to handle the Premium. The Fairtrade social premium is different from a certification price premium, which can be understood as the difference between the price of a certified product and the price of the same product without certification. The social premium has to be used at the discretion of the cooperative or workers' committee to invest in community projects (FAO, 2014, p. 21). In the following work, the Fairtrade intervention social premium will only be referred to as Premium with a capital 'P'.

Fourth, FLO interacts with the producers through its own staff, providing producer support. Trainings are conducted through Fairtrade Associate Principals in order to inform producers about the workings of global trade and why there has to be a system that propagates Fairtrade. The target audience for Fairtrade trainings are cooperative executive boards in SPOs as well as FPC, formerly called Joint Bodies, representing workers in HL situations. FPCs are specifically created for the certification through Fairtrade and have to represent all groups of workers. The management is responsible to guide and advise the FPC. In the trainings, SPO executive members as well as FPCs members are instructed on how to use the income of the Premium in order to develop their organization as well as the community in which the production is embedded. Finally, the interactions are also used to help the producers to comply to the Fairtrade standards (FAO, 2014, p. 21; Hutchens, 2009; Hutchens, 2009).

1.2.4 Fairtrade hired labor and tea development in numbers

Hired labor (HL) situations, as plantations are called in Fairtrade terms, are increasingly important for the Fairtrade system as over the past decade Fairtrade's most rapid growth has been in these large agricultural enterprises growing by 18% from 2013 to 2014 accounting to 13% of Fairtrade sales in 2014. In 2014, there were 229 certified plantations employing 204'000 workers in the production of tea, flower, fruits and other items (Fairtrade Labelling Organizations International eV, 2016b). While the HL is growing to become more and more important for Fairtrade, Fairtrade sales are not as important for HL situations as they are for SPO situations. Out of all the sales of HL certified producers, only 22% are sold through Fairtrade certified channels. Fairtrade certified sales account to nearly double as much for SPOs reaching 39% in 2014 (Fairtrade Labelling Organizations International eV, 2016b, p. 43). For tea, the ratio between Fairtrade eligible sales to realized sales through Fairtrade channels is even lower with both certified HL as well as SPO situations both selling less than 10% of their total sales through Fairtrade certified channels (Fairtrade Labelling Organizations International eV, 2016b, p. 57).

1.2.5 Comparing the twins: ATO and FLO

Over the course of history, various types of business models have evolved through which fair trade products reach the consumer (Tallontire, 2009). They differ along three main dimensions:

a. Attitude towards profit generation

The continuum of different value chains that describe the business models supplying fair trade products to the customer has on the one side a 100% corporate value chain that is orientated towards profit maximization, shareholders monetary return and control. For such enterprises, the Fairtrade seal from FLO is just a small part of their corporate social responsibility strategy (Bacon, 2010, p. 126). Because the management system of Fairtrade has become increasingly similar to other standards, this has enabled large conventional firms that do not necessarily have the fair trade values at the core of their business model to become the largest part of the users of the Fairtrade labelling approach (Tallontire, 2009, p. 1006). On the other side of the continuum, ATOs replace profit maximization by an ideal of not for profit and shareholders monetary return and control is substituted by personal relationships from retailers to customers (Bacon, 2010, p. 126).

b. Attitude towards engagement

By creating new trading relationships based direct links between buyers and producers and creating direct visible impacts through the new realities, ATOs challenge existing trade relations between the global North and South.

In contrast, the FLO organizations explicitly work within the international trade system, seek to fix the flaws without challenging its founding principles as the definition of fair trade in the *Charter of Fair Trade Principles* shows:

> "Fair Trade is a trading partnership, based on dialogue, transparency and respect, that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers – especially in the South. Fair Trade Organizations, backed by consumers, are engaged actively in supporting producers, awareness raising and in campaigning for changes in the rules and practice of conventional international trade." (World Fairtrade Organization and Fairtrade Labelling Organizations International eV, 2009, p. 6)

Placing fair trade within international trade, all fair trade organizations share the following five core principles common principles as basis of their projects:

1. Market access for marginalized producers
2. Sustainable and equitable trading relationships
3. Capacity building & empowerment
4. Consumer awareness raising & advocacy
5. Fair Trade as a "social contract"

Each of the five principles is described in the *Charter of Fair Trade Principle* in rather general terms or even in vague language and thus exposed to interpretation and adaption in various conflicting realities that are created or supported by actors from the wider fair trade movement.

c. Attitude towards workers

The contradictory development of the fair trade twins, FLO and ATOs, has born conflict potential especially surrounding the certification of plantations and the role of workers. Many ATOs categorically reject the incorporation of plantations into the fair trade movement and certification system as being inherently hierarchical and thus unfair (Besky, 2015). In contrast, the WFTO and FLO side of the twins certifies plantations and takes the International Labor Organization (ILO) conventions as their guideline regarding workers' rights. The ILO basic principles for decent working conditions are specified and reformulated to fit the fair trade dimensions (World Fairtrade Organization and Fairtrade Labelling Organizations International eV, 2009).

1.3 Identification of scientific gap

Research surrounding the fair trade movement can be divided into two main areas. One body of literature focuses on the consumption of fairly and environmentally friendly produced goods. Another group of scholars analyzes the production of the commodities contained in fair trade products. The actors along the value chains, which are connecting producers and consumers, have received considerably less attention from the scientific community working on fair trade issues. In contrast, there is relatively little known about what actors between producers (i.e. plantation workers and small farmers) and consumers do with the fair trade idea and what the fair trade idea does with them; it resembles a 'black box' that links fair trade producers and fair trade consumers.

Concerning research surrounding the production of fair trade commodities, there is substantial literature exploring the rise of fair trade and the integration of peasant farmers in the global market, where the beginning of the movement can be located. However, there has been far less research on Fairtrade's efforts to incorporate plantations that has started in the early 1990ies (Besky, 2008; Makita, 2012; Raynolds, 2014, p. 500; Raynolds, 2017).

To date, most studies of production inside the fair-trade system have focused regionally on Latin America and Africa and product wise on the flagship commodities coffee, cocoa and bananas. Fair trade in South Asia and in commodities, which not as central to the movement as coffee or cocoa, remain understudied (Besky, 2008; Dolan, 2010; Loconto & Simbua, 2012; Makita, 2012; Sen, 2009).

1.3.1 Researchers in Fairtrade Darjeeling tea

In the following, findings surrounding fair trade on plantations and/or in tea, favorably with a focus on India and Nepal, are summarized to give an overview of the current state of research in the field to which this Master's thesis will be contributing.

The most expansive research on the impact of Fairtrade on local communities and plantation workers in Darjeeling tea production has been contributed by Sarah Besky (Besky, 2008; Besky, 2014; Besky, 2015; Besky, 2016) and Debarti Sen (Sen, 2007; Sen, 2009). Both of them started their field work about 10 years ago between summer 2006 and fall 2007. Similarly, both of them recall being seen as experts in fair trade and therefore were approached by plantation owners as well as government officials who were interested to know more about fair trade and how to gain from it. Fair trade was not completely new at that time, with some plantation entering the Fair Trade system as early as 1993. Yet, the information about this new way of trading was spreading slowly and incompletely. This finding was confirmed by Rie Makita's (2012) research on a Darjeeling plantation in 2009

investigating the knowledge and influence of certification on workers in Fairtrade and organic certified plantations.

1.3.2 Lack of knowledge amongst workers

The lack of knowledge that is present with the bureaucrats and owners of plantations is even more acute with the workers on plantations and the small farmers' production Fairtrade certified Darjeeling tea. They are the last ones who are informed about Fairtrade, if they are informed at all. While Besky (Besky, 2008; Besky, 2014; Besky, 2015; Besky, 2016) and Sen (Sen, 2007; Sen, 2009) generally talk about the lack of knowledge amongst the workers focusing on individual stories, Makita (2012) assesses the knowledge level about Fairtrade that workers possess grouping it in a nominal scale ranging from "never heard" to "have some knowledge". In her representative sample on one plantation, Makita (2012) shows that not even half of the members had some knowledge about Fairtrade, while not more than 20% knew about activities of the Joint Body as well who its members were.

The findings from research conducted in Darjeeling can be summarized as follows: On plantations, workers do not know about Fairtrade, neither do they know about its benefits. Benefits are generally very small and captured or coordinated by the management of the plantation. Thus, Fairtrade does not work on Darjeeling plantations. Besky's (2008, 2014) insights result in the question if or to what extent a plantation can be fair, arguing that the inherently hierarchical structure inherited from the British colonialist system engraved in the plantations leaves not enough space for a real empowerment of workers. The following section describes six research findings in the nexus of Darjeeling tea production and Fairtrade intervention in some detail.

1.3.3 Finding 1: Lack of understanding of the local labor laws.

Fairtrade has been accused, in Darjeeling as well as in other places and in other commodities, for failing to understand and to address local context appropriately. The universalism inherent to the global standard resonates with neoliberal utopia, the goal of constructing one single global free market, where trade is fair because consumers decide to support fair production (Makita, 2012).

In Darjeeling, there exists a local law concerning conditions of plantation labor, the PLA of 1951. All of the studies dealing with Fairtrade on Darjeeling plantations have faulted Fairtrade organization's lack of understanding local conditions and have illustrated this flaw with the failure of accounting adequately for the PLA.

Both of the regulatory instruments, Fairtrade and the PLA, aim to create a safe working environment on the plantations. Compared against Fairtrade, the PLA describes in much greater detail as to what a safe working environment should entail. While Fairtrade stays with the ILO definitions of a safe working place, plantations in India are required to take much greater care of their workers through the PLA. The Act contains a list of facilities that the employer has to provide for the workers, including food rations and adequate housing (Government of India, 1951). The requirements in the PLA are more specific and demand greater support from the employer to the employee than Fairtrade, hence Sen (2009) argues that if the PLA was followed through strictly, there would be no need for Fairtrade's interventions on tea plantations in Darjeeling. According to Besky (2008), plantations that adhere quite strictly to the PLA gained the attention of Fairtrade in the first place, appearing as viable candidates for Fairtrade certification, which attest to the social welfare of agricultural

laborers. Furthermore, Besky (2008) argues that "…the role of enforcement of Indian labor law does not rest in the hands of an international certifier such as TransFair USA; instead knowledge about labor codes and the power to enforce them is held by labor unions."

Opposing to Besky (2008) and Sen (2009), Makita (2012) argues that the sole presence of the PLA is not a discrediting argument for the presence of Fairtrade on Darjeeling plantations. She argues that it is important that Fairtrade is present on the Darjeeling plantations, trying to fill the gap that has always existed between what the PLA demands and the actual provisions that are delivered through the owners.

The interplay of Fairtrade and local laws, specifically their enforcement, is discussed adversatively in the scientific literature. On the one hand, Fairtrade and the increased visibility as well as the increased funds at disposal can help to enforce local labor laws. On the other hand, there is the question if it is the duty of Fairtrade and thus the consumer in the global North to demand the enforcement of their own labor standards where local labor standards are demanding. This question is as much normative as it is scientific and will not be further followed in this Master's thesis.

1.3.4 Finding 2: Lack of understanding of the local languages and struggles

Communication between Fairtrade officials and the laborers as well as farmers has been reported as a major challenge. Sen (2009) narrates in detail the inability of plantation laborers to show their lives and frustrations to Fairtrade official visiting their plantations. Laborers felt that all the interactions between them and Fairtrade officials were in a setting where they cannot truly express the hardships of their lives and how marginally Fairtrade addresses them. As one laborer cited by Sen (2009) states:

> "Sometimes when Fair Trade inspectors are around I feel like pulling them aside and telling them the real situation. How can they understand the problems here if they do not speak to common people and do not understand Nepali?"

Allegorically, plantation workers had to pose for pictures and videos in the context of Fairtrade certification but were greatly disappointed when they not even received copies of their own images. This feeling of being used without benefitting or even communicating is how plantation workers saw Fairtrade. For them, the Joint Body was just something to display for the visitors and that has no real or even positive effect on their own lives. Furthermore, Sen (2009) writes that an independent consultant from Delhi who could only interact in Hindi with the plantation workers and small farmers carried out examination of Fairtrade compliance. Like with foreign visitors, this resulted in major communication difficulties during the interviews when farmers and workers were not able to explicitly explain their struggles. The distribution of Premium benefits is an example, which shows how complex local context can be and that time, interaction and communication in the native language is needed in order to understand what effects Fairtrade on local communities has. To understand if a project "benefits the whole community" can, according to Sen (2009), not be dealt with in a compliance visit that lasts just a day. It took her multiple interactions with different members of the cooperative in order to realize that a specific project renders itself as benefitting the whole community even though initially she was thinking that it would not be in line with Fairtrade standards.

1.3.5 Finding 3: The Joint Body is staged and controlled by the management.

All research on Fairtrade in Darjeeling tea plantations (Besky, 2008; Besky, 2014; Besky, 2015; Makita, 2012; Sen, 2009) reports that the Joint Body was a "staged committee" that was strongly influenced or even controlled by the management. Instead of democratic elections, the appointment of members to the Joint Body is reported to be a common practice. Further evidence for a staged character of the Joint Body is seen in the fact that the meetings were held in irregular intervals and most of the time took place when there were visitors on the plantation. This lack of independency was always seen as the cause as well as the proof that Fairtrade is not working on plantations in Darjeeling.

1.3.6 Finding 4: Fairtrade is restricted by the hierarchy of the plantation system.

The hierarchy on plantations has traditionally worked only for top down orders. Sen (2009) addresses that the hierarchy poses a specific obstacle for Fairtrade, favoring higher ranking actors in the decision-making process but does not give a specific focus on the interaction between Fairtrade and the hierarchy. Also, Besky (2014) focusing her research on the personal relationships between Joint Body members and management staff, concluding with the general critique that a hierarchical plantation can as such not be fair. Common to all research findings is that the outcome of the Fairtrade project is restricted through the strict hierarchy on the plantations in Darjeeling.

According to Makita (2012) Fairtrade assumed that equitable or even bottom-up communication would emerge in the Joint Body, consisting of members from all levels of the hierarchy on the plantation. This disregard of the colonial history and local power relations is in her argument the main failure of Fairtrade. Makita (2012) shows that it was impossible for the Joint Body to bring about change in a way that a third-party player such as an external NGO could. Key to the argument is that only a third-party body can effectively communicate with all different strata of the hierarchy, delivering benefits also to the ones amongst the lowest rank of the hierarchy. Instead of challenging patron-client relations fundamental to plantations, the hierarchy was cemented through the projects realized with the Premium money. Workers saw the new benefits as generosities from the management that was able to obtain funds from the Fairtrade market and spent them for their well-being. As a result, plantation workers were more easily mobilized for Fairtrade tea production. Makita (2012) summarizes that through their central role in organizing the life on the plantation and coordinating Fairtrade activities"…the empowerment of workers has to be within the management's tolerance level".

1.3.7 Finding 5: Fairtrade depoliticizes the relationship between workers and management.

All of the studies conducted in Darjeeling address the tendency of Fairtrade to depoliticize the relationship between management and plantation workers and in doing so Fairtrade fails to address the injustices of global trade inside the plantation. While Sen (2009) finds that fair trade can be re-politicized in certain cases where there is more political awareness and agency with the recipients of Fairtrade benefits, Besky (2008) points at a case where labor unions have been dissolved following the certification through Fairtrade and the creation the Joint Body. Joint Bodies, necessary for the certification through Fairtrade, and supposed to be a democratic space consisting of a mix of workers, union members and management staff, are deliberately staffed by union representatives who are not greatly involved with the union. The leadership of the union was never found to be represented in the Joint Body.

Besky (2008) explicitly sees a declining influence of the union following the entrance of Fairtrade. The Joint Body is replacing the union and this process is supported by the management that wants to decrease union influence in the plantation. Sen (2009) adds that labor unions in Darjeeling can be seen as an extension of political parties, mainly interested in advancing their political agendas. Since the 1980s, the focus of the unions' political activities in Darjeeling has been the demand for a separate state called Gorkhaland, moving labor demands out of their focus. Nevertheless, she attests a depoliticizing tendency in the Fairtrade certification system. According to her, Fairtrade is depoliticizing because there is a strong focus on measurable impacts such as the representation of women in numbers, regardless of their positions and independency. In all studies, union leaders are reported to receive special benefits from the management in many cases, questioning their independency in general (Besky, 2008; Makita, 2012; Sen, 2009). Whether Fairtrade in fact is further weakening the labor unions and whether this leads to a weaker position of labor on plantations can therefore not be conclusively answered from the findings presented.

1.3.8 Finding 6: Fair trade ideas are translated, redefined and appropriated

Sen (2009) and Besky (2008, 2014, 2015) describe the re-articulation of Fairtrade mainly as a linguistic problem, which is made visible through the various translations that exist in the researched tea communities for the term Fairtrade seeing "*swaccha vyāpār",* meaning clean or transparent trade, as the most common translation.

In addition to the linguistic translation, Sen (2009) and Makita (2012) at various stages of their arguments point to the fact that certain actors create greater recognition for the value of their labor through Fairtrade or mobilize the Fairtrade movement to their own benefits through appropriating the discourse of Fairtrade. Logically consistent, both of them ask, why some actors can use Fairtrade to empower themselves, while others cannot. Makita (2012) shows that the lack of knowledge about Fairtrade results in allocating the source of Fairtrade benefits in funds of the management or NGOs. Sen (2009) finds in her analysis, that the middlemen, who are disgraced in the Fairtrade idea and are one of the main evils in the Fairtrade ideology are capable of deriving benefits from Fairtrade through their positions in the cooperative producing Fairtrade certified tea. The cooperative is only organizing the Fairtrade certified tea sales but not the sales of milk, ginger, cardamom and brooms, which are also important incomes for the farmers of the producing communities. Through their positions in the management board of the tea cooperative, the middlemen can control that the Premium money is not used for projects that threaten their position as middlemen in the other products the members of the cooperative produce. What Sen (2009) shows with the capturing of the gains through the middlemen resembles what Catherine Dolan (2001) has articulated to be the gendering of the crop. When, through Fairtrade certification, certain crops advance to cash crops, male household members capture the responsibility over these crops leaving the women to care for the remaining subsistence crops, even though the women were the initial focus for empowerment. This shift of activities according to their power and position inside the household can be observed inside the community as well. However, Sen (2009) does not follow the indications of power relations as a main limiting factor for the success of Fairtrade into the cooperative and further down the value chain but limits the focus of her analysis to inner-household conflicts emerging from Fairtrade certification.

1.4 Research question

From what has been reported it stands to reason that Fairtrade is underachieving in Darjeeling tea plantations. While some benefits are reaching the workers and small farmers, they are difficult to relate to the effort that Fairtrade puts into changing the system. Thus, the thought arises, why the certification of Fairtrade plantations in Darjeeling is continuing even though the observed benefits do not match the expectations of the beneficiaries and supporters of Fairtrade. Reformulating this thought becomes the research questions that the presented Master's thesis attempts to answer:

Main research question:

> In how far and if so, how is the fair trade idea interacting with the power relations in the export oriented, orthodox tea production sector of the eastern Himalayas?

Sub questions:

1. How and how far do different actors from the global production network for orthodox Himalayan tea translate the concept of Fairtrade in order to improve their position in the global production network for orthodox Himalayan tea?

2. In how far and if so, how do the interventions of Fairtrade create new space for decision making?

3. If Fairtrade creates new spaces for decision making, how does this shift the power relations in the global production network for orthodox Himalayan tea?

2 Conceptual Framework

Figure 1 gives a graphical overview of the research design that is the basis for the presented thesis. The conceptual framework for the investigation of Fairtrade's interaction with power relations in the tea producing sector for OHT starts with a specific conception of trade. In GPN theory (Chapter 3.2), trade is conceived as network of interlinked actors that reciprocally influence each other and in doing so shape the economic development of the different locations contained in these chains or networks. Key to the GPN is the incorporation of non-economic and non-state actors as vital for local social and economic development. Trade therefore is not solely a bargaining process between supplier and demander but a social process of exchanging goods in a network of reciprocally dependent actors. For the analysis of the power relation between the identified actors of the GPN for OHT (Chapter 6) the concepts of power as translation (Chapter 4.2) and the power cube (Chapter 4.3) are introduced and applied (Chapter 7 and 8 respectively). The concept of 'Power as translation' introduced by Bruno Latour (1984) allows to investigate how various actors rearticulate the fair trade idea to solidify their position and power in the GPN for OHT. The power cube, an analytical method devised by John Gaventa (2006), allows to investigate the Premium along the dimensions level, spaces and forms of power to understand how the Fairtrade project interacts with the existing power relations in the GPN for OHT. The aim of this twofold analysis of power is to shed light in to the 'black box' that exists between consumer and producers of Fairtrade OHT.

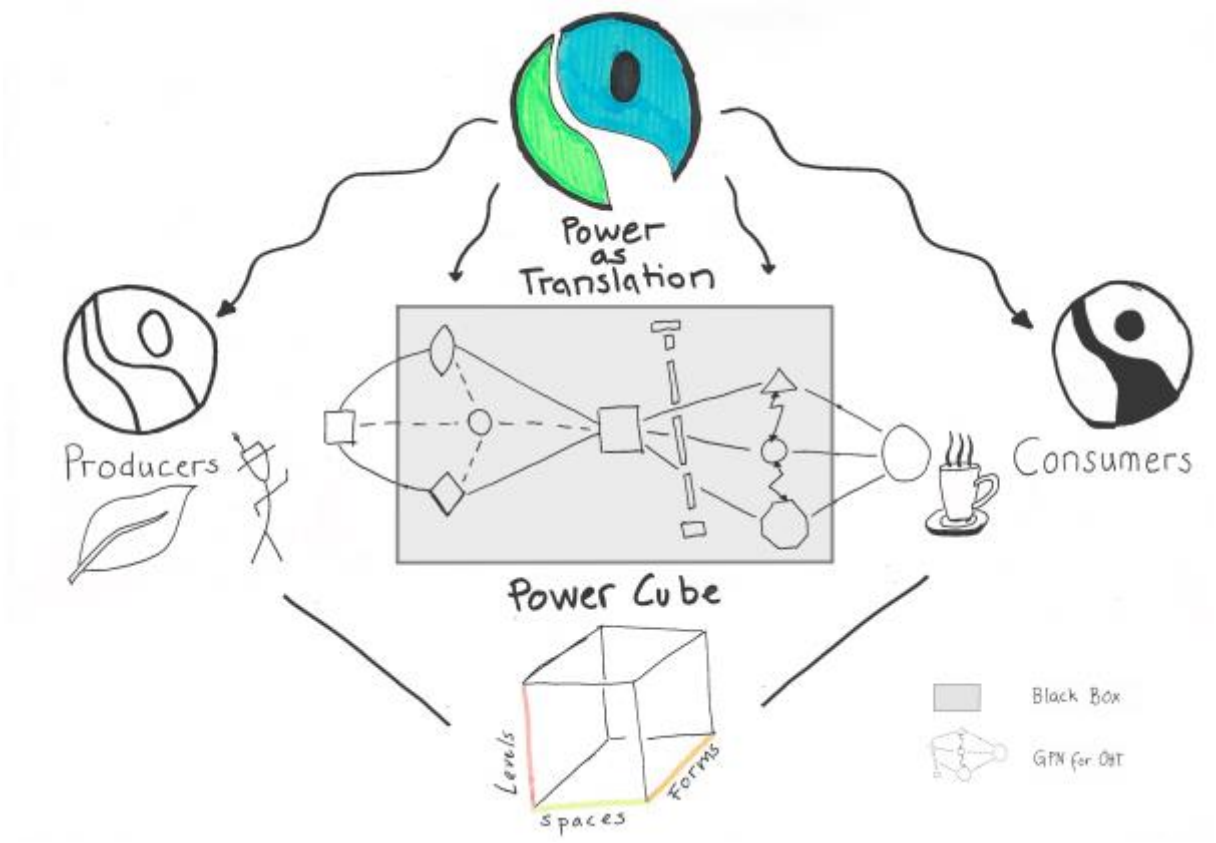

Figure 1: Theoretical Framework and methodological concepts. The concept of the GPN (3.2), the notion of power as translation (4.1) and the power cube tool (4.2) are introduced in the following chapter.

3 Global Value Chains and Global Production Networks – Theories for understanding economic organization and development in a globalized world.

By the mid 1980s, economic processes were increasingly being analyzed as activities dispersed to disparate geographic locations in opposition to theoretical considerations detached from space. The conception of a "chain" became widely adopted as a conceptual framework for considering the linked set of economic activities that connected the different stages of production that were earlier integrated in one location (Coe, Dicken, & Hess, 2008, p. 267; Levy, 2008, p. 946).

Since the early 1990ies a rich and vibrant field of literature has evolved that investigates global industries and how they are constituted and governed (Coe et al., 2008, p. 267). Two strands of theory have emerged over this period of time that will be of relevance for this thesis, namely global value chains (GVC) and GPN. The GVC and GPN perspectives both aim at understanding economic organization in the globalized world. They are primarily distinguished by their ontological approach to the globalization of production (Ravenhill, 2014, p. 265). In order to understand the explanatory potential of the GVC/GPN concepts, they have to be contrasted to perspectives on globalization that address questions of how the global economy is governed and coordinated. First, mainstream international political economy analyses economic governance with a focus on different Institutions such as the WTO, the G-8 as well as the World Bank and is mainly concerned with the bargaining process between those institutions and the national governments institutions. Second, radical political economy focuses on the relation between capital in the form of transnational corporations and global institutions (WTO, G-8, World Bank) while the institutions in this literature are understood to represent the interests of corporations as well as of some governments (Gibbon, Bair, & Ponte, 2008).

GVC/GPN analysis has its roots in the world-systems theory, which emerged in the 1970ies as a concept to explain the global division of labor between and economic status of nation states. In the world systems theory, the conception of a network of labor and production process that creates a commodity from a natural resource emerged with a focus on the nation state and later shifted to be centered around the firm for GVC analysis. Compared to the two macro perspectives of international political economy and radical political economy, the approach of the GVC/GPN discourse is more pragmatic. The GVC and GPN perspectives are primarily distinguished from other economic concepts by their approach to the globalization of production through what Salido and Bellhouse (2016, p. 6) call the "responding to realities of globalization". The GPN and GVC approach share the conceptualization that international trade in goods and services is not a multitude of arms-length, market-based transactions but rather a coordinated process often inside multinational corporations, along value chains or inside networks coordinated by such multinational enterprises (Coe et al., 2008, pp. 267{Gereffi et al., 2001, #89109{Levy, 2008, #85321@946).

In GVC/GPN research there is a strong focus on case studies, trying to shed light on the way in which the governance of global production is playing out in specific cases. The focus on examples brings more explaining power as well as policy relevant insights as it is able to give feedback on how the struggles between nation states and global institutions affect and interact with the struggles of individual economic actors on the ground (Gibbon et al., 2008).

In recent years, the lexica of GVCs and GPNs have received significant attention from major international organizations such as the World Bank, UNCTAD, World Trade Organization and OECD. According to these

institutions, GVCs have become the world economy's backbone and central nervous system following the analysis of the economic crisis in 2008 (Neilson, Pritchard, & Yeung, 2014, p. 2).

3.1 Global Value Chains

A GVC, in its most basic form, is the process by which technology is combined with capital and labor inputs in order to produce, process, assemble, market and distribute a product. A single firm may carry out only one link in this process, or it may be extensively vertically integrated, thus carrying out all of the steps listed above (Gereffi, Humphrey, & Sturgeon, 2005, p. 79). Because of their focus on the systematic interconnections of global production as a sequence, this approach is called the "value *chain* approach" (Gereffi et al., 2001). GVCs are conceptualized as critical infrastructures of economic globalization that are holding the fragmented, geographically dispersed and economically specialized global economy together (Gibbon et al., 2008, p. 330).

3.1.1 Global Value Chain: Governance

The GVC framework's main concern is to investigate the governance structures in different global industries. The GVC analysis delineates the varying governance structures within and between different value chains. The GVC literature (Gereffi et al., 2001; Gereffi et al., 2005; Gereffi, 1994; Gereffi, 1999) traces the interactions between actors along a product's trajectory from producers to consumers trying to characterize the input-output relations according to their structure in space and in governance. Transaction cost economics coming from the new institutional economic theory is used to analyze if certain steps in a value chain are integrated into the lead firm's activity or outsourced to supplying producers (Gereffi et al., 2005, p. 80). Based on these transaction cost economics theory Gereffi et al. (2005) have developed a typology containing five GVC governance types to analyze the coordination along value chain that has become a central piece of GVC analysis since. Through this firm centered conceptualization of governance GVC analysis underscores the importance of powerful multinational corporations in a new way: Conceiving the lead firms as core actors in a globally segmented economic governance system has completely different implications than seeing lead firms as bargaining with institutions in order to obtain rules as favorable as possible to them (Gibbon et al., 2008, p. 316).

The understanding of governance in GVC analysis has evolved over time. The earliest concept of governance distinguished between producer and buyer driven chains and is thus called "*governance as driving*". The question asked was: "Which main actor drives the value chain and thus defines the subdivision of activities carried out inside the chain?" (Gereffi, 1994).

Governance in the GVC analysis has always focused more strongly on the coordination of economic activity and the exchange of information between firms and actors inside the value chain. Alternative conceptualizations of global production such as GPN analysis criticize GVC for overlooking the influence of institutions and the actors in the environment in which the "value chain" is embedded.

In reaction to this critique, in the latest publication, Gereffi and Lee (2016) incorporate a three-tiered concept of governance in GVC theory:

*Private governanc*e is based on trust and mutual dependence in cluster firms and mainly pertains to economic transactions between firms in GPN as well as GVC contexts. Corporate Social Responsibility (CSR) standards

are a special form of private governance and are seen as a reaction to increased pressure from civil society (Gereffi & Lee, 2016, p. 30).

Public governance is carried out by public actors, which include governments at various scales within nation-states or supranational organizations. Public governance includes rules and regulations that either facilitate or hinder social and economic upgrading in a direct or indirect manner (Gereffi & Lee, 2016, p. 31).

Social governance is driven by civil society actors (e.g. NGOs and labor unions). Typically, social governance takes the form of multi-stakeholder initiatives including public, private, and civil society partners. This form of governance lacks means of coercion to enforce norms (for this reason also called 'soft law'); hence, it relies on private firms to voluntarily comply with standards (Gereffi & Lee, 2016, p. 31). In this categorization, the fairtrade certification scheme qualifies as a 'social governance' regime.

Often, different types of governance coexist. This can create displacement in the sense that one types of governance can replace another form. For example, private governance arrangements like CSR may replace or weaken public governance or other forms of governance, such as local labor institutions or labor unions (Gereffi & Lee, 2016).

3.1.2 Global Value Chain: economic upgrading

Gereffi (2005) defined economic upgrading as the move towards higher value activities in production through improved technology, knowledge and skills as well as the increasing of profits derived from a participation in GVCs. Humphrey and Schmitz (2002) distinguish four mechanisms through which economic upgrading can be achieved:

1. *Product upgrading*: Moving into more sophisticated product lines, e.g. from conventional to organic production.
2. *Process upgradin*g: Transforming inputs more efficiently into outputs, e.g. from manual labour (hand rolled tea) to mechanized agriculture (tea factories).
3. *Functional upgrading*: Moving activities along the value chain; new functions are either included or excluded in a firm, e.g. a tea producer cooperative builds a factory to produce made tea.
4. *Chain upgrading*: Moving into new but often related industries, e.g. tea producers start to produce herbs and spices in off season that are dried and processes in the same factory than the tea is processed.

Upgrading through GVCs has become important for economic development and job creation in the global economy (Gereffi & Lee, 2016, p. 25). However, the economic upgrading of a firm's activities has not always been accompanied by a social upgrading (Freeman, 2013; International Development Research Centre, 2013; Kaplinsky, 2004; Mohan, 2015). Economic upgrading that results in an overall negative outcome for the upgraded actors is summarized in the notion of immiserized upgrading (Mohan, 2015, p. 53).

3.1.3 Global Value Chains: social upgrading

While the definition of economic upgrading as *the increasing of the profit from a changed participation in a GVC* is not disputed, the definition of social upgrading is broader and contains multiple concepts that are not necessarily linked. The definition adopted from Milberg and Winkler (2011) describes social upgrading as the "[…] gains in living standards and conditions of employment over time." (Milberg & Winkler, 2011) As there

are different theories on how living standards and conditions of employment change over time, social upgrading can be measured by multiple indicators, depending on the focus that is taken (Salido, Joaquin & Bellhouse, Tom, 2016, p. 12f.). In opposition to neoclassical economic theory, where labor demand and thus wages are largely determined by technology, institutional economic theory sees wages as the outcome of a bargaining process. Thus, for GVC theorists social upgrading is delinked from technological change per se but associated with social institutions (Milberg & Winkler, 2011). In this perspective, the strength and credibility of social institutions influence wage determination as much as does the position of a firm in a GVC (Salido, Joaquin & Bellhouse, Tom, 2016, p. 13). Gereffi and Lee (2016, p. 29) distinguish six different paths towards social upgrading: the market-, CSR-, multi stakeholder-, labor centered-, cluster centered-, and public governance centered path. According ot this classification, Fairtrade represents a multi-stakeholder path towards social upgrading. The key drivers in this path are broad-based coalitions for standard-setting, monitoring, capability-building and sanctions while the mechanisms to enable social upgrading are mainly voluntary standards as well as capacity building (Gereffi & Lee, 2016). All elements can be found in Fairtrade: A broad coalition of international NGOs, global buyers as well as local actors supports the Fairtrade certificate, the testing or standard compliance is organized through FLOCERT, and capacity building is delivered through producer trainings.

The idea of upgrading is present in GPN as well as GVC analysis. While the terms of economic upgrading are coined by GVC, containing the chain notion, the concept of social upgrading is influenced by institutional theory as well as GPN analysis and incorporates the "...cluster actors, and the role of social and public actors." (Gereffi & Lee, 2016, p. 27) that influence this social upgrading.

Capitalizing on the loss of prestige of the neoliberal tools and policies inspired by the Washington Consensus dogma, the GVC approach has gained increasing presence in the supranational agenda (Yeung & Coe, 2015, p. 226). Thereby GVC analysis has opened a new, actor oriented field in the scientific development discourse and in development practice that aims at integrating individuals, companies, societies or nations into the global economy and through upgrading their economic activity increase their share of the gains from the global prosperity. Development agencies such as USAID, SNV or DANIDA have been among the particularly active donors in this field (Salido, Joaquin & Bellhouse, Tom, 2016).

Furthermore, the fair trade movement can be interpreted in the light of the GVC theory as helping underprivileged producers to join the GVCs in order to sell their produce at a higher value than local market prices. Accordingly, the first core principle of the fair trade movement is to create "market access for marginalized producers" (World Fairtrade Organization and Fairtrade Labelling Organizations International eV, 2009). This aim results in either the creation of GVCs for marginalized producers, or their integration into existing ones.

3.2 Global Production Networks

The GPN framework emerged from within economic geography during the early 2000s. As the section surrounding governance (3.1.1) shows, there has always been an exchange of ideas taking place between GVC and GPN theories; to some extent, the GPN framework can be even be seen as a continuation of the GVC theory (Coe, 2012, p. 389).

According to Coe and Yeung (2015, p. 41), a GPN is built up around a global lead firm in a specific product in a given sector. Examples are given for Apple and Samsung as being lead firms in the GPN for ICT in the

manufacturing sector. The lead firm can either be a retailer, trader, service provider or producer. Even though their definition is not conclusive, coordination and control is a major characteristic attributed to lead firms. While the GVC approach has a strong focus on the interactions and governance along a chain, GPN analysis combines insights gained from GVC analysis with ideas derived from the actor-network theory (ANT), an approach that emphasizes how entities in networks are shaped by, and can only be understood through, their relationships to other entities. Insights from the conceptualization of social systems as complex networks of power relations in ANT are central to the study of GPNs in theoretical and methodological terms. For instance, the notion of "looking for distributed agency" within the system as a whole or the insight that networks operate through complex intersections of local and global relationships coin the GPN's relational focus (Yeung & Coe, 2015, p. 12).

Henry Wai-Chung Yeung and Neil M. Coe (2015) define a GPN as an organizational arrangement, comprising interconnected economic and non-economic actors, coordinated by a global lead firm, and producing goods or services across multiple geographical locations for worldwide markets. Further, the authors of the first book devoted solely to the GPN as a scientific concept outlines the conditions and capitalist imperatives that have underpinned the emergence of GPNs. According to them, the GPN has emerged as perhaps *the* predominant organizational feature of the world economic system out of integrating fixes to the dynamic challenges of cost, speed, and flexibility that underpin competitive success in the contemporary global economy. The *actors* that constitute GPNs, as well as the *multiple locations* that are bound together by the economic relations between those actors are the main focus of GPN analysis. GPN analysis posits that the key locus for understanding economic development is the sub-national region: (lead-) firms are situated in particular places, not national economies, and all regions have distinctive institutional conditions that that shape development practices and processes. (Yeung & Coe, 2015, p. 18).

3.2.1 Ontological distinction of global production network theory from global value chain theory

The GPN approach has deliberately distinguished itself from the antecedents in two key respects. First, scholars appertaining to the GPN tradition rather use the notion production *networks* than value *chain* because the term *network* moves beyond the analytical limitations of the chain to incorporate multiple relational forms and directions of interaction and avoid deterministic linear interpretations of how production systems operate and how value is generated and distributed. A network ontology implies a focus on the micro-foundations of social economic organization and micro-scale agency (Sinaga, 2017). Second, *production* instead of *value* is intended to convey not just economic activity but also the social processes involved in producing goods and services and reproducing knowledge, capital and labor power. Therefore, extra firm networks such as supranational organizations, government agencies, trade unions and NGOs share as much importance in analyzing local development outcomes of GPNs (Yeung & Coe, 2015).

3.2.2 Governance in the global production network theory

Governance in GPN is defined broadly to mean „[...] the rules, institutions, and norms that channel and constrain economic activity and its impacts" (Levy, 2008, p. 944). This includes national-level regulation, formal international agreements as well as the coordination of GPN and private codes of conduct regarding labor or environmental standards (Levy, 2008).

GPN proponents point to the complexity and richness of manifestations of on-the-ground governance processes that follows from this broad concept of governance (Coe, 2012, p. 395), a richness which also requires different 'lenses' for the analysis of actors involved in governance.

GPN analysis aims to reveal the multi-actor and multi-scalar characteristics of transnational production systems and their governance through applying the 'lenses' of *value*, *power* and *embeddedness* (Henderson et al., 2002; Levy, 2008, p. 943). In the following paragraphs, the notions *value* and *embeddedness* are briefly introduced. Afterwards, the conceptualization of *power* in GPN theory is given a deeper focus, because it is the *power* lens that is applied in this thesis.

a. Value

Value in GPN is understood in two complementary manners. First, value as the creation of "surplus" indicates that value is created through a production process tranlsforming labor power into products and services to be exchanged for more than the labor value embedded in the exchanged commodities. Second, value can be understood as classical economic rent which is created in a situation when a firm has access to scarce resources and is able to insulate them from competition by creating barriers of entry for competing firms. Rents in GPN theory are distinct between technology rents, organization rents, relations rents and infrastructure rents. The question of the creation and the capture of value is key to the concept of GPN. The question where value is created and why it is or is not captured in the same locations leads to the key analytical dimension in GPNs, namely power (Yeung & Coe, 2015, p. 16).

b. Embeddedness

The GPN framework borrows from the relational perspective of the new economic sociology the idea of *embeddedness* of markets and in doing so explicitly distances itself from the GVC approach where economic outcomes are seen as a result of transaction cost economic consequences (Gibbon et al., 2008, p. 326f.). The origins of *embeddedness* can be found in Karl Polanyi's (1944) seminal work "The Great Transformation" where he argues that the transformation of the economic mode of exchange is in line with a transformation of a social mode of interaction, thus the 'great transformation' from one social and economic way of interacting to another one. Mark Granovetter (1985) further expanded this argumentation into the concept of the embeddedness of markets. In a nutshell, the argument for an *embeddedness* of markets suggests that there has been an under socialization of economic activities in the neoclassical view on economics, where economic action is separated from society and cultural interaction. The tendency to over socialize economic interaction, on the other hand, where norms and values imprinted into individuals through socialization is presented as the other end of the society-economy nexus illustrated (Berndt, 2012, p. 14).

Embeddedness in GPN theory is divided in societal, network and territorial *embeddedness*. First, societal embeddedness connotes the importance for economic action of the cultural, institutional and historical origins of the actors which populate the production network under investigation. Second, network *embeddedness* describes the degree of functional and social connectivity within a production network, specifically the stability of its agents' relations, and the importance of the network for its participants. Third, territorial embeddedness explains how firms and organizations related to the production network are anchored in different places. GPNs become territorially embedded in the sense that they absorb, or even get constrained by, the economic activities and social dynamics that already exist in certain locations of the production network.

c. Power

In contrast to the firm-centered view on power as possessed and wielded through the lead firm in the GVC, the GPN approach takes the stance of a networked conception of power, putting emphasis on the relational concept of power. The networked conception of power does not neglect the power asymmetries inherent to a GPN built up around a lead firm, but it allows various coalitions of network actors involve in embedding and dis-embedding processes (Sinaga, 2017). The relational conception of power implies that power is not a commodity that can be accrued and stored up like money or land, but rather varies according to the actors involved in the network and the interactions that are taking place (Yeung & Coe, 2015, p. 17). Power relations are transaction specific and not constant in time and space. Therefore, any given relation in a GPN "…cannot be purely about power, as there is always a measure of mutual interest and dependency involved." (Yeung & Coe, 2015, p. 17)

GPN research tries to map the networks of actors involved in the generation of a given product, and how these are organized globally and regionally. One main focus in this mapping process is the distribution of corporate power within those networks. The exercise of power of a certain actor in such a network is dependent on his relationship with other actors, resources as well as his position in the network of actors (Sinaga, 2017). In opposition to the GVC approach, the local institutions surrounding the actors in various stages of production are valid actors in this analysis of the power relations in a GPN. Their influence on firms' strategies in the particular locations of the production chain are of high interest even though they do not directly contribute to the generation of the given product (Levy, 2008, p. 951). In the mapping activity, production networks are viewed as integrated economic, political, and discursive structures with a degree of structural stability, but subject to challenge by strategic actors (Levy, 2008, p. 954).

Conceptualizing power in the GPN approach starts with identifying sources of bargaining power available for actors in GPNs. In our case, Fairtrade is a multi-stakeholder approach involving various actors from the GPN for OHT, thus it is a commendable starting point for researching intersecting sources of bargaining power.

In this process, it is important to outline both the material and discursive dimensions of power for these actors. First, a material aspect of power is for example the geographical place of production. The geographical focus pins down the rather abstract notions of bargaining power to locally specific contexts and doing so allows to detect the influence of local non-firm actors (Sinaga, 2017). According to this logic, material dimension of power are, for example, represented in the interventions of Fairtrade in the production region for OHT such as the creation of FPCs, the NAPP as well as the creation and payment of the Premium. Subsequently, production plants and factories must be embedded in specific locations as it facilitates or hinders terrains where workers may exercise their individual and/or collective agencies. Locating production spaces in relation to labor is what Marxist economic geography based on David Harvey calls a "spatial fix" (Harvey, 1981). Applying this to the GPN for OHT, the remote location of the tea plantations and the plantation system as form of production have a bearing on the power relations between employers and employees as well as between producers and traders.

Second, the discursive dimension of power identifies norms, values, practices, symbols as bearers of power relations. Discussions on the discursive dimension of power cannot be separated from the aspect of geographical place and space within the material dimension as socio-spatial contexts are interconnected to norms, values, practices, and symbols. Applied to the case of the GPN for OHT, for example Fairtrade producer training on the local sites of production manifestat the discursive dimension of power; it is observable in the form of how the

ideas Fairtrade transmits during its producer trainings stick to the minds of the plantation workers and transform how they conceive their relation to more powerful actors such as the plantation management.

In sum, at the ontological level (global production = chains and networks) as well as at the epistemological level (understanding the social and developmental dynamics of contemporary capitalism through investigating them in various localities), GVC and GPN have much in common. Both are giving much courtesy to upgrading processes as a driver of regional development opportunities. Yet, GPN theory provides a stronger conceptual framework for analyzing power relations.

3.3 Multi-sited research the methodological consequence Global Production Networks ontology

The multi-sited research that identifies systemic realities in local places, studying the world system directly on the ground, can be seen as an interdisciplinary tendency in studying GVC and GPN. To follow people, stories, metaphors, or objects, as they themselves travel from place to place and move between different media was the new paradigm that emerged in the late 1980ies in order to understand the interlinked processes of globalization. Concepts of economic interactions taking place in global commodity chains, GVCs and GPNs can be understood as ontological presupposition behind multi-sited research as the space specific processes along which the production pathways are researched and related to the locations where they occur. One specific methodological trend that developed parallel but not independent from GVC/GPN theory was coined “multi-sited ethnography” by George Marcus (Marcus, 1995). The idea of following the object of interest throughout different sites in a globalized world is in Marcus’ concept not limited to the economic domain of global production although this is where it has found its most extensive application. The method of “follow the thing” has resulted from Marcus’ concept and informed the approach the study area. It will be explained in the methods section in more detail.

4 Analyzing power

4.1 Power – a very brief introduction

Theories of power are always theories of society, because the exercise of power is commonly accepted as endemic to humans as social beings with all parties to all relationships having some sort and degree of power. Numerous ideas surrounding power have emerged and are discussed in scientific literature. Some see power as held by powerful actors, while others are relatively more powerless. They see power as a zero-sum concept – to gain power for one set of actors means that others must give up some power. Others see power as not hold by anyone but as more pervasive, embodied in a web of relationships and discourses which affect everyone. Again, others focus on how power manifests as structural power in formal and informal institutions. Most agree that rarely do the powerful give up their power easily, thus change often involves conflict and power struggle (Gaventa et al., 2009).

When power is defined in terms of a relation between human beings, it follows the tradition of relational sociology, seeing relations between humans such as transactions, interactions, social ties and conversations as the founding blocks of society (Gaventa, 2003, p. 18). From this relational notion of power that is also present in GPN theory, the relative degree of decision making between two or more actors is what Dahl (1957) termed the "*power over*". The intuitive idea of power according to *power over* is: "A has power over B to the extent that he can get B to do something that B would not otherwise do" (Dahl, 1957, p. 203). According to Lukes (2004) *power over* can be seen as a part of *power to,* what refers to the social relations constituting the actors and their capacities and resources. Therefore, power over can be seen as a relational form of power as it exists in the relationships between A and B and is only visible in these interactions (Latour, 1984).

While the concept of *power over* is often applied in a negative way, focusing on cases of coercion, *power to* further also refers to the capacity to act and exercise agency such as realizing the potential of rights, citizenship or just to voice an opinion. *Power within* refers to confidence and self-identity of actors as preconditions for action, thus being more applied than an abstract theory of *power over* that intrinsically contains *power within* as characteristics of A and B while they are interacting. In the same vein, it is the conceiving of *power with* that focuses on the synergy that can emerge through partnerships, acknowledging that in an interaction between A and B, B not necessarily only loses (Gaventa et al., 2009).

The ideas summarized under *power over* carry one shortcoming: they analyze the power of actors that do take part in decision making without asking who does not take part. Lukes (2004) therefore proposes three faces of power in which *power over* represents the public dimension of power related to the presence of an isolated overt or covert conflict where power can be conceived in such a setup as introduced by Dahl (1957). To fully grasp the ways in which power materializes two further dimensions are introduced. The second dimension highlights potential issues in addition to actual issues and asks who decides which topics are in the agenda ort the decision making areas. The three-dimensional view of power concentrates on the agenda setting process within decision-making, emphasizing that agenda setting is not necessarily achieved through active decisions. The focus of the third dimension of power is on the various ways of overcoming latent conflicts within the society through which

the relatively powerless come to internalize and accept their own condition. In the third face of power, A manipulates B to consent to do what A wants. In this case, A stands for individual actors as well as hegemonic ideas whose creation and creators are more difficult to identify and to assign because these process takes place without actively being noticed by neither A nor B.

Giving an overview of various theories in the different dimensions of power is beyond the scope of this thesis. Thus, power is described referring to present conceptualizations in GPN theory with a focus on the research questions underlying this thesis. Sub-question one lays the focus on the discursive dimension of Fairtrade's interaction with the power relations in the GPN. Chapter 4.2 gives a conceptual background on how the discursive effect of Fairtrade on the GPN for OHT can be analyzed. Sub-question two addresses the material and institutional dimension of power. Chapter 4.3 introduces an analytical lens to assess the material/structural interventions of Fairtrade and the newly created areas for decision making and their interaction with the power relation in the GPN.

4.2 Power as translation

The seminal work "The Power of Association" by Bruno Latour (1984) starts out with a paradox that is fundamental for the understanding of power. When someone simply has power – what Latour (1984) calls "in potentia" – nothing happens and you are powerless; when you exert power –what Latour (1984) terms "in actu" – others are performing the action and not the one that is "in power". This paradox is the building fundament for what later became the Actor-Network-Theory (ANT). The main concern of ANT is to understand how structures or connections between actors are continually reproduced through the process of interaction (Gaventa, 2003). Power is never understood as something you can "hoard or possess" (Latour, 1984), rather it is the outcome of collective (inter)action. If power lies anywhere, it lies in the resources to strengthen bonds along which interactions take place. It is where actors impose definitions and resources upon others because in order to be successful an actor must colonize the worlds of others (Gaventa, 2003).

To explore the initial paradox, Latour (1984) introduces the diffusion and translation model for power. Fundamental to the explanations of power (and later ANT) by Latour (1984) is the idea of a token. A token can be understood as a quasi-object, meaning either an actual object and its characteristics, a social order, or anything communicated between two actors.

Diffusion model of power: The model of diffusion defines three important elements to understand the spread of a token. First there is the initial force, thus the power an actor *has* to unleash the token. The token then is transmitted in its entirety through a medium in which the initial power might diminish because of "frictions and resistances", becoming smaller and smaller as the opposition against that force grows. The main focus in understanding power through the diffusion model lies in the analysis of either the initial force (the actor that is "having" the power), the medium through which the token is propagating itself, or the resistance in the said medium.

Translation model of power: In the model of translation, the spread of anything in time and space is in the hands of individual actors. These individual actors can do to that 'anything' (here: to the token) as they wish: dropping, modifying, adding, subtracting or even betraying it. The faithful transmission of a token in such a model is a rarity and if it occurs it needs to be explained. Furthermore, when no one is there to take up the token and passes

it on, it simply stops. There is no initial force that launches the token with an impetus incomparable to the influence of the following actors. The movement between the creator of the token and its first recipient is depending as much as any of the following translations on the impetus given by each and every actor in the chain that does something with it. Thus, the initial force is not more important than that of any following person. Consequently, it is clear that power cannot be hoarded or capitalized because then, the movement of the token would stop. Finally, each of the *actors* in the imagined chain is not simply resisting or transmitting the token but they are "shaping it according to their different projects." In every handover, there is – deliberately or unconsciously – a translation of the token in order to renegotiate power relations between actors. The token changes as it moves from one actor to another, and the sole transmission becomes a single and unusual case amongst various and more likely translations.

4.3 Power cube

The power cube is a framework used to analyze power in bargaining processes through locating the space for decision making in three different dimensions and their interrelationships. It is useful in letting us explore various aspects of power and how they interact with each other. The power cube was developed by John Gaventa of the Institute for Development Studies (IDS) located at the University of Sussex, the leading institute for development practice and research (QS University World Rankings, 2015). It can build on and be used to further explore the concepts of power over, power to, power with, and power within. The core assumption of the power cube is that power is not constant for any individual but rather depending on the situation and scale of the problem under investigation. The power cube is organized along the *levels* (global, national, local), *spaces* (closed, invited, claimed/created) and *forms* (visible, hidden, invisible) where power is observed in decision making processes. While the first two dimensions of the cube (*levels* and *spaces*) describe where the actors and spaces for decision making are located in social and geographical space, the third dimension (*forms*) describes the degree of consciousness in which power is expressed. Considering the three dimensions of the power cube while trying to understand power relations in a certain social context will not only help to ask the right questions but also to evaluate initiatives and reveal their effect on power relations (Pantazidou, 2012).

The dimensions represented in each side of the cube deserve the focus and not the shape of the cube; each of the dimensions may be seen as a continuum or a scale with no static set of categories. The tripartite scales represented should only serve as guidance notes while understanding each dimension of the power analysis according to the power cube. The power cube can be understood as an illustration of concepts and relationships that are constantly changing. It serves as a heuristic framework to identify and visualize different dimensions of power(Lukes, 2004). Later, the power cube will be slightly modified to suit the analysis in the presented thesis.

Originally, the power cube was introduced in development practice to critically assess "theories of change" which are underlying various interaction seeking change in power relations. The power cube is used to challenge the perceptions, assumptions or beliefs about processes and pathways through which social change can or will happen. The realization that unequal power dynamics are central to the relationships that perpetuate poverty, oppression and inequality demanded an analytical approach towards understanding power. While the power cube has found wide application in development practice, scientific analyses using the power cube are rarer (Pantazidou, 2012).

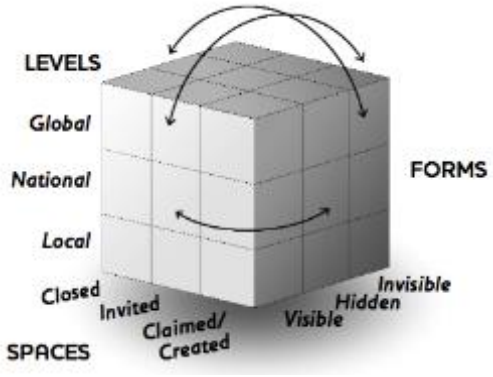

Figure 2: Power cube visualization with the three dimensions of power (levels, spaces and forms) along which the power cube analysis is organized (Gaventa (2006)

4.3.1 Level

Power works at all levels spanning from the household level to the global level. The dimension of the levels of power captures the interconnectedness of actors as power relations are typically shaped by different actors localized somewhere between the local and the global (Pantazidou, 2012, p. 39). The Power Cube recognizes that what is going on at different levels is potentially significant and therefore all levels and their relationships have to be addressed. For example, for an increasing amount of bargaining processes multiple sub process are of importance that can be taking part at different levels (Gaventa et al., 2009).

a. Global

An increasing diversity of supra-national or even global initiatives and institutions address various social and economic challenges. Examples for actors that are indicators of bargaining processes taking place on a global level are multinational corporations or multilateral negotiations between governments, e.g. the negotiation of trade agreements (Gaventa, 2006; Luttrell et al., 2007).

b. National

Examples for actors that are indicators of bargaining processes taking place on a national level are state governments or national-level interest groups (Gaventa, 2006; Luttrell et al., 2007).

c. Local

Examples that are indicators of a local level bargaining are sites of protest and debates with a deliberate meaning to the local context or locally anchored actors. (Gaventa, 2006; Luttrell et al., 2007).

4.3.2 Space

Space as a concept opposed to place is not bound to an existing physical realization in a geographic location. Inherent to the idea of spaces is power: “Space is a social product [...] it is not simply ‘there’, a neutral container waiting to be filled, but is a dynamic, humanly constructed means of control, and hence of domination, of power” (Lefebvre, 1991, p. 24). In the power cube approach spaces refer to decision making arenas and forums for action. Furthermore, they can also include spaces with the chance of potentially affecting policies, discourses, decisions and relationships (Gaventa et al., 2009).

The power cube examines the dynamics of how spaces for participation are created (or closed) and what their terms and conditions are for gaining access to them. “Whatever the terminology, critical though it is who creates the space – those who create it are more likely to have power within it, and those who have power in one, may not have so much in another.” (Gaventa, 2006, p. 27).

a. Claimed

In claimed spaces, less powerful actors create opportunities to reject hegemonic actors and ideas. They range from natural places where people gather to debate, discuss and resist up to open protest in public spaces. In these claimed spaces, people might gather as a result of popular mobilization on shared grievances (Gaventa, 2006; Luttrell et al., 2007). Claimed spaces almost always exist in any society were relatively powerless or excluded groups create forms of gathering in order to resist the institutionalized political area (Gaventa et al., 2009).

b. Invited

Instances of invited spaces are created through invitation from different authorities, be they government, supranational agencies, companies or non-governmental organizations in order for various actors to participate. As they are institutionalized, such spaces are regularized in various degrees of formality. Increasingly with the growth of new forms of participatory governance, these spaces are seen at every level, from local, to national policy and even to global forums, and often within organizations and workplaces as well. Strategies to strengthen participation in invited spaces include gaining knowledge and expertise on key issues and regulations, and learning the arts of public speaking, negotiating and compromise. For many previously excluded groups, who have been used to demanding that closed spaces be opened up, or participation in their own claimed spaces, this may require new skills. (Gaventa et al., 2009; Gaventa, 2006; Luttrell et al., 2007).

c. Closed

In closed spaces decisions are made by a set of actors behind closed doors and access is most difficult. Further, there is not any pretense of broadening the boundaries. Most often, entrance is restricted to social, political and economic elites. Possible actors are politicians, bureaucrats, experts, bosses, managers and leaders making decisions with little consultation or involvement from the general public. Example for such spaces are board rooms of large multinational corporations, but also provided spaces in which elites make decisions and provide the resulting services to the general public. (Gaventa et al., 2009; Gaventa, 2006; Luttrell et al., 2007).

Strategies to open up closed spaces often focus on greater transparency, rights to information, and public accountability. They also may demand to be consulted or call straight for a seat at the table. Research shows that invited spaces exist in dynamic relationships with closed spaces. For example, closed spaces might answer to ongoing demands of social movements with the creation of invited spaces, but these spaces tend to close as the pressure disappears. This dynamic interrelationship of the spaces for power creates challenges for their analysis. Thus, spaces for power rather have to be localized somewhere on the spanned playing field than allocated to one category (Gaventa, 2006).

When thinking about spaces of decision making it is important to note that “[…] Just because a space is present, doesn‘t mean that it will be filled equally with all voices!” (Gaventa et al., 2009). Some space might just be set up, but not filled with any meaningful actors. Thus, analyzing the forms of power inside the spaces of power becomes a necessity.

For example, according to Gaventa et al. (2009) "[…] women officials in local governments in India may sometimes be saying what their husbands want them to say – their 'voice' in the public, invited space may reflect their powerlessness in more intimate and private spaces at home." Thus, voices might be echoes of power, not revealings of grievances.

4.3.3 Forms

The dimension *forms of power* focuses on how power manifests itself in different forms, which are termed visible, hidden and invisible. They are based on the three dimensions of power introduced by Lukes (2004) which are outlined in the introductory section to this chapter.

a. Visible

The visible form of power assumes that decision-making arenas are neutral playing fields. Any actor who has issues can raise it and engage freely. Further actors are conscious and aware of their grievances and have the resources, organization and agency to make their voice heard (Gaventa et al., 2009).

Visible forms of power are the visible and definable aspects of political power – the formal rules, structures, authorities, institutions and procedures of decision making. Besides the political spaces, they can equally apply to the decision-making arenas of organizations and even of social movements or other spaces for collective action. It is assumed that in visible power struggles grievances can be articulated in formal processes and grievers can participate fully in the following deliberations. Following from that, who wins and who loses in these arenas shows who has the power (Gaventa et al., 2009; Gaventa, 2006; Luttrell et al., 2007).

b. Hidden

Gaining or maintaining influence by controlling who gets a seat at the decision-making table and what gets on the agenda is called the hidden form of power. It may occur not only within political processes, but in organizational and other group contexts as well, such as workplaces, NGOs or community based organizations. Hidden forms of power operate on all levels to exclude and devalue less powerful groups. Furthermore, alternative choices are limited and the rules of the game are set to be biased against certain actors and issues. Hidden power is never explicitly communicated and therefore not institutionalized. (Gaventa, 2006; Luttrell et al., 2007).

c. Invisible

Invisible forms of power describe the processes which shape the psychological and ideological boundaries of participation: "By influencing how individuals think about their place in the world, this form of power shapes people's beliefs, sense of self, and acceptance of the status quo" (Gaventa 2006, 29). Examples of invisible powers are processes of socialization, culture and ideology. They perpetuate exclusion and inequality by defining what is normal, acceptable and safe (Gaventa, 2006; Luttrell et al., 2007). In opposition to visible and hidden forms power, the invisible form of power assumes that people are not aware of and unable to address their grievances and can be referred to as the internalization of powerlessness (Gaventa et al., 2009).

Invisible forms of power deals with the social construction of reality. When authorities like teachers, who have the power to name and draw the truth, do not see certain actors or characteristics it can create a moment of disequilibrium. There is a world but certain things are just not in it. Thereby our norms and beliefs around

legitimacy are shaped in an unconscious way. While trying to understand what is possible to be said and seen, hidden shared truths are searched and analyzed (Gaventa et al., 2009; Gaventa, 2003).

Ideas underlining the concept of invisible forms of power are the concept of *false consciousness* and *hegemony*, both of which are building blocks of new Marxist theories. Both of them imply that there is some sort of right consciousness or real interest of actors that exist objectively outside of them. While they have brought argumentative cogency to understanding continuing overhand of ideologies apparently benefitting only a small part of society, they have been discredited because of their apparently obvious ideological bias (Gaventa et al., 2009; Gaventa, 2003).

Actual effects of changes in the forms of power are not always straight forward as the three concepts are highly interrelated. When invisible or hidden power is transformed to visible power it does not mean that the invisible power ceases to exist but possibly is even larger than before: When dominant actors win in public arenas (visible power) this shapes the barriers to engagement (hidden power) and over time a lack of visible contestation might result in the acceptance of the status quo as normal (invisible power) (Gaventa et al., 2009). Pantazidou (2012) vividly explains this at the example of NGO surveillance in Egypt. NGO surveillance has been going on for a long time as a form of "hidden power" when the central government was keeping records of NGO-activities. Shortly before the turmoil of the Arab spring, this hidden power was turned into visible power, when the regime started to openly control NGOs. NGO practitioners found it increasingly normal to report to the government about their activities, thus adding the form of invisible power as well.

5 Methods

Researching processes surrounding human interactions on different scales with respect to its natural surroundings, or what Reuber and Pfaffenbach (2005, p. 15) call a "society-space-science", is a major focus of human geographic research. This processual nature of the research has been one main reason for the recent proliferation of methods applied in human geography. While the diversity in methods can be seen as a major strength of human geography it is accompanied by serious challenges as well. The different methods cannot be applied as a researcher wishes. Rather, they need to be chosen according to their epistemological and methodological foundations as well as their structuration of the research object during the research process. Furthermore, when combining different methods in contextual society-space analysis the crucial point lies in the right judgement of the abilities and implications of each method for applying this particular method as well as for evaluating the data collected using this method (Reuber & Pfaffenbach, 2005, p. 23).

Notwithstanding its challenges, the gain of multiple lenses to understand society-space processes exceeds the constraints. The application of multiple theoretical approaches and methods to study one phenomenon is termed triangulation and described by Flick (2011) in full detail. According to Flick (2011, p. 11), triangulation is the observation of a process from more than one perspective. These differing perspectives can result from different methods as well as from different theoretical approaches that a process is studied with. Thus, it is not the combination of a method for data collection with a method for data analysis but rather the gathering of data through more than one method, quantitative or qualitative, or the combination of different methods for the analysis of the available data. In a consequent triangulation, it is important that the various perspectives are carried through with equal rigor (Flick, 2011, p. 12). When keeping in mind that the method applied is structuring the process that is researched, triangulation is not studying the same phenomenon twice from two perspectives but rather the process is structured twice and thus two very similar phenomena are studied and the insights are compared in order to gain more reliability and credibility for final conclusions (Flick, 2011, p. 18).

Qualitative research proceedings in opposition to quantitative research proceedings assume that everyday actions and structures of society are a social construction and thus there is no objective reality that can be researched apart from social interactions. In doing so, qualitative research methods are following a constructivist epistemological position. Therefore, it is of utmost importance that the researching subject is well aware of his/her positionality and judges the gained insights as constructions of constructions (Reuber & Pfaffenbach, 2005, p. 34).

After describing experiences surrounding my positionality and conscious utilization of my position, the multiplicity of methods at disposal in human geographic analysis are exploited and combined through the process of triangulation in the following analysis. This chapter first describes the methods used in the qualitative data collection process, including sampling strategies as well as interviewing and shadowing techniques. Thereafter, the methods for the analysis of the qualitative data are described.

5.1 Positionality

When I moved through the GPN for OHT, I had to be well aware of my influence as a visiting researcher. All the encounters I had during my 6 weeks of field study were somehow related to tea and somehow related to my research. So where is the line between acquaintance and professional contact? Because it is a fuzzy line that separates professional and personal life in field research, I noted down all the tea and research related peculiarities of everyday life encounters in a field diary that was formulated as a letter to a friend of mine.

While the differentiation between research and vacation was a manageable challenge, positionality, meaning the influence that I had on the research object just through being there, investigating things and asking questions was more difficult to fully grasp or even control. In the following paragraph, I will talk about how I, subjectively and personally, experienced my influence on the interview partners and situations as well as how I decided to deliberately use my position in order to reach interview partners from a specific angel.

As Neilson et al. (2014, p. 7) rightfully mention, it is not possible to study a GVC/GPN from nowhere. Researchers are inevitably socially and territorially embedded and thus come to see the GPN/GVC processes with a distinctive emphasis and possible purpose in mind. The following passage from Marcus (1995) pins down what this activist dimension of multi-sited research inspired by a theory of GPN entails:

> "The movement among sites (and levels of society) lends a character of activism to such an investigation. This is not (necessarily) the traditional self-defined activist role claimed by the left-liberal scholar for his or her work. That is, it is not the activism claimed in relation to an illation with a particular social movement outside academia or the domain of research, nor is it the academic claim to an imagined vanguard role for a particular style of writing or scholarship with reference to a posited ongoing politics in a society or culture at a specific historic moment. Rather, it is activism quite specific and circumstantial to the conditions of doing multi-sited research itself. It is a playing out in practice of the feminist slogan of the political as personal, but in this case, it is the political as synonymous with the professional persona and, within the latter, what used to be discussed in a clinical way as the methodological." (Marcus, 1995, p. 113)

Anticipating the activist dimension of investigating inside the GPN for OHT, I decided to enter the field from a distinct position. For my case, this was the conscious consumer from the global North that is consuming Fairtrade certified products and that is aware of the struggles of global agricultural production. Following the German saying "Der Kunde ist König" (the customer is king) I entered the GPN as a representative of the most powerful actor group, the consumers, being the one who will ultimately decide if the result is consumed or not. Through this position I was well aware, that people will be keen to show me their most persuasive achievements but at the same time I hoped that they would bring forward their struggles as well.

I reached out to my first interview partners, three managers of a smaller Nepalese tea producer and marketer, through a buyer from Germany who knew them because he was interested to procure from this Nepalese company in the future. Given that situation, it was clear from the beginning that the Nepali managers were eager to sell their tea to a bigger German buyer. Their motivation was sales volume on the one hand but also Premium on the other hand. Furthermore, they mentioned shortly into the interview, they were not always able to pay the

Fairtrade certification fee and they were eager to know why this fee kept rising and rising. They mentioned that the Premium their workers' cooperative receives from the Fairtrade certified sales was nowhere enough to carry out respectable programs for the worker communities. While telling me this they were demanding me to help them to improve their position. But not only the producers knew about my position and how to use it, even Fairtrade and workers' cooperatives, all were motivated to learn about tea or Fairtrade in Switzerland. At one producers meeting, where the workers were far from actively participating in the FPC activities, I was advised by the Fairtrade Associate Principal to speak about Fairtrade in Switzerland to show the workers why they should care about this FPC that they were a part of. These encounters showed me that my interview partners are actively judging my position and adapt their demands addressed towards me.

However, my position did not come without challenges. This was also already evident from the first interview onwards. Whenever I was taking notes, the interview partners had time to think. Often the interview partners themselves would relaunch the discussion. In my opinion it is revealing to critically listen to the topics that interview partners come up with themselves. All too often the first topics after taking notes were "women empowerment" "community development" or benefits to the workers. Thus, I always had to be attentive in order to avoid listening to a commercial broadcast about the organization that my interview partners were representing. The situation where my positionality was most in question occurred in the office of the largest Fairtrade and "more than Fairtrade" tea exporter for Darjeeling tea. Before the interview and the recordings started the manager, directing the company in the third generation, wanted to know what the research project aims for. Not what we are interested in but rather, what our intentions are. With him holding a master's degree in Development Economics and having a past at the UN I felt teetering on a knife's edge while formulating my position in a way that he felt comfortable to also answer on critical questions regarding their activities. The longest lasting impression showing me that my position is constantly judged by my interview partners was when multiple interview partners stressed that "we don't want to make this system to much public yet, because it is not stable so far. We don't know what happens if people find out". While only one interview partner directly discouraged us to make some delicate findings public, a subliminal threat was there in other interviews as well.

In sum, actively exploiting my positionality manifested itself to be beneficial. Many interviews carried out were reached through contacts that were on the consumer side of the interview partners and thus there was a kind of compulsion to speak to the researcher that was introduced to them by their own customers. While it enabled me to contact certain people, the possible extenuations and deceptions were possibly slightly influenced be actively exploiting my positionality, as anyone I met had a more or less clear perception in his mind about what I – a consumer representative – would expect to hear.

5.2 Overview of research aims, questions, data sources and methods applied

Table 2 gives an overview over the research process that was carried out during the work for this thesis. The major questions asked in order to fulfill the aims of the research are outlined and methods as well as data sources pursued and gathered are named.

Table 2: Research process describing the different stages of preparation for the field visit, the field visit and the analysis of the acquired data.

Aims	Questions	Data Sources	Methods
	Preparation of the field visit		
Acquire knowledge of the research project	What is the research project "A moral economy of labor? Tea cooperatives in eastern Himalayan and Sub-Himalayan Bengal Tea Zone" about? What are the struggles for tea laborers? What does live on a plantation look like? What is a moral economy? What are the projects that bring moral claims towards economic interactions?	Project proposal & cited texts from the proposal Media reports on tea crisis	Literature review
Find a research question that suits my research interests as well as the aims of the project	What are my abilities and interests? What is the field that I can research?	Courses attended at university	Self-reflexion
Understanding the field of investigation, narrow down the research field for my thesis	What is the eastern Himalayan and Sub-Himalayan Bengal Tea Zone and how can it be defined? What/who are the actors in the eastern Himalayan and Sub-Himalayan Bengal Tea Zone that I am interested in? How is fair trade researched, what insights do already exist?	Texts from proposal Major Authors: Sarah Mohan; Sarah Besky	Literature review
Gaining access to the field	How can the export oriented, orthodox tea production be accessed with a focus on trade, connections and power from outside the production region? What are different GVC for tea, connecting central Europe and the Sub-Himalayan Bengal Tea Zone and can I gain access to interesting projects including cooperatives following these value chains? How can powerful actors in the middle of the value chain be accessed? How can I deal with my position of being one of the "beneficiaries" of the "tea crisis"? How can the concept of GPNs help us to understand the connections in the production region as well as in the export process and their interlinkages?	Retailers of orthodox tea from is the eastern Himalayan and Sub-Himalayan Bengal Tea Zone. Literature on Global Value Chains and Global Production Networks	Structured e-Mail and telephone requests. Literature Review Self-reflexion

During the field visit			
Exploring the GPN for OHT	How is the GPN for OHT built up? What are the borders of the GPN for OHT? What are key actors / important actors in the GPN for OHT? How is Fairtrade spoken about? Where is it present? How important is it? What are Fairtrade's major impacts on the region?	Fairtrade Associate principal / scholars / tea professionals / tea workers	Semi-structured interviews
Experiencing how Fairtrade works on the ground.	What are the ideas that travel with the Fairtrade project? What are the topics spoken about during Fairtrade trainings?	Fairtrade trainings in different plantations.	Shadowing
For the analysis			
Creating the GPN for OHT	What are the different actors that were encountered that are a part of the GPN for OHT? How can the different actors be categorized and arranged in order to create the GPN for OHT?	Interviews	Qualitative content analysis
Consolidate knowledge on fair trade	What different definitions of fair trade and ethical trade exist? Is there a definition I can work with? Is there analysis on Fairtrade and power relations? What concepts do they apply? What kind of change is sought by Fairtrade for the eastern Himalayan and Sub-Himalayan Bengal Tea Zone and its laboring communities?	Literature on fair trade.	Literature review
Develop a theoretically sound mode of analysis for the power relations in the GPN of OHT	What is power? What are different definitions and conceptualizations of power? Is there an operationalization of power that I can work with?	Literature on power.	Literature review
Analysis of the material gathered in the field	In what ways does Fairtrade interact with the GPN for OHT? And how does this challenge existing power relations?	Data from the field	Qualitative content analysis; power cube; power as translation

5.3 Sampling

5.3.1 Sampling Strategy: follow the thing.

According to Coyne (1997, p. 623), sample selection in qualitative research has a profound effect on the ultimate quality of the research. Replicability depends strongly on the description on the selection of the interview partners. In order to determine the relevant cases in the research, a theoretical selective criteria sampling strategy was applied. In this vein, a purposeful choice of interview partners that are suitable for the research is made (Morse, 1991, p. 129). Furthermore, Schamtzman and Strauss (1973 in Coyne (1997, p. 624)) point at the fact that in the selective criteria sampling the cases for investigation are found through criteria such as status, position in an organization or even philosophical or ideological standpoints. The motivation for a selective criteria sampling is the deliberate investigation of information rich cases that are capable of answering the research question asked (Patton, 1990, p. 169). In the choice and definition of the case group, the criteria for selection are set by the researcher. The criteria have to be motivated with their relevance in answering the research question (Patton, 1990, p. 176).

For the choice of relevant cases to investigate the selective criteria sampling informed by the concept of "follow the thing" was applied. "Follow the thing" is a specific method of multi-sited ethnography which was introduced by George Marcus (1995) in his seminal work "Ethnography in/of the world system: The Emergence of Multi-Sited Ethnography" and further developed and applied by Ian Cook (2004) in the famous tracing of the papaya fruit.

The term "multi-sited ethnography" is used to designate the practice of pursuing ethnographic fieldwork in more than one geographical location, with following one thing being a specific peculiarity of multi-sited research (Marcus, 1995). Multi-site ethnography can be seen as a critique of understanding social and cultural processes as spatially bounded. Core to multi-sited ethnography is its application to geographical as well as social sites in order to shed light on the same process in as many sites as possible. Since its conception, follow the thing has developed out of the ethnography-specific context to what Foster (2012) calls the "mapping of commodity networks that connect people in vastly different and distant locations." This mapping of global processes is now employed by scholars from geography, sociology, and anthropology (Foster, 2012).

Table 3 shows the criteria defined for the selection of interview partners while following Darjeeling / OHT from Western consumer to east Nepal and Darjeeling Producers. Criteria were defined for economic as well as non-economic actors that were of interest.

Table 3: Criteria for following OHT from various retailers in Switzerland and Germany to their producers in east Nepal and Darjeeling.

Economic Actors	
Retailers	Sell OHT in Switzerland or Germany
	Sell OHT in ATO globally.
Wohlesalers, Traders & Blender	Connect producers and retailers that match the defined criteria
Producers	Carry out one step in producing OHT
	Pursue "alternative mode of production" 2
Non-economic actors	
Civil Society Organizations	Carry out activities on tea plantations
State	Government agencies relevant for tea and labor on tea plantations
Voluntary Sustainability Standards-Setting Organizations (VSSSOs)	Set standards that are relevant for OHT production, i.e. standards are respected in OHT production

Entrance to the study area started with different retailers of orthodox tea from Darjeeling and east Nepal which were identified in a market assessment for Switzerland and Germany conducted throughout the internet. All key retailers for OHT were contacted in order to reconstruct the path the tea took until it was sold to the customer. A log file was kept where all the interactions with different actors along different value chains for OHT were recorded. *Table 4* gives a summary over the successful and unsuccessful paths that were followed to reach the study area which satisfy the selection criteria. A detailed overview of all the steps executed to arrange field visits can be found in *Appendix* .

Table 4: Exemplary successful and unsuccessful paths that connect retailers and producers of alternative orthodox Himalayan Tea.

Retailer	**Wholesaler**	**Producer**	**Production Site**
		Successful	
Gebana	Gepa	Tea Promoters of India	various
Gepa		Tea Promoters of India	various
Gepa	SAGRO	Kanchenjunga Tea Estate	estate + attached Farmers
TeeGeschwender		Gorkha Sunderpani	estate + attached cooperatives
Equal Exchange		Tea Promoters of India	various
MaxHavelaar CH	various	various	various
		Unsuccessful	
Migros	Hälsson Lyon (unwilling to cooperate)	Various; amongst others Ambootia	Not willing to cooperate
Sirocco (unwilling to cooperate)	Unknown	Unknown	unknown
Coop	GDG Schütte (unwilling to cooperate)	Unknown	unknown

[2] Alternative modes of production were defined as anything that differs from production on a plantation that is neither holding an organic nor any kind of fair trade certificate.

5.3.2 Sampling Strategy: snowball sampling method

The entry to the field study the first cases were reached deploying the theoretical selective criteria sampling inspired by "follow the thing". After reaching the field, further interview partners were found applying the snowball sampling technique. In the snowball sampling method, new interview partners are found through advice of participants that were already determined in the theoretical selective criteria sampling or also through the snowball sampling process. Possibly the people found through a snowball sampling process would not be accessible from the starting point. Thus, it is of great importance at an early stage of the research to get at informants that are experts in the field under investigation that lead the researcher to more distant but well-informed interview partners (Patton, 1990, p. 176). Often the informants know much more about the case under investigation that the researchers as they are experts in their field. This makes judging their positionality important while following their advice. The snowball sampling process is described to take on its own dynamic after the primary initiation and can strongly be influenced by the interview partners started with in the beginning (Penrod et al., 2003, p. 102). Therefore, the researcher has to lead the snowball sampling process and be careful that the newly found participants fulfill the criteria that were set in the criteria sampling process (Bailey, 1994, p. 438).

My first key informant was the Fairtrade Associate Principal responsible for tea in the north-east of India as well as Nepal. Furthermore, the research team from North Bengal University as well as my supervisor and her husband served as informants connecting me with key people from the government and producers.

5.4 Interviews

5.4.1 Interview technique: semi – structured and problem – centered interviews

In the process of interviewing, two different but complementary approaches to the interview were applied. On the one hand, the qualitative, semi-structured interview was the basis for all interviews while the conduct of the interview mainly followed the idea of the problem centered interview.

According to Witzel (2000), the problem centered interview is oriented around a social phenomenon. The problem centered interview has the aim to investigate the personal perception of this social phenomenon. Thus, the interview partner is given free space to elaborate his / her understanding of the situation and the processes at hand, while the researcher tries to follow the representations explained by the interview partner. Trust is key in order to get open and direct answers, thus during the interview it is important that the interviewee feels respected and understood. A problem centered interview often results in a form of discussion rather than question-answer dichotomy. Expert interviews are a specific form of problem centered interviews that aim to facilitate the understanding of complex fields of study and thus are often used in explorative parts of research in order to gain an overview and to serve as entrance points (Bogner & Menz, 2002, p. 7). Expert interview can either be open or semi structured, yet it is important the course of the interview remains open. This openness is achieved through sacrificing premises of comparability and completeness (Bogner & Menz, 2002, p. 37). While all of the interviews carried out were problem centered (N=28), most of them were expert interviews (N=19).

The semi-structured interview according to Willis (2006) follows the form of a schedule containing suggested themes. In addition to these topic and rudimentary formulated questions, it is important that there is scope for the interviewees to develop their responses and frame new questions. Thus, the researcher has to make sure that all

the important topics for the research are covered but the interviewees need opportunities to bring up their own ideas and thoughts.

As described by Willis (2006), interviewees often expect some kind of formal setting and structure for the interview. This expectation is larger amongst so-called elite interviewees such as government officials or managers. Also for this study, many interview partners wanted to know in advance which topics the interview will be about. After that information, they would make comments on the topic that would be addressed and further inquire the aim of the research. Thus, the array of the semi-structured interview helped to gain respect and trust from the interview partners.

The semi-structured questionnaires were developed following the theories of GVCs and GPNs. During the research the semi-structured questionnaires were adopted in the field in order to respect recently gained information. Thus, questions were added and subtracted. However, the questionnaire always followed the same schedule presented in *Table 5*. All the specific forms of the semi-structured interview can be found in the

Table 5: Structure and content of the semi structured questionnaire used in the field study.

Person	**Personal information, biographic peculiarities, education / job experiences**
Work	Specific information to current activities in the employed organization / company.
Supplier	Questions about coordination of the value chain regarding upstream suppliers
Customer	Questions about the coordination of the value chain regarding downstream consumers.
Regulatory Surroundings	Finding the greatest influences on the interviewees activities set by non-productive actors in the production network.
Market-Assessment	Questions about the future, price, fairness and dominations of other actors.
Snowball Question	Specifically asking for further interview partners that were of interest.

5.4.2 Transcription: flat and selective transcription

All but two of the conducted semi-structured interviews were recorded using the voice memo function from iPhone 5s. During the process of transcription, a flat, selective transcription was carried out.

According to Strauss (1987), it is permitted to transcribe only as much as is needed from the recorded interviews. However, this does not mean that only a few of the interviews should be transcribed. Rather it acknowledges that there are parts in every interview that are off the topic and that reduce information uptake and readability when transcribed. Parts that are not transcribed can be kept in the research processes through summaries of touched themes that are off topic. This manner of transcription is called a selective transcription.

In a simple or flat transcription, the information about para- and nonverbal events are rare. The presented text in flat transcripts is freed from dialect and colloquial speech. The main focus is on readability and easy uptake of the stated information and on an efficient transformation from the recording to the transcript (Dresing & Pehl, 2013). Therefore, as the focus of the transcription lay on the semantic content of the conversations and not on non-verbal aspects or on the way the interviewees expressed themselves, a flat transcription was considered appropriate.

5.5 Shadowing

Shadowing as a research technique describes the process of a researcher closely following his research subject throughout a specific task that is performed, which is mainly popular in organizations research. For social

scientists concerned with the activities carried out at work, shadowing means the constant observation of all the activities that are carried out throughout the working day of a member of a certain organization. McDonald (2005) makes out three different types of shadowing. In the following, only "Shadowing as a means of understanding roles or perspectives" (McDonald, 2005, p. 464) will be further discussed as it was carried out while collecting data. Shadowing is as various and complex as the job of the shadowed. Observing conversations and activities is accompanied with questions for clarifications as well as questions revealing the purpose of certain activities. Very often the shadowing process is completed with an in-depth interview (McDonald, 2005).

According to McDonald (2005), shadowing is different from more traditional qualitative research methods such as participant observation or interviews in two key ways. First, shadowing can produce the sort of first-hand, detailed data that gives the researcher access to the data that is either trivial or difficult to articulate. Second, through shadowing the unit of analysis in organizational research can be extended. Shadowing "[…] examines individuals in a holistic way that solicits not just their opinions or behavior, but both of these concurrently." (McDonald, 2005, p. 457) Thus, the data obtained from shadowing are significantly less constrained and staged by participants than the opinions obtained through a series of interviews. However, there still remains the observer effect, because how can the research know that he / she is not altering the very nature of the work that they are observing (McDonald, 2005)?

For organization research of specific interest is the transection through the organization that can be achieved by following an expert along. "In other words, a shadower can follow where it would be impossible for a participant observer to go themselves" (McDonald, 2005, p. 457). However, this does not mean that shadowing is superior to other qualitative research techniques, such as interviewing or participant observation for example. Rather, shadowing brings the opportunity to complement the results from interviews and observations that mainly answer questions about what an individual in an organization does and how it is done with possible answers for the why questions that are raised in the research.

McDonald (2005) points at the main challenges for shadowing research, which are the extensive amount of material that is generated through the process as well as the difficulty of gaining access and trust of the shadowed individuals / organizations. There is no required time span for the shadowing process. It starts from a day but can last much longer.

For the presented research, all the shadowed individuals were a part of the same organization, namely Fairtrade NAPP. The effort to gain access to these individuals has been ample. Two kinds of efforts had to be made in order to shadow the Fairtrade Associate Principal. On the one hand the connection had to be made through MaxHavelaar Switzerland and Fairtrade NAPP. Both had to be convinced by my research interest and trust myself as a researcher. In the end, I had the opportunity to not only shadow the Fairtrade Associate Principal, but also two additional members of the Fairtrade NAPP since they were all working for the four consecutive trainings that I shadowed.

On the other hand, I had to inform myself intensively about the Fairtrade and the task that Fairtrade Associate Principal will be carrying out in the field in order to be able to follow what is going on without too many questions for clarification. Thus, I followed the advice put forward by McDonald (2005), namely, "never go in cold".

Once the shadowing is organized, an important suggestion for a successful shadowing is to "write down as much as you can". With the shadowed work being mainly in Nepali, I noted down all the nonverbal interactions I could oversee and recorded all the spoken interactions in order to have them translated afterwards.

5.6 Description and specification of acquired data

Through the above described research methods, a total of 28 Interviews were conducted, out of which 19 were semi structured and 9 were not structured. Furthermore, 4 training days of 2 Fairtrade Associate Principals each and 1 working dinner of an NGO and their partners were shadowed. *Table 13 - Table 15* in the *Appendix 3: Overview of acquired data* show a summary of all the data gathered through the qualitative research methods. The tables are separated for semi structured interviews, not structured interviews and shadowing observations.

5.7 Qualitative Data Analysis

5.7.1 Qualitative Content Analysis: Theory

Qualitative content analysis is a method developed by Philipp Mayring aiming at combining the advantages of quantitative content analysis with the qualitative-interpretative steps of qualitative text interpretations in order to understand the structure and content of a phenomenon that is articulated in text (Mayring, 2000). The advantage of this combination is that the analysis is following rules and categories which are in the center of the analysis. Therefore, the qualitative content analysis has the potential to be intersubjectively comprehensible, leading to similar results independent of the analyst (Mayring, 2000). In recent years, the qualitative content analysis has become a standard procedure of text analysis within the social science, mainly in the German speaking research tradition (Mayring, 2015).

The creation of the categories is at the core of the qualitative oriented procedure of text interpretation. In qualitative content analysis, an inductive and deductive procedure are distinguished. The difference between the approaches is the amount of theory influencing the creation of categories. While a deductive QCA derives its categories above all from theories developed prior to the gathering and analysis of the texts, inductive QCA is developing the categories during the analytical process.

For the deductive creation of categories, all categories and steps of analysis are formulated prior to their application and derived from theory. While analyzing, the qualitative step consists of a methodologically controlled assignment of the category to passages of text. The circumstances under which a passage of text can be assigned to a certain category are defined a priori (Mayring, 2000, p. 12).

For the inductive retrieval of categories from the text, only the main topics of interest are deduced from theory and literature. Categories to be found inside these topics are defined from the text as such. Categories are tentative and step by step deduced and revised in a circular process, where parts of the material are worked through twice in order to test the categories developed while going along (Mayring, 2000, p. 13).

It stands to reason that the completely inductive or deductive mode of QCA are the mere ends of a sequence of analysis that lies in between these two poles. The following chapter describes the QCA carried out for the analysis of the gathered qualitative data.

5.7.2 Qualitative Content Analysis: Modus Operandi

This chapter illustrates step by step the QCA carried out to structure the texts gathered through interviewing and shadowing. Following the steps proposed by Ramsenthaler (2013, pp. 26-33), who describes each individual operation *(1. Determine mode of analysis; 2. Determine unit of analysis; 3. Category building)* carried out in the procedural model for the QCAs.

1. Mode of analysis

There are three different modes of analysis in which the QCA generally is carried out. QCA as structuration is performed in order to filter out specific aspects from the text that have been defined in advance. QCA as explication is carried out with the aim to further explain opaque or discrepant passages. QCA as summary tries to describe the main contents of the text, while substantially reducing its length. Furthermore, common contents that are found in different texts are summarized in the same category to give a feeling of the relations of texts to each other (Ramsenthaler, 2013).

The qualitative content analysis as "summary" was chosen as the mode of analysis. The aim of QCA as summary is to reduce the collected material to the most central points, based on a rule-guided procedure (Mayring, 2010). While QCA as summary principally is the most inductive approach in QCA because categories, coding rules and anchor-examples are not set in advance, there is still scope for variation inside the QCA as summary during the process of category building.

2. Unit of analysis

The unit of analysis is the smallest piece of text that can be coded and assigned to a certain category (Ramsenthaler, 2013).

For this thesis, the unit of analysis was a statement. A statement has to be at least one meaningful sentence that was articulated by any interviewee. Since all of the texts analyzed through QCA as summary were from interviews, some of these sentences are grammatically incomplete sentences.

3. Category building

A hybrid form of deductive-inductive category building was applied when doing QCA as summary. The most common procedure of such category building is described by Kuckartz (2012) and starts with the formulation of a smaller number of main categories that have been built deductively from the underlying theory of the theoretical framework the research is embedded in. After a first coding step of some of the material, the initial categories are refined and extended. Furthermore, new categories can be created as well as existing categories can be altered. This process is continued until all the relevant segments of text are coded.

The first categories were deductively formulated according to the semi structured questionnaire that has been developed according to the GPN/GVC theory. From there on the building of the categories was carried out by the circular process that is characteristic for the QCA a summary (Ramsenthaler, 2013). *Table 6* shows the deductive superior categories as well as all the inductive superior categories created during the coding procedure. The detailed inferior categories (codes) and their subcategories used for the *power cub* analysis and the analysis *power as translation* are outlined in *Appendix 4: Code structure - power cube* and *Appendix 5: Code structure – power as translation* respectively.

Table 6: Superior Categories defined for the QCA of the interview transcripts.

Deductive	**Inductive**
Lead actors	Development
GVC or GPN notions	Employment as support
NGOs	Empowerability
Government	Challenges of studying up
Politics	Outmigration
Small farmers	Specific case histories
Private governance schemes	
Information flows	
Trade fairs	
Development Aid / Foreign Money	
Geographical Indicator (GI)	

5.8 Power analysis

5.8.1 Power as translation

Starting with the model of translation to understand power, the fair trade idea becomes the token that is created and given initial force from concerned consumer and activists in the 50ies when the fair trade movement started. As the introductory passage concerning the definition of fair trade shows, there has already been a lot of translation going on from the initial token.

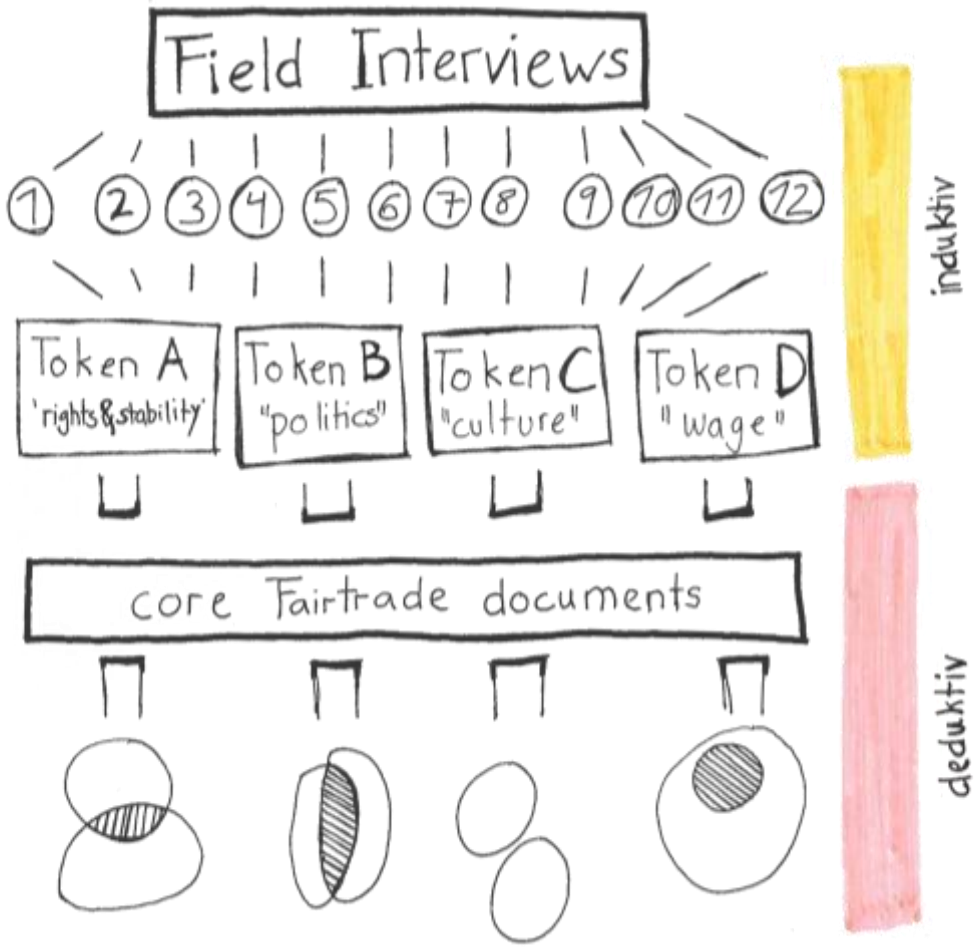

Figure 3: Workflow for the power analysis following the idea of power as translation. "Field interviews" represents the interactions with actors in the field such as interviews and observations. Numbers 1-12 represent the main inferior categories (codes) that support the creation of the subsequent tokens. Token A-D represent the tokens as they are understood in the field. The circles at the bottom illustrate the comparison of the tokens from the field with their understanding in the core Fairtrade documents and the resulting consensus of the both.

For the following thesis, the token for Fairtrade is therefore relocated to the "idea and definition" of fair trade that is propelled by FLO in its core documents, namely the *Fairtrade Standards*, the *Charter of Fair Trade Principles* and *Fairtrade Theory of Change (ToC)* (Fairtrade Labelling Organizations International eV, 2011; Fairtrade Labelling Organizations International eV, 2014b; Fairtrade Labelling Organizations International eV, 2015; World Fairtrade Organization and Fairtrade Labelling Organizations International eV, 2009). *Figure 3* gives an overview over the subsequent steps that are carried out in order to analyze the interview transcript with respect to the idea of power as translation.

1. Identify ascribed meanings, effects and impacts of Fairtrade in the field

Out of the inferior categories (codes) resulting from the QCA all codes relating to Fairtrade build the basis of the following analysis. *Appendix 5: Code structure – power as translation* gives an overview of the different acquired codes during the QCA of the field data. A predominantly inductive coding approach was followed to obtain the result. Primary focus was given to varying translation of the Fairtrade idea by the different actor groups (i.e. workers, managers and Fairtrade officials) in order to identify issues where there is enough coherence in the statements to identify meanings that are representative for each actor group.

2. Inductive creation of the token in the field

The most prominent codes with the meanings of Fairtrade for local actors were inductively grouped to four token of the translation of the Fairtrade idea as it is communicated in the field. The twelve inferior codes used to build the four token are listed and briefly described in *Table 7*.

Table 7: Superior and inferior categories contained in the building of the four tokens for the analysis of power as translation

Superior category	Inferior category (code)	Superior Category	Inferior category (code)
challenges (individual assessments of the main struggles for Fairtrade)	12: missing sales	worker responses (what does Fairtrade mean to workers)	8: handouts; 7: premium money; 9: chore; 4: speak up
claimed achievements (individual assessments of what Fairtrade has changed)	10: change in culture	Personal meanings (what one person thinks Fairtrade is)	11: sales guarantee - "sustainability for producers"
Aims (individual goals of Fairtrade participants about where it should go)	1: Relationship; 5: depolitisation; 2: stability	Training (what topics does the training address)	Fairtrade idea 3: (self-)responsibility

3. Deductively finding the initial token in the core Fairtrade documents.

Deductively the four identified tokens were used to search similar meanings in the core documents describing the Fairtrade principle.

4. Assessing the extent and content of translation

In a final step, the token from the field (step 2) is compared with the initial token from authoritative documents to reveal the translation effect, i.e. the extent to which the two consent or differ.

5.8.2 Power cube

The power cube concept does not give detailed operating instructions to carry out the power cube analysis in a scientific project. Rather, the power cube is presented as an analytical lens, with the three dimensions' *levels, spaces* and *forms* guiding the analysis. Each dimension is seen as a continuous nominal scale where the tripartite division given by Gaventa et al. (2009) serves as orientation.

In order to operationalize the power cube two measures were taken by the researcher: First, a specific workflow (Figure 4) was designed to guarantee consistent analysis. Second, the essence of power cube – understanding shifts in power – is translated into a single question that can be ask for each dimension to retrieve power shifts:

> *"In which direction is the intervention moving the location of the bargaining process between the various actors affected by and affecting the intervention?"*

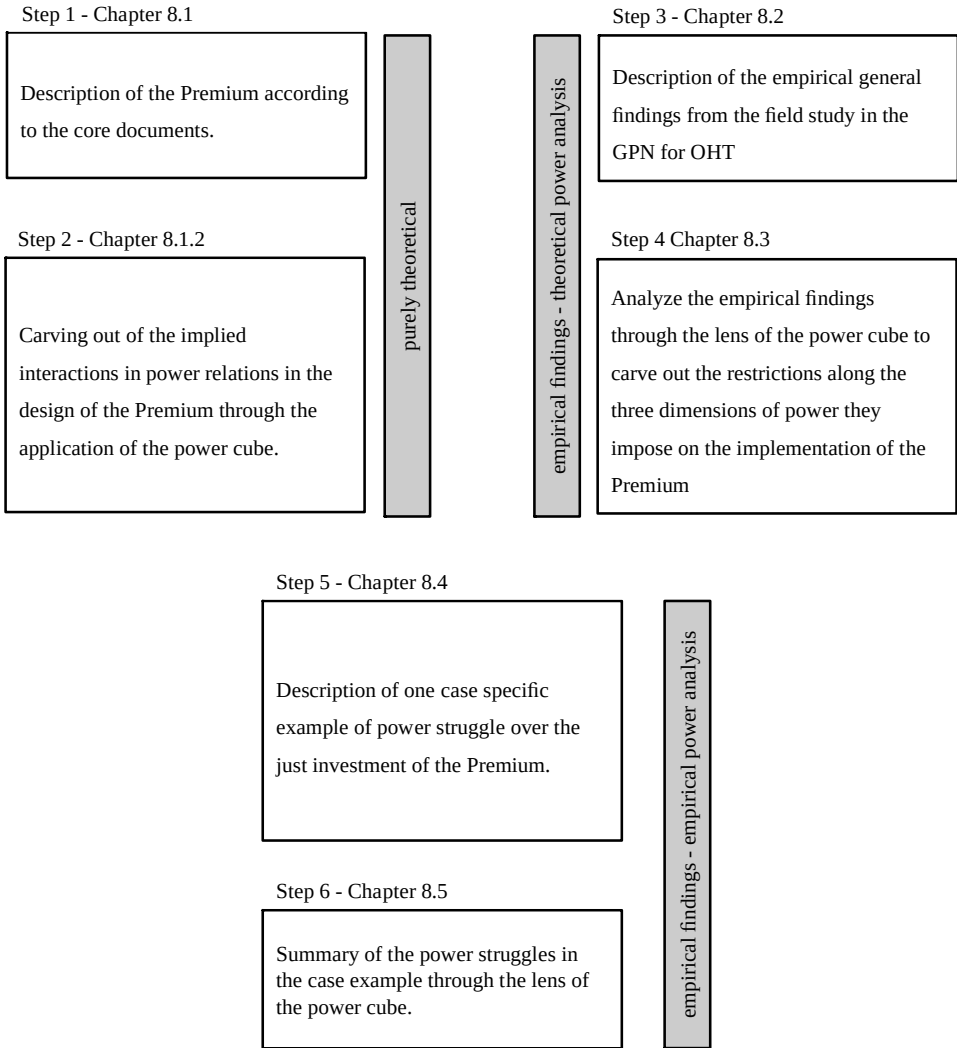

Figure 4: Workflow for the power analysis with the power cube.

The power cube lens can be applied on pure theoretical considerations (i.e. the theoretical designs of intervention) as well as on empirical findings. *Figure 4* describes the task flow for the execution of the power analysis with the power cube that was pursued in the presented Master's thesis. Subsequently, the six steps carried out are briefly introduced.

The workflow described can be applied to any intervention carried out through Fairtrade or any other VSSOs. In the presented Master's thesis, it will only be applied to the Premium. Therefore

Step1: Description of the Premium

Preliminary to analyzing the interaction of the Premium with existing power relations, the Premium and its design are described in as much detail as possible. The core Fairtrade documents as well as scientific literature with information about Premium payment in general and implied power relations in the Fairtrade Theory of Change (*ToC*) in particular are consulted in addition to the official documents to better understand the Premium.

Step 2: Carve out the implied interactions of the Premium with power relations

The power specific description of the Premium is analyzed through the power cube. Implied interactions with power relations are highlighted through making them visible in the three dimensions of the power cube, answering the question: *"In which direction is the intervention moving the location of the bargaining process between the various actors affected by and affecting the intervention?"*

Step 3: Describe general findings concerning the Premium.

The general findings are empirical data that was gathered in the various interviews and observation during the field study. The general findings were identified across field study and are representative of the observed population or voiced by a major part of interview participants without contradictions. The superior and inferior categories which were the basis of the analysis with the power cube can be found in *Appendix 4: Code structure - power cube.*

Step 4: Empirical findings in the power cube

Each empirical finding is analyzed through the power cube. Theoretically it is imagined how the empirical finding constrains the implementation of the Premium, answering the question: *"In which direction is the intervention moving the location of the bargaining process between the various actors affected by and affecting the intervention?"*

Step 5: Describe the unique case example

Step five and six describe on specific power struggle over the just investment of the Premium and thus of the implementation of the Premium to test the findings from step 4. This case study had not been considered in the gathering of the general findings (step 3) in order to prevent a tautological argumentation. Step 5 describes the empirical findings.

Step 6: Interaction of the Premium with power relations in the case example

In a final step, the empirical findings of the power struggles in the just investment of the Premium is summarized through answering for each struggle: *"In which direction has the intervention moved the location of the bargaining process between the actors affected by and affecting the implementation of the intervention?"* The power shifts identified are contrasted with the shifts to be expected based on the theorization process carried out in step

6 Empirical findings: Key Actors in the GPN for OHT

Figure 5 displays the GPN for OHT, produced in alternative modes of production, i.e. other than the modes of non-certified plantations, further referred to as GPN for alternative OHT. A short description of each actor[3] can be found in the *Appendix 6: Actors in the global production network for orthodox Himalayan tea*. In the following sections only actors that were studied in detail and which are relevant to answering the research question are described in further detail.

According to Coe and Yeung (Yeung & Coe, 2015, p. 41), the GPN is built up around a lead firm that is able to coordinate activities in various direction in the GPN. For this study, the lead firm in the GPN for alternative OHT is located at the producer / trader level. Tea Promoters of India (TPI) is the (a) most active producer / trader in Fairtrade certified production of Darjeeling tea, (b) the sole trader selling small famers' Darjeeling tea worldwide predominantly to ATOs and (c) a pioneer in organic / bio-dynamic tea production for Darjeeling tea. TPI is located at a strategic point in the trading setup creating a monopsony towards their various small farmers' projects and plantations as well as a monopoly towards ATOs regarding Darjeeling tea from SPO.

After describing the lead firm, the inner circle of its operations is described. First their upstream suppliers are introduced and after that the downstream retailers are characterized. Stepping out of the most inner circle, key strategic partners in mediating the Fairtrade project are identified and introduced. Finally competing firms and actors who are also interacting with Fairtrade or governing the tea production are briefly described

[3] In the presented Master's thesis, the names of the interview partners as well as the name of some production locations have been anonymized in order to prevent exposure of individuals that generously cooperated during the research that is presented. A list of all the anonymized actors is in Appendix 7.

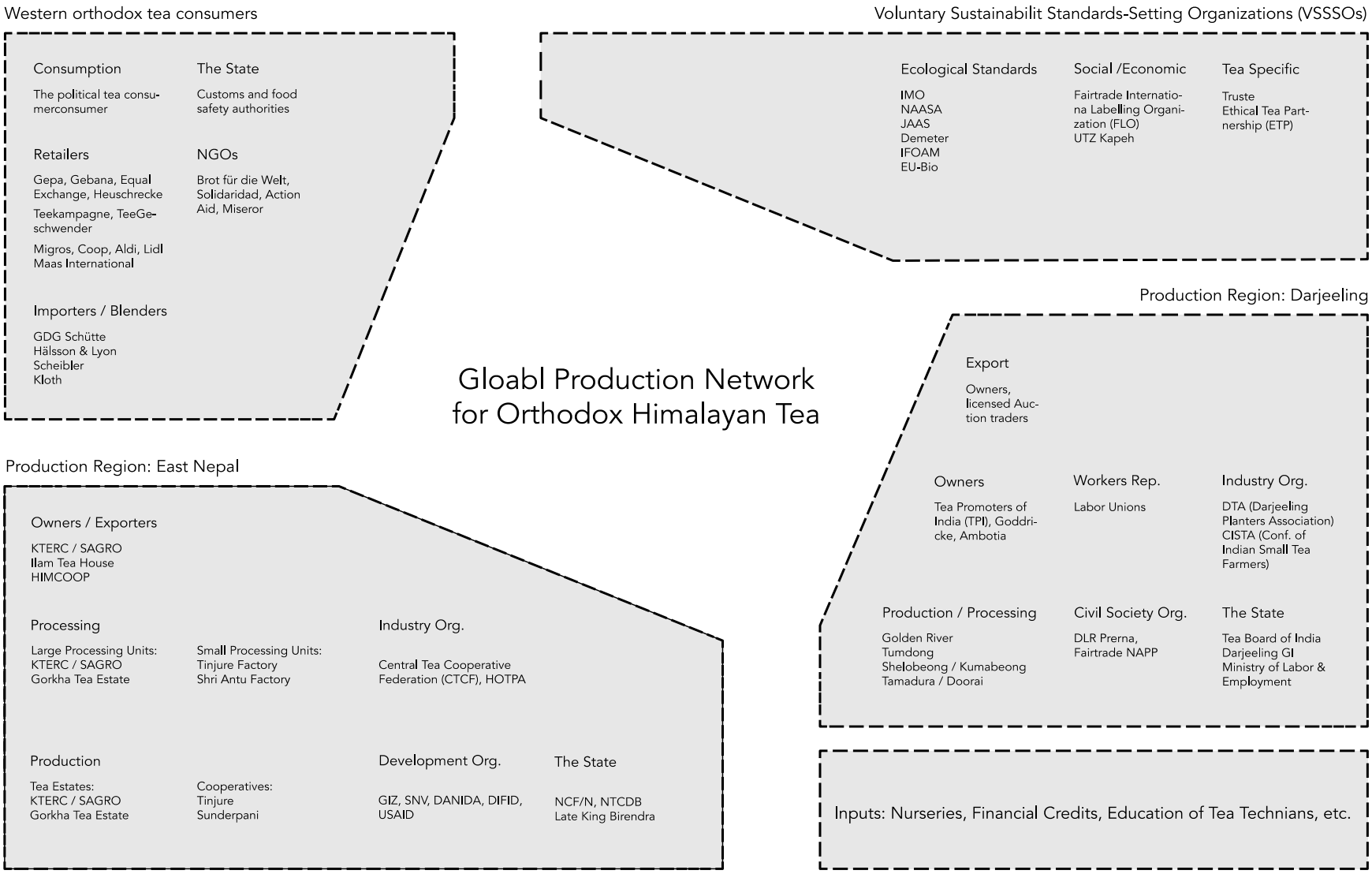

Figure 5: The GPN for OHT and the key actors that have been encountered in the presented Masters' thesis.

6.1 Lead firm: Tea promoters of India

Tea Promoters of India (TPI) is a third-generation family business producing, blending, packaging and marketing various kinds of teas. According to information by the management, TPI sells its tea mostly directly to retailers, most of which are ATOs. Based in Kolkata, India, the main production place is Darjeeling and the main product Darjeeling black and green tea. In 2016, TPI employed 30 staffs, was engaged with 800 farmers and roughly 2'000 plantation laborers to produce 700 tons of tea a year. Out of the 700 tons, 35% are Fairtrade certified. There is only few information on TPIs website besides their mission to pursue "long standing traditions of tea cultivation which interferes as little as possible with the natural way, we are fully committed to what is now popularly known as Organic and Bio-Dynamic Tea Cultivation. Integrated with this is our endeavor to uplift the human communities that live and work in the tea regions so as to create a harmonious environment for sustainable economic and social development." (Tea Promoters of India, 2016) TPI fortifies the spirit of its mission with the eight various organic labels as well as the Fairtrade label displayed on their website.

6.1.1 TPI as a pioneer

Further information can only be found from indirect sources. In an interview with the organic industry specific website organic-market.info, Bimal Rai narrates the history and philosophy of TPI.

> "My Grandfather, son of the soil in Darjeeling, was one of the first people in the organic movement in Darjeeling who really believed that organic is the way forward. It is not a marketing tool, it's the way sustainable agriculture will last on a long-term basis. I really grew up with those ideas of my grandfather and my father." (organic-market.info, 2017)

TPI doesn't not only have the pioneer role in the organic movement, as fair trade has been a major concern since the founding of the company. As Rashes Rai, Bimal's father and former CEO of TPI, mentioned in the interview, the idea of the joint body was adapted from the worker's committee that TPI formed on the first tea plantation they re-opened:

> "The point is, in Kumagong, which was also a tea garden, is still a tea garden, we started the tea garden by having, because it was abandoned and you know we had to get the local people again motivated to work and a lot of them had also just moved away from the region. So, what we did is we created this committee. Which was like a democratic committee. Which is now what Fairtrade has rechristened as a joint body. That was the structure they took. They took it from Kumagong" (Bimal Rai, 18.1.2017)

The tea plantation Kumagong is very important for TPIs role as a lead firm in the identified GPN for OHT from alternative modes of production. It was the first tea plantation that was certified Fairtrade in 1993 through TransFair Germany (Dolan, 2010). As Bimal Rai remembers during the interview:

> "For instance, when we have taken over Kumagong. I remember my grandfather, my father, you know, I see these picture, black and white pictures. They were camping there. It's like my father had a beard and it's like straight from Che

> Guevara. They were clearing all the land. All the jungle, finding this tea. With the local community, you know. This was an abandoned tea garden, Kumagong. When they took over it was like a new life for the whole area. Because at the most, what they would do was make hand rolled tea and sell it in Tibet. For nothing, for peanuts. There was nothing. No electricity. There was hardly any road connection. And you know, only with that kind of growth do all these kinds of things come. Right? That's when we got a lot of support from Gepa." (Bimal Rai, 18.1.2017)

More information about TPI can be found on the websites of its key retailers. Each of the investigated key retailers for alternative OHT supported their own project inside TPI. As Bimal Rai mentioned in my interview, TPI is "… an umbrella of 5 tea gardens in Darjeeling, two in Assam, one in Dooars and the 5 small farmer's groups in Kerala and Darjeeling." The three most prominent projects of the TPI umbrella are the first Fairtrade certified tea plantation with an eco-tourism resort, a worker run tea plantation as well as the oldest small farmer's society producing Darjeeling tea. Since eco-tourism was not a scope of the research, major focus is given to how TPI is presented by retailers selling their products through the display of the worker run tea plantation as well as the small farmer's society as key to their company. TPI is further presented as a pioneer in bringing environmental and social reform to the tea industry. Focus is given on the fact that it is a family enterprise that is working in tea plantations as well as with small farmers. The relationship with small farmers is described as "supporting small tea farmers by helping them gain access to international market and a fair price for their tea" (Equal Exchange, 2017b). The pioneer role in reforming the hierarchical and gendered structure of plantations is proven by the fact that TPI was the first company to employ a female manger in their tea plantations as well as that they are the only ones cooperating with a worker owned plantation in Darjeeling (2010; Equal Exchange, 2017b; GEPA, 2017).

Further investigation on its pioneering role in the discussions at the TPI headquarter in Kolkata on the 18.1.2017 revealed a history that has always strongly focused on reopening sick and abandoned plantations in the Darjeeling area as business strategy.

6.1.2 Key production location: Golden Rivers Sanjukta Vikash Sanshta

Golden Rivers Sanjukta Vikash Sanshta (GRSVS) – the small farmers' cooperative TPI works together with – has had various waves of attraction by researchers and activists alike. Until 1952 the region that is now populated by 450 families was a regular Darjeeling tea plantation. Bad management by the Indian planters that followed their British predecessors lead to three closures in not even 10 years (1952-53; 55-56; 57-60) until the workers, after losing all the hope of the plantation being reopened, uprooted the bushes and started planting subsistence crops (Rai, 2007). Being one of a kind made it stick out and attract attention as early as the 1970ies when local scientist carried household assessments revealing their desperate living conditions. From these findings, coordinated aid started to provide support that was lacking because the region was still registered as a plantation and thus the government failed to step in. St. Josephs College students and teachers organized under the National Service Scheme started to provide help in cooperation with Hayden Hall and North Point, local NGO organizations, in 1973. Their intervention focused on creating a dairy cooperative to help the famers selling their milk in the Darjeeling market. In the late 1970s and early 1980s the gram panchayat system was imposed in Darjeeling and since the plantation was de-facto not existing anymore at that time, this introduction

resulted in the legalization of the occupied land. However, the help by Hayden Hall and North Point didn't last long as it ceased during the Gorkhaland agitations that followed in the 1980ies. In 1993 Jesuits of North Bengal decided to form a separate organization. A democratic, secular organization which was called RCDC (Reasonable Community Development Committee Center). In 1996 a few students joint RCDC and carried out their first baseline studies for a project in Golden River. Further, they transformed the organization away from Jesuits of North Bengal, creating DLR Prerna. In 1996, with the intervention of DLR Prerna, the people of Golden River initiated GRSVS reviving milk as its first product. DLR Prerna has been actively partnering with the collective since 1996 providing capacity enhancement support in terms of participatory planning, governance issues, organic farming and certification, linkage building and resource mobilization. After reviving the milk cooperative, they soon realized that the biggest financial potential lay in the cultivation of tea.

GRSVS is now certified organic since 2001 as well as Fairtrade since 2003. GRSVS has a memorandum of understanding with TPI, who processes and sells the tea exclusively as Golden River Small Farmers Tea. Systems have been developed to maintain strict measures of quantity produced, processed and sold . Golden River Small Farmers tea is sold internationally as a partnership between the collective and TPI, a partnership which is facilitated by DLR Prerna (Rai, 2007, p. 4).

Since 2003 GRSVS tea is sold through the Fairtrade system. Income and living standards have been crucially raised since DLR Prernas intervention started in mid 1990ies. According to Vivek Gurung, former DLR Prerna member and current treasurer of GRSVS crucial to the raise in living standards was the memorandum of understanding with TPI in 1998, which supported the cooperative even throughout the certification. However, already in 2007 DLR Prerna identified major challenges partially still exist today. While the hard, back-breaking work in tea cultivation is carried out by women, the GRSVS board is dominated by men. One suggested cause to that problem was that the democratic elections give one vote to each household, as they and not the individuals are the members of the cooperative. Further, the dependency on tea as cash crop is rather high and TPI was identified as having the upper hand in the control over the tea production process. However, because Fairtrade tea from plantation is seen as a contradiction as such, tea from GRSVS was a viable alternative inside the Fairtrade system to tea from plantation. This potential has already been identified in 2007 by DLR Prerna (2007) and has been exploited since then, reaching at points an astonishing rate of 100% of production sold through Fairtrade certified channels. At the time of the field visit, tea from GRSVS is the only small farmers tea available from Darjeeling, only competed by tea from a plantation owned by producers, namely Tumdong, that is also coordinated by TPI.

6.1.3 Key production location: Tumdong Tea Garden

Tumdong Tea Garden is situated on the lowest range of Darjeeling, directly bordering the Terai area. Employing roughly 340 permanent workers it produces about 40 tons of made tea annually, making it one of Darjeeling's smallest tea plantations. Tumdong Tea Garden has become rather famous in the circle of ATOs as it is the first Fairtrade certified plantation owned by the workers. These workers possess 51% of ownership shares and reportedly manage day-to-day affair in a participatory approach. The following description of the genesis is condensed from various interviews as well as from reports from Kaukler (2017) and Equal Exchange (2017b).

Like many other tea plantations, Tumdong Tea Garden had a very troublesome transformation from colonial to independent rule. During the1950s and 60s, ownerships of Tumdong Tea Garden changed hands frequently,

resulting in rapid destruction of the established management system and adversely affecting the plantation's economy as well as physical conditions. Tumdong Tea Garden was abandoned by the owner in 1978, instigating a period of uncertainty, degradation of social, economic and environmental values and untold suffering of its roughly 2'500 inhabitants. Many people died of starvation and in want of medical care. Local schools were closed depriving children of basic education.

In 1985 the Government of India (GOI) with its Tea Trading Corporation of India (TTCI) stepped in and took over the plantation. Unfortunately, TTCI suffered from its own chronic problems. TTCI could not run the plantation and thus abandoned it in 1990. Tumdong Tea Garden remained closed from 1990 to 2005. This again resulted in further degradation of the plantation and untold socio-economic hardship to the workers and their families.

In 2005, TTCI was liquidated and under the auspices of Kolkata High Court, all its assets including Tumdong Tea Garden were auctioned. As the highest bidder, UnitedNaturex DotCom Pvt Ltd (UNX), a Kolkata based company, became the new owner of Tumdong Tea Garden. Since the beginning of 2006, UNX, together with the workers, is running the plantation.

Since TPI is known for its pioneering initiatives and successfully rehabilitating sick and abandoned tea plantations, UNX sought its help for reviving Tumdong. The UNX-TPI management team was not willing or not able to run the Tumdong Tea Garden under the common plantation system. Rather, they started a new management model they see as the future for Darjeeling tea plantations. In this model, the former workers were provided with an opportunity to collectively share ownership of the plantation. The workers were facilitated in forming a legally registered body under the name Tumdong Tea Workers Welfare Committee (PTWWC). This committee was offered 51% share at a value agreed by both the parties to be paid in long term installments. UNX transferred the ownership making the committee legally co-owner and partner in the management of the plantation.

For the running of the day to day operations a Managing Committee (MC), consisting of workers, TPI as well as UNX representative, was formed. However, up to the field visit for this research, the main responsibility in running the plantation was still with the Project Coordinator. The Project Coordinator is a former plantation manager who worked in various plantations for TPI and was described as having expertise on replanting and taking care of the bushes. Since Tumdong Tea Garden has to increase its production in order to get a viable chance in running its own operation, TPI gave the primary focus to the replanting. Furthermore, Tumdong is dependent on TPI regarding the mobilization of financial resources from donor organizations as well as financial institutions, the former have funded all of the replanting that has taken place on the Tumdong Tea Garden. Since the factory for processing tea is out of order, PTWWC sells its green leaf to TPI for processing and marketing through Fairtrade certified channels.

Since the new ownership-sharing management model was launched in early 2006, the plantation has improved significantly. Malnutrition has declined and schools have reopened. However, the changes brought about by the shared ownership and the current living conditions are still basic if compared to GRSVS and other plantations operated by TPI. As Bimal Rai admits during our interview, Tumdong has not yet been a success. In 2006 TPI, well aware of the capabilities of Fairtrade, sought to certify Tumdong. Arguing that the joint ownership is something different than a plantation and possibly the future model for Darjeeling tea plantations they applied to

certify Tumdong under the Fairtrade Small Farmers scheme, reaching certification in 2009. The Premium has been used for various purposes since then: On the one hand to start to repay the debt burdened upon the workers through getting 51% of the shares in the Tumdong Tea Garden leasehold, on the other hand for classical Fairtrade activities such as trainings and smaller infrastructures.

6.2 Key retailers: ATOs

6.2.1 GEPA

GEPA – the fair trade company is the largest European importer for fairly traded products. Additionally to importing, Germany based GEPA focuses on retailing as well as lobbying for a change in global trade towards more equal trading relationships. With a focus on only fairly traded products, combined with the not for profit ideology, GEPA is a key representative of ATO retailers.

First contact with TPI was established in 1993 when GEPA Asia representatives visited the Kumagong tea plantation. From there on a flourishing partnership has grown. With the ideology of longstanding trading relationships, GEPA has bought and supported mainly the Kumagong project of TPI. The Premium payment has enabled the creation of various infrastructure projects as well as the payment of salaries for teachers at the local school to keep it open and running.

As a 100% fair-trader pioneer and with the continuous development of fair trade, GEPA is overqualified for the minimum criteria applied by FLO. As a company, they are more interested in pushing their own brand: *GEPA – the fair trade company* than to support the brand created through the Fairtrade signet. Furthermore, GEPA is of the opinion that the enormous engagement for fair trade by GEPA cannot be depicted by a signet, thus GEPA is not using the FLO Fairtrade certificate at all.

Since tea is not very important in the Swiss fair trade market, most "worldshops" and fair trade retailers purchase their fair trade teas from GEPA. (GEPA, 2017)

6.2.2 Equal Exchange

A very outspoken proponent of the ATO path in fair trade and key retailer for TPI products is US-based Equal Exchange (EE), shaping the discussion about what fair trade is and how labels and certifications are reshaping the fair trade movement (Besky, 2015). The companies' views have been published in a graphic novel called "The history of *authentic* Fair Trade" (Equal Exchange, 2017b). Founded in 1986, Equal Exchange is a more recent fair trade retailer based on activist ideals to challenge the unequal mode of trade. The activist past still lingers along in the blog "small farmers – big change" that is supported by Equal Exchange and portrays the stories of the small farmer producers that are responsible for the growing of the products sold through Equal Exchange (Equal Exchange, 2017b). In line with the slogan of its blog, EE supports only small farmers as opposed to plantations. Therefore, EE sells tea only from TPIs small farmers project and further heavily supports the production on the worker owned plantation, as they advertise it as the alternative for Darjeeling in the near future (2010; Equal Exchange, 2017b).

A skim through the blog smallfarmersbigchange.coop reveals the motivation behind EEs cooperation with TPI as their sole supplier for black tea from the Camillia bush. EE sees itself as an opponent to the 98% of tea produced on plantation and sold Fairtrade certified. Referring to their revolutionary role creating alternative

trading relationships, they see it as their duty to do the same for tea. In this quest, they have found their partner in TPI and cite Nareen Radesh as a manager of TPI describing the Tumdong project:

> "… in view of the changing cultural, political, and economic climate, a new framework that revolves around worker involvement, participation, & ownership was conceived. This revolutionary concept is not only critical to the success of [Tumdong], but is important for the development of the larger Darjeeling tea community." (2010)

6.2.3 Heuschrecke Naturkost GmbH

Focusing mainly on herbs, spices and tea, Heuschrecke is a part of the "Naturkost" movement that emerged in the 1970ies and sees a fair mode of trading as a responsibility towards the environment as well as the humans populating it. Thus, organic production goes hand in hand with fair modes of trading: "Leben, Arbeiten, Handeln im Einklang mit der Natur bedeutet mehr als der Verzicht auf synthetische Mittel. Es ist auch Kommunikation und Vernetzung, Verbindlichkeit und geteilte Sorgen und Freuden zwischen Händler und Produzenten, inzwischen auch über mehrere Generationen hinweg" (Heuschrecke Naturkost GmbH, 2015).

Personal relationships between producers and consumers are an important part of Heuschrecke's business model and are portrayed prominently on their website. As legitimate producers for Heuschrecke are only small farmers, they only sell tea from TPIs small farmers projects, mainly GRSVS (Heuschrecke Naturkost GmbH, 2015).

In contrast to GEPA and Equal Exchange, Heuschrecke is not Fairtrade certified. As a small business, they can and do not want to bear the certification cost. Furthermore, for Heuschrecke Fairtrade is a very irrational system. In the words of cofounder Mrs. Stübner, "Farmers have to pay money (for certification) in order to get some pittances". Such a system they do not want to support (Melanie Oberholzer, 16.2.2017; Bio-Fach).

There are multiple reasons why they work together with TPI. First of all, TPI has been very well known in the "Naturkost" movement, because it was the first company to produce Fairtrade as well as organic tea. Furthermore, Bimal Rai, the current CEO of TPI, has completed an internship on a German Demeter farm, where Heuschrecke sources some of their herbal teas. And finally, TPI has "all these nice projects they have" (Stübner, 16.2. BioFach), and is supporting small farmers or marginalized communities that were suffering in closed plantations before.

6.3 Fairtrade on the ground: the producer organization

In a second round of descriptions, actors are introduced that are not directly taking part in the economic activities of the lead firm, but they still are central to the operation of their business. Specifically, the local operations of Fairtrade are introduced and further, an NGO that is responsible for multiple development projects on tea plantations.

6.3.1 Fairtrade and FLOCERT

Carrying forward from what has been introduced about Fairtrade in the introduction to this thesis, this section outlines the key activities that Fairtrade carries out in the production region of alternative OHT. As a reminder, certification with the Fairtrade signet requires two different organization. On the one hand, FLO is not responsible for checking compliance of the various producers, rather it is aiming at enabling the producers to

comply and if possible develop even further. FLOCERT is the organization responsible for certifying producers. Even after multiple sincere attempts FLOCERT was not willing to cooperate in the research project as all the material they gather is considered business sensitive and thus confidential. Thus, in the following only the FLO part of the Fairtrade certification will be described.

6.3.2 Regional organization of Fairtrade Labelling Organization International

FLO is divided into producer and consumer networks. The producer network responsible for producers of OHT is the Network for Asian and Pacific Producers, short NAPP. The producer networks are responsible for conducting trainings with their associated producer organization, for serving as a feedback loop for the standard setting processes as well as for defininining minimum prices and living wages. The NAPP is governed by a Board, currently consisting of 15 members representing the producers in the Asia and Pacific region. Producer representatives range from plantation laborers to management. As of 2017, two members were representing the OHT in the NAPP, namely one tea laborer and one management representative (Fairtrade Network of Asia and Pacific Producers, 2017). The research does not specifically address the activities carried out by the NAPP board or the bargaining processes taking place at the NAPP general assembly. It needs to be noted, however, that the NAPP board as well as the general assembly are further arenas where bargaining processes between laborers and management of HL situations take place that could not be observed.

6.3.3 Fairtrade Producer Training in the NAPP

The research carried out for the presented Master's thesis relates to the activities carried out through Fairtrade NAPP in the form of the producer trainings and the implementation of the Premium. The Premium has already been introduced and needs to be specified in some more detail.

Producer trainings in HL situations as well as SPOs are focusing primarily on educating the beneficiaries of the Fairtrade system about what Fairtrade is, how it works and why there is a need for Fairtrade. Core to the trainings is to deliver an understanding of the Fairtrade idea in order to enable the producer organizations to work accordingly and to reach compliance. Furthermore, the trainings introduce a number of technical topics regarding the democratic organization of the SPO or the FPC in the HL setup. For the following analysis, Fairtrade's impact and interaction with plantation workers and management is relating to the conduct of trainings as well as the interviews carried out with the Fairtrade Associate Principal who is responsible for carrying out all the trainings with all certified tea producers in Darjeeling.

6.3.4 Frequency and relevance of the trainings carried out through NAPP

With 50 certified OHT tea producers, workload on the Associate Principal is rather high as many of the producers are located in remote areas of the hilly region. This workload results in trainings being held once a year, if possible twice a year. The current Associate Principal has worked with Fairtrade for the last six years. Before he joined Fairtrade, he was working for a church based NGO and as a private consultant. One of the major motivations to work with Fairtrade was the relatively easy access to the tea plantation community that was granted to carry out the trainings. Earlier, when working for the church based NGO access was often hampered by plantation management and the effectiveness of the work was therefore reduced.

6.4 DLR Prerna

Darjeeling Ladenla Road Prerna (DLR Prerna) is a major Darjeeling based NGO with activities in the tea plantations. DLR Prerna believes in a world that sees the need to live as one family where the environment is preserved and protected, where conscious efforts are made to remove unjust structures while striving to build a just and humane society (DLR Prerna, 2013).

In their mission to build sustainable human communities, main focus is given to improve communities and their traditional organizational structure.

The traditional position of the Samaj – a traditional community council - exists in rural, urban and tea plantation settlements. The Samajes main activities are social ceremonies and the resolution of minor conflicts. They furthermore can carry out welfare oriented activities. DLR Prerna strives to make the Samaj also an advocate for respect of the environment. Mainly though, the NGO tries to address the challenges inherent to the Samaj: gender equality and preventing centralization of power (DLR Prerna, 2013).

As Fairtrade entered Darjeeling, the newly created Joint Bodies and now FPCs were constructed as a competing form of community organization. With their goal to strengthen and enable communities, DLR Prerna started to carry out trainings with Joint Bodies as well. However, the main difficulty, namely getting access to tea plantation villages, remained. Even with the entrance of Fairtrade, it is the management of the tea plantation and ultimately the owning company who decided if the NGO can get access to these plantations.

> "Andri Brugger (interviewer): So you can only get engaged in tea plantations, whenever the company invites you there?
>
> Rabin Magar: Yes. […] Not only DLR Prerna, any NGOs can't just go and start working. They all have to go and get permission from the management. […] Most of the managers direct us to Kolkata. If the head office agrees we can start working. Even if the manager is willing, he is a progressive guy and the head office says no, we and he cannot do anything." (Rabin Magar, 14.1.2017)

After carrying out a fair amount of capacity building as well as internal control system (ICS) trainings, which are needed for organic certification, DLR Prerna realized that some companies were just inviting them in order to get certified, rather than aiming at developing their working communities. While initially some companies were promising multiple days of interacting with communities, they would ask for the receipt on a day to day basis and after carrying out enough training days needed for the certification, they were not called anymore. But also, when DLR Prerna was invited to interact with the communities, struggles between the management and the NGO continued:

> "What happens sometimes is: When we were working on capacity building of the community or the FPCs or joint bodies. That capacity building is not only for the smooth functioning of the Fairtrade activities. Its the overall, you know, holistic. And the individual can be enhanced with that knowledge. And maybe that way they knew like how to approach a manager or executive. ... Or they find this is not ok, this is not the way I have to earn my bread and butter and rather I will quit the job and go abroad. Maybe as hired labor like in Israel or in the Middle East. Or maybe I

> will try to get some government job. So slowly they are pulling out of plantations. Maybe that could be the fear [of the owners]. (Rabin Magar, 14.1.2017)
>
> Andri Brugger: "Do you think this was the motivation of tea promoters of India to stop the capacity building by you?
>
> "Rabin Magar: Could be. As an individual, as Rabin Magar, that's my assumption. So that's why they stopped. I never asked them. We never asked." (Rabin Magar, 14.1.2017, DLR Prerna headquarter Darjeeling)

DLR Prerna sees their role as a developmental organization and not as an advocacy organization for labor rights. The difference between advocacy and developmental organization is seen as enabling people to identify their own struggles versus addressing relevant struggles that are already identified.

> "[...] we being a developmental organizations. So we are not like a activist kind of organization. So we don't directly jump in tea garden issues. Even when we do training programs, we never talk about the PLA, we never talk about the living conditions of the plantation workers." (Rabin Magar, 14.1.2017, DLR Prerna headquarter Darjeeling)

As of the time of the field visit, DLR Prerna is not primarily focusing on tea plantation communities anymore. On the one hand, they realized that the plantation workers are not the "worst off" communities in Darjeeling as there are forest communities that are much more desperate and in in need of support. On the other hand, DLR Prerna more strongly focuses on environmental education as they see environmental degradation as well as climate change as more urgent problems then the communities in the tea plantations.

6.5 Out of the circle

Stepping out of the most inner circle of the lead firm and its key operations, two other retailers are of major importance for the GPN for alternative OHT. On the one side, there is the largest single importer and retailer for Darjeeling tea, TeeKampagne focusing on the German market mainly. On the other side, there is TeeGschwendner, the largest franchise retailer for tea in Germany, strongly focusing and pushing Nepalese alternative OHT. Both of them are described briefly and their individual approaches towards fair modes of trading are introduced. Subsequently a key producer from Nepal is introduced to highlight the differences between Fairtrade certified tea producers in Nepal and Darjeeling.

6.6 TeeGschwendner

TeeGschwendner is the leading franchise retailer for high value specialty teas in Germany. Out of the 130 franchise shops many are outside Germany, among others in Switzerland, Austria and the Middle East. Even though not Fairtrade certified and without a specific fair trade history, TeeGeschwender cherishes ambitious goals for the Nepali tea market.

Focusing on Nepal tea as an alternative to Darjeeling tea with the same quality but lower prices, Tee-Gschwender is aiming to change a whole region:

> ‘We want to change a whole tea region.’ This goal does not sound especially modest, but TeeGschwendner, the market leader in tea retailing, is feeling certain that in Nepal a fair production of tea with highest quality is possible (TeeGeschwendner GmbH, 2009).

Together with GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit) and the Gorkha Sunderpani Tea Estate, they support small farmers in the east of Nepal materially, financially as well as with their know-how in order to create a fair and biodynamic tea production. Apart from the infrastructure improvement that is delivered to the farmers, such as cowsheds and biogas production facilities, TeeGschwendner advertises itself as delivering the same benefits Fairtrade delivers.

First, they guarantee the purchase of sufficient amounts of tea to keep the production running, giving the planning stability that Fairtrade tries to enforce through minimum prices. Second, they sell a specific tea to support the farmers financially. Similar to the Premium, four Euros per kilogram made tea are directly paid to the producer cooperatives. This is however for only three out of ten of their Nepalese tea varieties, what explains the four times higher Premium as compared to the Premium. Exact numbers of money transferred through this scheme could not be obtained from TeeGschwendner. Despite recurring and persistent requests to speak with senior managers of TeeGschwendner about their Nepal tea project, it was not possible to reach a cooperation for research with them. Thus, it can only be assumed that it is overall more beneficial for TeeGschwendner to push for their own projects compared to selling Fairtrade certified products. Since one of their Nepalese OHT suppliers is Fairtrade certified, TeeGschwendner would have the possibility to certify themselves and sell under the Fairtrade signet instead of pursuing their own project.

6.7 TeeKampagne

TeeKampagne is the single largest importer of Darjeeling tea importing and selling around 400 tons of Darjeeling tea in Germany. TeeKampagne has been founded by an economics professor with the aim to proof his theoretical ideas about entrepreneurialism in practice. The business model is highly influenced by the early founder of the supermarket idea in Europe, namely Gottlieb Duttweiler, the founder of the Swiss “Migros”. The aim is to sell bulk packaged products directly to the customers, making multiple packaging and trading steps obsolete. TeeKampagne sells its tea particularly in 1 kg packages and refrains from retail stores, focusing on online marketing and direct delivery (TeeKampagne, 2017).

While fair trade is stated to be of importance to the business guidelines, the company defines its own understanding of Fairtrade. Reportedly, more than 50% of the expenditures are payments to the producers, compared to the traditional mode of tea trade, where only 20% of the sales value is paid to producers. However, as Barbara Strasser explained in the phone call interview they are not paying higher prices to producers or wages to laborers, rather they cut the cost on the retailing end of the value chain.

In the beginning of the 1990s, TeeKampagne sold Fairtrade certified tea but reportedly the quality was not good enough and further their customers were not willing to pay the price difference. When TeeKampagne stopped certifying themselves and selling Fairtrade certified tea, they continued to source tea from Fairtrade certified plantations, including tea from TPI.

Already in 1992, TeeKampagne has initiated and supported the project SERVE, a project aimed at sustainable resource use and environmental education in all of Darjeeling. Replanting roughly 250 hectares of forest and creating more than 20 tree nurseries, the main focus is preventing the constant erosion of Darjeeling soils. From 1996 onwards, the project SERVE is operated through the WWF. The sole funder of the operations still is the TeeKampagne.

6.8 Further producers: SAGRO/KTE

While on the one side there are retailers who are able to carry out their own modes of fair trade projects, being it through the ATO mode or as a tea specific retailer pursuing one smaller development or environment protection project, there are on the other side producers who are facing the challenge to enter the world market with of their products with their own strategies.

Compared to Darjeeling, Nepalese OHT has not been export oriented in its conception and has never enjoyed the market access that Darjeeling obtained through its colonial heritage.

Tea production and the tea industry in Nepal are young compared to Darjeeling. Their main struggle is market access and acquiring know-how for tea production that meets international standards. Kanchenjunga Tea Estate (KTE) was established in 1984 and has been a pioneer in organic tea production in Nepal. Subsequently enlarging its plantation area and the cooperation with surrounding small farmers, as of the field visits roughly 100 hectares were under tea production, creating income for 600 workers and small farmers.

Being one of Nepal's first private businesses in tea production and due to personal initiative with strong linkages to the former royal family and the political leaders, KTE management was exposed to international ideas from an early stage on, leading to the early organic certification.

With organic certification not being enough to reach high value European markets without impediment, Fairtrade certification was obtained in 2003, making KTE the first Fairtrade certified producer from Nepal.

6.9 Regulatory context outside Fairtrade

Fairtrade, as a Voluntary Standard Setting Organization aims at regulating economic activities supplementary to the already existing governing institutions like the central government that is setting standards for the production of tea and the labor conditions on tea plantations. This section presents actors dedicated to defining what fair production and living conditions on plantations would be. However, these actors are outside the scope of the analysis carried out in the presented Master's thesis.

6.10 Labor Unions (India)

Labor unions have been a constant companion during the field work carried out. According to the Fairtrade Associate Principal there are about 15 Labor unions active on the various tea plantations in Darjeeling. For each major party, there is more than one labor union existing and often there are conflicting over the different political aims that they are pursuing. Each member of the tea plantation on a Darjeeling will be a member of at least one trade union. Thus, union affiliation plays a crucial role in the life on a tea plantation.

From various sides it was made clear that labor unions in India cannot be conceived like the labor union which is existing in Switzerland. Instead of being an independent body staffed with trained labor unionists, the unions in

Darjeeling are party extensions, always campaigning for the party and secondarily looking after the wellbeing of the workers.

The labor unions as actor for change in the Darjeeling plantation set up have not been considered in the analysis but they have to be acknowledged as an additional path to the Fairtrade project to empower marginalized workers on plantations.

6.11 Indian ministry of labor and employment

The Ministry of Labour & Employment is one of the oldest and important Ministries of the GOI. The main responsibility of the Ministry is to protect and safeguard the interests of workers in general and the marginalized, in particular. The GOI's attention is also focused on promotion of welfare and providing social security to the labor force both in organized and unorganized sectors, in tandem with the process of liberalization. These objectives are sought to be achieved through enactment and implementation of various labor laws, which regulate the terms and conditions of service and employment of workers.

In the case of OHT the labor officer is responsible for checking compliance with the laws concerning the labor condition on the plantations. Despite sincere efforts it was not possible to meet the responsible labor officer for the Darjeeling tea plantations. The ministry of labor and employment was not actively assessed as an actor for change in the production process of Darjeeling.

6.12 Tea Board of India Darjeeling division

The Tea Board of India has generally three responsibilities. Primarily, it is responsible for the promotion of Indian tea in the international as well as the domestic market. Secondarily, it is responsible for the quality of the tea produced in India setting rules, regulations and guidelines for the production of tea. Thirdly, it is responsible for developing the tea sector in India. For the developmental process, various schemes have been initiated that aim and upgrading small farmers' self-help groups to factory owners or help with further investment processes. In Darjeeling, currently the main activity is to register all self help groups and link them to a nearby factory or even help them to build their own in order to enable small farmers to enter the production of Darjeeling tea. The focus on plant health resulted in the plant protection code. Currently, this is a voluntary guideline for the production of tea that will in the near future be translated into mandatory requirements for Indian tea production.

Although the Tea Board of India is of great relevance for tea production in general, it is to a lesser extent relevant to the analysis carried out in the presented Master's thesis.

6.13 Darjeeling Tea Association

The DTA is an industry organization representing the tea producers from Darjeeling. Traditionally, tea producers from Darjeeling are plantation owners and companies owning multiple plantations. Lately, first small farmers have been accepted by the DTA as members which makes them benefit from the industry association's activities:

> "Darjeeling Tea Association is a neutral body of the producers which handles the industrial labor problems. It interprets the acts and rules applicable in a tea garden. It lobbies with the state government, it lobbies with the central government of India. It

> also lobbies in formulations of agreement with the importing countries. (Binod Banerjee, 23.1.2017)

The DTA has not been the focus of the analysis. However, it needs to be noted that the DTA is representing the interest of the plantation owners in the bargaining process over wages between labor unions, plantation owners and the government. Thus, DTA is a key actor in the political processes regarding the working conditions on the plantation.

7 Power relations in GPN for OHT: Power as translation

> "Understanding of the underlying principles of Fair Trade is crucial, as adoption of processes in isolation from those principles, risks losing an important element of the overall philosophy that has been developed through experience and dialogue by Fair Trade Organizations over many years [...] In Fair Trade, it is unquestionable that effectiveness is enhanced not just through what an organization does, but also why and how they do it." (World Fairtrade Organization and Fairtrade Labelling Organizations International eV, 2009)

Taking the statement by WFTO and FLO that effectiveness depends not only on what an organization does but also on why and how it is done as starting point, this chapter analyzes how fair trade is enacted in Darjeeling. More specifically, deploying the "power as translation" concept, the following chapters analyze how the process of implementation affects power relations and in particular the power of workers which are the intended key beneficiaries of Fairtrade.

Chapter 7 is composed of 4 subchapters that are designated for each token that have been identified through the process described in *Figure 3*. Each subchapter follows a distinct structure. First, the token is described as a part of the fair trade idea as it is understood in its core documents. Second, different translations of the same ideas or approaches to fair trade are described how they are understood and communicated in the field. Third, for each translation a concise comparison between the token in the core documents and the token in the field is made to highlight similarities and differences.

7.1 Rights, Responsibility and Stability

7.1.1 The Token: "rights and stability"

The *charter of Fair Trade principles* defines fair trade with a core focus on the rights of the marginalized and exploited producers.

> "It [fair trade] contributes to sustainable development by offering better trading conditions to, and securing the **rights**[4] of, marginalized **producers and workers** – especially in the South." (World Fairtrade Organization and Fairtrade Labelling Organizations International eV, 2009, p. 6)

The understanding that fair trade actors aims at the sustainable development of producers and workers not only through offering better trading conditions but also through securing their rights is understood makes up the first half (development through rights) of the token of "rights and stability".

The stability of trading relationships is an important part of fair trade and formulated in the second core principle in the *Charter of Fair Trade Principles* that describes "sustainable and equitable trading relationships" as a foundation to achieve the intended development for workers. The development of these marginalized producers is explicitly contrasted to the risk-management or marketing strategies that the buyers of agricultural commodities might pursue with the fair trade certification.

[4] Emphasis by the author for all the bold sections of direct citations.

> "Fair Trade is a system for **development among producers, not a risk-management** or marketing tool for buyers, …" (World Fairtrade Organization and Fairtrade Labelling Organizations International eV, 2009, p. 10)

The explicit rejection risk management for buyers in Fairtrade is core to the monitoring and evaluation of fair trade projects. The presented area of tension between sustainability and risk management is rearticulated into the second half of the token "rights and stability" for the subsequent analysis, namely "stability as prerequisite for sustainable trading relations".

In the following, translations of the tokens "development through rights" and "stability as prerequisite for sustainable trading relations" are identified in the process of implementing and negotiating Fairtrade idea amongst Fairtrade officials, plantation owners, and workers.

The token "rights and stability" made up by the two parts described above is putting the marginalized producers (i.e. workers and farmers) prior to the risk management of Fairtrade certified buyers. The core fair trade documents do not specifically describe who the buyer might be and for the HL setup it is not specified who counts as the producer.

The following chapters, describe the transformation which the token "rights and stability" undergoes during the journey of the fair trade idea from the conception in Bonn to the implementation in the field in Darjeeling.

7.1.2 We [the owners] need Fairtrade to run the plantation!

During many of the interviews and observations it was voiced that Fairtrade certification is needed to sustain the production of the plantation. Only through ongoing production the intended sustainable development of the workers can be achieved. During one FPC training, the senior manager of a larger owner of tea plantations and buyer of green leaves from several small farmers' projects mentioned towards the gathered worker representatives:

> "We have to take Fairtrade seriously so that we can maintain the certification level. It is important for us to remain Fairtrade but we cannot simply do so because there is a cost to its certification. Through programs like this we have to learn about Fairtrade better so that we can function efficiently with the guidelines. We can remain in the Fairtrade only after we pay the annual certification cost and when the audit visits and finds that we are not working in compliance then we can also be cut off from Fairtrade. For this reason, we all must be aware of the functions and rules of fair trade (Nareen Radesh, 6.1.2017)

In a follow-up interview he made clear that for him, Fairtrade at first has to help the sustainable running of the plantation in order to secondarily help the sustainable development of the workers:

> "In Fairtrade, some people understanding that it helps the sustainability of the plantations. The gardens. But there are many plantations closed down at the moment in Dooars. Many. And so, sustainability is what? The price guarantee? Some minimum price support? There is not so much the market fluctuation etc. That stability is to an extent supported by Fairtrade sales." (Nareen Radesh, 6.1.2017)

Trying to clarify why there is no minimum price for tea implemented in Darjeeling to give that sustainability of the plantation, the answer was almost revealing.

> "We did not want minimum price, for the tea, because in India tea is sold through the auction. It can be 100£ or 1000£. And where is tea suffering, the cost is going up and if there is no sustainable market support, prices are fluctuating too much. Suddenly one two years is very good. A boom. The owner is not going to say, two years I had a boom so when there is no boom, a problem is in the garden, I will give you this money. No! So, they work on a year to year basis. So, unless and until you have a support system, Fairtrade, which is buying sizeable quantities of tea on the Fairtrade system. You know. And which guarantees you price. And you know exactly this much of quantity goes into this. So, you are guaranteed of that much of an income. So that will give some sustainability." (Nareen Radesh, 6.1.2017)

In sum, for the representative of the plantation owners, Fairtrade is a risk management system that creates a steady demand at a reasonably high price for the owners to take the profit in the good years and not to worry about deficits in bad years. While this is a reasonable or at least understandable translation of the fair trade principle for producers, it is rather striking that also workers understood Fairtrade in a similar manner:

> "My friends have shared very wonderfully about Fairtrade and many a times the word premium could be heard. But today I want to say that we are not simply doing Fairtrade for the premium. For example we domesticate cows not for the cow dung (though it is helpful) but we do so for the milk, likewise, what I mean is we are not simply doing Fairtrade for the premium money rather we need it to keep our gardens running in good shape." (Female worker, 7.1.2017)

While this statement leaves it open if the garden would sustain without the Fairtrade certification, the following statement makes it clear that there are opinions circulating amongst workers that think otherwise:

> "I don't know much about Fairtrade but whatever our Sir and secretary [owner and manager of the tea plantation] has told us I have understood that our tea gardens cannot run without Fairtrade. There are many areas in which Fairtrade has had positive intervention and this is why I also wanted to join as a member. (Male worker, 7.1.2017)

The presented statements exemplarily portray the translation of the initial token with a focus on development of workers through securing their rights to a focus on the stability of the plantation as production unit. While it is evident that primarily the sustainability of production has to be guaranteed a closer look at the value chain for Darjeeling tea helps to assess the meaning of a stable plantation. The high vertical integration of certain owner companies of tea plantations results in the owner of the plantations directly selling their tea to individual retailers without the existence of any middleman or even auction, enabling them to use Fairtrade as a risk-management tool. This private way of tea sales accounts for roughly 50% of tea sales in Darjeeling. In this set up, where only two firms are existing in the whole value chain for Darjeeling tea it is hard to decide to what extent the stability of the plantation supports the sustainable development of the working communities or the owner company.

7.1.3 Now you [the workers] are also responsible for the garden to run

The translation of the token "stability" from Fairtrade as being not a risk-management tool into Fairtrade as an important eliminator of risks and creator of stability is accompanied with the translation of the token "rights" from "development through granting rights" to "rights always come with responsibilities" as the following excerpts from interviews and producer trainings show:

> "With this [Fairtrade] we found out that there is no need for us to contradict each other because after all the workers and the management ultimately share the same goal, to keep the garden running in a good condition and to generate profit without **exploiting each other, even the trade unions are thinking the same**. So, if we just live by responsibility then we all have the same goal so why should we not work with each other in harmony. I hope all the APC will go back and share this thought with **all the workers** in their level and not let it go down the drain. (Nareen Radesh, 7.1.2017)

The fact that many workers see as their liability to comply with Fairtrade standards in order for the garden to keep running can be seen as an indicator that the translation "the rights gained through Fairtrade come with responsibilities" is prominent not only amongst owners, but also workers.

> "Namaskar [Hello]. We need Fairtrade to save our gardens. It is only when there is garden that we can exist and same is for the owners. If there is no garden then there is nobody. Fairtrade ensures the production and the sustenance of the garden and that is why we need Fairtrade" (Female worker, 8.1.2017)

More often however, the sustainability of the garden provided through Fairtrade is linked with the appropriate profit for the owners and the avoiding of the exploitations of the workers.

> Why [do we need Fairtrade]? Because we are not a very big garden, we need to maintain the way we produce tea and also maintain our environment at the same time so that the quality of product is never compromise. Fairtrade also keeps our accounts in check, there are many rules regarding this **so nothing ill can be done**. Another thing is that **Fairtrade provides the owner of the garden with appropriate profit and thereby avoid overexploitation of the workers."** (Female worker, 9.1.2017)

In the second part of the translation of the token "rights and stability" it stands to reason that the token is translated by the owners towards the workers in a fashion that leaves the stability with the owners (i.e. hedging against price fluctuations) and shares the constant stress for a possible closing of the garden with the workers through making the workers responsible for the maintaining of the certification. It is suggested that without the Fairtrade certification, the gardens can not survive. It has to be amended at that point that several of the gardens represented in the producers' trainings experienced a closing of their garden and generally the circumstance of a closed garden and the hardship faced by it population during such a time is vivid memory amongst the plantation workers.

7.1.4 Fairtrade is responsible for the wellbeing of the workers shutting its eyes on some regulations in order to come after this responsibility.

The translation of the tokens "rights and stability" is also supported strongly by the local Fairtrade officials. As the Fairtrade Associate Principal puts it while giving me the background of the Tumdong FPC members training:

> "Then they have approached Fairtrade for a certification as small tea growers because that was a completely different setup at that time. At that particular time, 2006, the clarity over different structures of organizations was not very prominent […] with the present understanding with SPO and HL or contract production, we would question this certification. And at that particular time Fairtrade actually because, Fairtrade was supporting them. But they don't own the land. The land is the government land […] so in this particular situation the land entitlement is not in the name of the workers that we are calling farmers. Therefore, in our definition at present it doesn't fit in a small growers' scheme. But we do not withdraw the certificate because of that. That will not satisfy the **primary objective which we had at the beginning in 2006. Which was actually supporting these workers who were in a pathetic situation**. 10 years of lockout is a long time. The situation was really, really bad. Malnutrition, everything whatever happens. Social issues. So, in this 10 years of certification, things have improved. Social conditions, living conditions, everything has improved. So, Fairtrade is making a difference in their lives." (Fairtrade Associate Principal, 6.1.2017)

Similar to the workers, the Fairtrade Associate Principal sees a responsibility of Fairtrade to avert the closing of Tumdong, even though there is a false certification occuring at the moment. He is well aware that implementing Fairtrade in practice entails the adaption of the principles as well as the rules for certification to the circumstances observed on ground. The dominance of the owners in deciding how Fairtrade is adapted to the circumstances is striking, as Fairtrade is to an extent pressed to shut both eyes because otherwise the workers will fall back in malnutrition.

The chapters 1.2.5 (conflicting understanding of fair trade between FLO an ATOs), 6.1.3 (Description of the historic background Tumdong), and 6.2 (Key ATO retailers) highlight that it is no minor difference if a producer of Darjeeling tea is certified under the SPO or the HL banner of Fairtrade as certain ATO retailers are only willing to cooperate with SPOs. In the given example, much is at stake as the main retailer and supporter of Tumdong is a ATO which is only supporting tea from SPOs setups (Besky, 2015; Equal Exchange, 2010; Equal Exchange, 2017b). The refocusing of Fairtrade to maintain the production and provide stability can be seen as agreat underachievement and many compromises have to be accepted.

7.2 Fairtrade allows a discourse between owners and workers that is not political

7.2.1 The Token: "politics"

While Fairtrade positions itself as a reaction to the increasing market failures since the politico-economic paradigm of neoliberalism in the early 1980ies (Fairtrade Labelling Organizations International eV, 2015), references to certain political ideologies, ideals or programs are not mentioned in the consulted core documents

describing the Fairtrade project. However, the focus on minimum and living wages can be seen as a political demand that is pursued in cooperation with trade unions. Furthermore, the right for collective bargaining and the right to join labor unions is highly pushed in the core documents. In the *Charter of Fair Trade Principles*, the requirements for the right to unionize are amended with the following:

> "Organization of producers and workers is integral to the developmental objectives of Fair Trade and is positively and actively encouraged. **Fair Trade Organizations support capacity building in producer organizations."** (World Fairtrade Organization and Fairtrade Labelling Organizations International eV, 2009, p. 9)

> "Fairtrade International **promotes the rights of freedom of association and collective bargaining as the foundation of ensuring workers' rights**, and considers independent **and democratic trade unions the best means for achieving this**." (Fairtrade Labelling Organizations International eV, 2017)

While there is a focus on unions in the standards against which the producers are certified, the *ToC* as well as the *Charter of Fair Trade Principles* acknowledge that their long-term goals are not achieved without a change in the political context about economic relationships and transaction on national as well as regional levels:

> "Furthermore, while compliance with legal requirements and respect for basic human rights are of course important and non-negotiable, **they are insufficient in themselves to achieve the transformation towards long-term development that is needed**. These changes require deeper engagement by actors in the trading chain, and recognition of the wider social and political context of their economic relationships and transactions." (World Fairtrade Organization and Fairtrade Labelling Organizations International eV, 2009, p. 8)

> Fairtrade acknowledges that systemic change cannot be achieved by Fairtrade alone, but requires: […] **Political leadership within national governments and regional and global institutions**. (Fairtrade Labelling Organizations International eV, 2015)

The token "politics" is defined as the acknowledgement of the Fair trade principles for the need of independent and democratic trade unions and political leaderships in regional, national governments in order to achieve the trade envisioned in the Fairtrade idea.

7.2.2 Depoliticization is demanded by plantation owners and Fairtrade officials alike

Nestled between workers and owners Fairtrade has a sensitive role to play as both actors have to work together for the Fairtrade goals to be achieved. In this situation, the difficulty of positionality affects the Fairtrade Associate Principal strongly. The Fairtrade Associate Principal narrated stories that his positionality has been questioned more than once by the workers as well as by the managers.

During my observation, reception before the start of the workshop day was always in the manager's bungalow with a copious breakfast, without any worker representative being present. The workshop as such was mostly frontal instruction combined with group discussions amongst the workers after which they shared their own ideas and impressions. The day was normally finished with a joint late lunch, held at training building. During the lunch, I never observed any intensive interaction between the workers and the Fairtrade Associate Principal.

Whenever the trainings lasts for two days, the Fairtrade Associate Principal has to stay at the plantations. In earlier years, he used to stay in so called "homestays". This meant staying close to the workers, eventually with worker families. This proximity resulted in the workers asking him for help after the workshop was already over. While he was willing to provide more information, managers were not pleased with the focus their workers got and accused him of fomenting the workers against the management. The Fairtrade Associate Principal acknowledged that it was common for workers to ask rather critical question where he himself did not know how to react in order to avoid fomenting the workers.

When I asked the Fairtrade Associate Principal whether he sees Fairtrade as a kind of a labor union he would strongly disagree and point to Fairtrade's role as the mediator in the communication between management and workers, what not has been a habit so far.

Also in the trainings conducted, Fairtrade was represented as an alternative, not an addition, to the trade union, which looks after the wellbeing of the workers:

> "Another very important thing could be security in work which implies pensioned work. The workers should be able to decide for themselves that what value is the correct value for their work. Can you all decide your worth right now? [Answer from the crowd: no, it's the trade union who decide for us]. Who are these trade unions? [Answer from the crowd: they are our representatives] Yes, I agree but I am asking if the workers in the root can decide their worth, this is different than the leaders deciding it for yourself. I say this because the leaders also cannot blindly decide on their own, rather they are supposed to talk to you and only then can they put forward some kind of suggestion and it is in this way that trade unions can also strengthen themselves. There must be some or the other channel which looks after labor in the plantation right [Answer from the crowd: yes, there is plantation labor act] Exactly! We have PLA that looks after the needs of labor and protects them from exploitation, likewise Fairtrade can also be considered as one such institution which secures the workers through the alternative model of business." (Fairtrade Associate Principal, 8.1.2017)

Even more, a general aversion towards politics and especially trade unions was present in all the observations. Trade unions were always discredited by any interview partners. The interview partners were well aware of Fairtrade's official views about unionism and were not shy to defend their position. As Nareen Radesh from TPI puts it:

> Nareen Radesh: "Some political party. One or two or three. Everybody will be a member of the trade unions. So indirectly they are represented. And we have no problem if the secretary president of the union also comes as a FPC member. But he comes as a FPC member, not as a president of the trade union. Otherwise, what will happen if you really involve them in the „Joint Body", this committee. Then they will want to capture this body. There is money in the committee. You see. That will be the attraction. […] So I strongly opposed. I gave reasons. You will kill this. All thing will be killed. It will be all taken over by the political party. Then we will not

> be there in the committee. We will come out of it. But just don't hold us responsible for this." (Nareen Radesh, 8.1.2017)

This fear of the political parties taking over the FPC is comprehensible as there is widespread mistrust against political parties and corruption as well as cronyism that has been reported in many encounters to be omnipresent in the region. The main reason for the malfunctioning of the trade unions was seen in their structure in the region:

> "Abroad you can study trade unionism. There are qualified trade unionists. They are independent. But here they are not independent. They want to make an entry in a garden not because they are interested in the workers but because they want to expand their political influence. (Nareen Radesh, 8.1.2017)

Also, the CEO of TPI made his discontent with Fairtrade's focus on trade unions clear. During the interview, he mentioned multiple times that while he was representing the producers in the negotiations surrounding the new Fairtrade standards that these were strongly influenced by Fairtrade's heritage from South America and Europe and that the local context of India was not given enough credit. When he tried to change these shortcomings he and other NAPP representatives were not trusted and it even made him resign from the NAPP that he was not able to change the focus away from the trade unions. However, despite repeated probing of the issue he firmly refrained from giving a more detailed idea of how he would have changed the Fair trade principles away from the unions. He always left it with the critique.

Finally, the de facto failure of Fairtrade to "**promote the rights of freedom of association and collective bargaining as the foundation of ensuring workers' rights** […] **and democratic trade unions as the best means for achieving this**" (Fairtrade Labelling Organizations International eV, 2017) was converted into a major credit that was given to Fairtrade.

> "But now in a garden like Tamadura. We still have three unions working there. Now because of this Fairtrade. This is one credit I give to Fairtrade. That through this committee. There we also have trade union guys. They are members of the trade unions only. All the members. But this is not a forum, they also have realized, this is not for politics. This is for the common goal. So, they are like one family. They don't bring up their political agenda. Otherwise there will be always fights." (Nareen Radesh, 9.1.2017)

In sum, there has been a translation of the token "politics" away from "Fairtrade International **promotes the rights of freedom of association and collective bargaining as the foundation of ensuring workers' rights**, and considers independent **and democratic trade unions the best means for achieving this**" to "Fairtrade tries to find solutions for struggles between workers and management outside the political sphere". This shift neglects the fact that the struggle between labor and capital is always a political struggle and it is therefore not possible to take it outside the political.

7.3 A change in culture: "Fairtrade means that we [the workers] are not afraid of the management anymore"

7.3.1 The Token: "culture"

As described in *Chapter 4.2* the identification of the tokens started from the ascribed aims to Fairtrade by the interview partners and was thereafter related back to the meaning of the token in the original Fairtrade documents. Thus, the token identified in the field had to be found in the core documents. While the change in culture is often referred to in the field as one of the achievements of Fairtrade, nothing that is remotely similar to an attempted change in culture on plantations between the management and the workers could be found in the essential Fairtrade documents.

The definition of the idea of power as translation identified that a translation can result in the modification, addition, or subtraction of meaning from the token. Following, the focus on the culture between workers and management on plantations can be seen as an addition to the initial Fairtrade idea, which represents also a form of translating Fairtrade.

7.3.2 Change in culture: view from Fairtrade officials

Success for the Fairtrade officials interviewed and observed has mostly been described as the change in culture that is taking place on the plantation. By the change in culture, Fairtrade officials meant that managers start facing the workers directly and might even engage with them in a discussion over the development of their common plantation. Fairtrade has strongly encouraged for management staff to actively take part in the FPC training sessions, as a Fairtrade Associate Principal puts it:

> Fairtrade Associate Principal: "Because see, their engagement is actually very much required. And Mr. Nareen Radesh. He has been a senior manager for a very long time. He actually is taking interest and that actually helps. Which actually was not a culture. The manager always had a distance from the workers."
>
> Andri Brugger (interviewer): "So, he would only interact with his assistants?"
>
> Fairtrade Associate Principal: "Yes. And the assistants will interact with the supervisors. And the supervisors actually interact with the workers. The supervisors are actually workers. Worker in a sense not planters as such."
>
> Fairtrade Associate Principal: "[…] the planters are the assistants and the managers and the workers or staff are the laborers and the supervisors. That is the hierarchical system in which the tea estate operates. And it is very rigid. So, the senior manager will never interact with the workers. Unless it's a union leader. So that is very much. But in this kind of a meeting (FPC-training) you find a senior manager actually directly interacting with the workers. That of course is a change. That's of course an impact for which Fairtrade is working for. Because it is also the responsibility of the management [to comply with Fairtrade]." (Fairtrade Associate Principal, 6.1.2017)

The change in culture from the view of the management meant facing and respecting the workers. Cooperation through mutual respect is new to Darjeeling plantations as the existence of fear amongst the workers from their superiors was key to the management culture on the plantation. As the Fairtrade Associate Principal puts it:

> "So where they have understood that fear is not required. Fear is not necessary. In fact, it is more a disadvantage than an advantage. They, I think, they have moved faster in removing the barriers between workers and management. But where they still feel that, no, the fear amongst the workers it still has to exist. What in their language they call as regimentation. Regimentation is a defense word. I believe you understand that. That is a kind of perception some of the managements still have. And regimentation can only occur if there is a component of fear existing amongst the workers. So, there are still certain gardens. Fairtrade certified too, where the management feels that regimentation is necessary to discipline the workers and to make them work. So there this relationship has not developed that much. But here I think (TPI) they are no more talking about regimentation. They are more talking about owning and being co-responsible for the entire operations. Where they have put it up this way, I think yes, the results are coming faster and the relationship is different to what it was historically. **So, it depends which company you are at and which practices you believe in."** (Fairtrade Associate Principal, 10.1.2017)

In addition to the change in culture in general, the above statement reveals that the understanding of Fairtrade varies from plantation to plantation as the change in culture is not seen by all the certificate holders as something Fairtrade works for. Because the component of fear is seen as great influence of the success of the whole Fairtrade operations, a strong focus is given to voicing one's opinion in front of the management and the co-worker:

> "We speak about many developments, so I would like to point out one form of development, i.e., your ability to speak your mind in public. This is also a very important development so please today you speak without any hesitation because we all are a part of the same team. If there is any problem then I will definitely look into it." (Fairtrade Associate Principal, 7.1.2017)

The encouragement of the workers to speak their mind was omnipresent. In some occasions, the atmosphere was positive and vivid discussions emerged from the workers statements, while in others the Fairtrade Associate Principal played the role of a 9th grade teacher with students that show no interest in going to school and participating in the activities.

7.3.3 Change in culture: view from owners / management:

For the interviewed representatives of owners, the change in culture that is occurring on certain plantations is a major success for the Fairtrade project.

> "And I always value. In my discourse, when I speak, I say to me the most important thing that has been delivered by Fairtrade is the relations. The relations with the

> workers. That big barriers, that big wall, colonial wall, has now broken down." (Nareen Radesh, 9.1.2017)

But that change in culture for the owners is not going one way. While there is more respect for the workers from the management and the owners, more cooperation and responsibility for the running of the operations is demanded from the management towards the workers.

> "The system in plantation has a very strong hierarchy. What the British left. The companies, the management. You know. Big hierarchy. So that hierarchy is now narrowed down. Ok? We work for the same cause. Objective is the same. Why should we not have the same objective. So, let's work together. That is the message. So, we work together. Every people at every level has different roles and responsibilities. Like the management has its own role. But the goal is same." (Nareen Radesh, 7.1.2017)

7.3.4 Change in culture: view from the worker representatives in the FPC

The change in culture is also felt by the representative in the FPCs and voiced during the training sessions as one of the various impacts Fairtrade had on their lives:

> "Today I am very glad that we learned many new thing, I remember my first meeting in Shelobeong and it was there when Mr. Hussain [a former Fairtrade Associate Principal] in a way scolded me saying "don't just bring your face to the meeting, speak up". It was after the incident I could begin speaking my mind and today with this story I would like to ask my sisters to not be afraid to voice themselves, on this note I am even planning for the women folks to have a meeting." (Female worker, 7.1.2017)

> "Through the APC meetings the laborers remain in constant contact with the management so that we can have open discussions. Fairtrade also focuses upon social development, educational development of our children and also conservation of our environment. Another thing is that Fairtrade through constant meetings enables us to voice our opinion without any hesitation and the more we talk the more confidence we gather to put forward our opinions. This is all I want to share." (Male worker, 7.1.2017)

However, this transition has taken time as one senior FPC member recalls:

> "We are the oldest member actually but we never use to take the meetings seriously. I am speaking today only because you want me to speak. In earlier meetings, we used to be asked to meet at 2pm but we used to cunningly bunk the first half of the meeting and attend only when the meeting was going to get over. That way we could have our attendance and also not appear as deviants in front of the officials. We never knew that we had to discuss about such important issues. We used to make around 100'000 INR and with that we held programs and distributed basic amenities for our homes, but never had we any idea that we were supposed to take

> decision which would have such a large impact. Things are working in opposite direction in the sense that we are being the members of the oldest existing committee have to approach the members of newly constituted committee members. We were told during the Sir Milan's time we were told that, this is the money that you have received from Germany and that was all. Today, I understand how it is important to discuss issues among ourselves and also share it with as many workers as possible. We really need to be conscious in order develop ourselves." (Male worker, 7.1.2017)

The statements from workers about their ability and willingness to speak their mind describe a positive influence of Fairtrade on the capabilities of the workers. To what extend statements as these have been staged in a way that earlier research in *Chapter 1.3* has suggested was not investigated within the scope of this research. The repetition of similar statements and the attitude of workers while speaking suggested that a honest empowerment to speak in front of the management and Fairtrade officials has taken place. The following section discusses to what extent this empowerment can be attributed to the influence of Fairtrade.

7.3.5 Change in Culture: credit for a more general trend?

Fairtrade officials were well aware that large trends in culture have an impact on the relation between management and workers as well and that this influence is hard to separate from the influence that Fairtrade has:

> Fairtrade Associate Principal: " The new generations are more outspoken and they have that confidence to speak for themselves in front of everybody. Within their own community or outside their community. Because they are actually groomed up in a different culture or environment. Unlike their parents who have grown up in a different culture. So therefore yes. They have that empowerment their parents didn't have."
>
> Andri Brugger: "What makes the workers feel empowered?"
>
> Fairtrade Associate Principal : "I think also the main line politics. Because here in Darjeeling the main political movement in which they were involved were trying to create separate states. Gorkhaland. Which created much more of an ownership for the region or for the land and they belief in governing this particular land where the tea estate is." (Fairtrade Associate Principal, 9.1.2017)

When asked about the regimentation of the workers, the Fairtrade Associate Principal mentioned that it was not Fairtrade's pressure or management's choice to lower or restrain from regimentation but political pressure from the worker communities that forced this shift:

> "But not only because the management has wanted to change their practices. It was also because the hill community grew outspoken because of their political empowerment they have become more outspoken. And the management actually had no other options left except to accept this changing behavior of the workers and to be more friendly to them. So therefore, the pressure was also from the workers'

> side. Which actually brought about this change. So, I think it needs to come from both sides [management and workers]." (Fairtrade Associate Principal, 9.1.2017)

While it was impressive to see how many people spoke openly during the meetings, the following statement of the Fairtrade Associate Principal addressed to the representatives attending a FPC-training shows that, like any other educational program, Fairtrade is struggling with the capabilities but also motivation of the subjects that are supposed to be empowered:

> "The workers should trust each other, live by their responsibility and not be afraid of the management nor the owner. We have to ensure that those among us also they are weak so we need to support them even more, development has to take place in an inclusive manner. I have been associated with Fairtrade for 6 years now and I have seen the same faces who always speak but I rarely see new faces, so we need to work on that and have our friends also become empowered, this way our consumers will also feel that the product is worth buying. If there is no difference between Fairtrade run garden and a garden which is running is a usual business model then what is the use of having an alternative model, there is bound to be some difference right? So we have to focus upon our social as well as economic development and also keep a balance between the two." (Fairtrade Associate Principal, 10.1.2017)

In sum, the token "culture" that is added to the meaning of fair trade addresses a crucial development that is taking place on plantation in Darjeeling. In particular, the increased exposure to the world outside the tea plantations changes the perception of how the relationship between workers and management should be structured. Fairtrade is one actor that is delivering fundamental ideas about transparency, cooperation and inequality during the trainings that are carried out on all Fairtrade certified plantations at least once a year.

The attribution of a change in culture to Fairtrade can neither be proven nor discarded with the findings from the field study. The facts that Fairtrade has repeatedly been described as being unknown amongst plantation workers and that Fairtrade is directly addressing less than 10% of the workforce during its trainings prompt that Fairtrade rather is a small piece to the larger puzzle than the silver bullet.

7.4 "Fairtrade cannot be about wage!" vs. "Fairtrade means to me all the new things that we [the working community] have now"

7.4.1 The Token: "wage"

For Fairtrade, the income of producers is essential. While in the standards for SPOs (Fairtrade Labelling Organizations International eV, 2016a) wages are talked about for any labor hired, the wage is given even more attention in the HL standards (Fairtrade Labelling Organizations International eV, 2014b). The word used in the HL standard to describe wages is "decent", when it comes to the standards against which the producers are certified. Thereby, the minimum wage is the smallest hurdle, while the average wage is the primary focus and the gradually increasing of the remuneration until workers earn living wages is the aim of Fairtrade.

> "Your company **sets** wages for workers and other conditions of employment according to legal or CBA regulations where they exist, or at regional average wages or at official minimum wages for similar occupations; whichever is the

> highest, with the intention of continually increasing salaries." (Fairtrade Labelling Organizations International eV, 2014b, p. 27)
>
> "If remuneration (wages and benefits) is below the living wage benchmarks as approved by Fairtrade International, your company **ensures** that real wages are increased annually to continuously close the gap with living wage." (Fairtrade Labelling Organizations International eV, 2014b, p. 28)
>
> "The incremental steps and timeline **toward the applicable living wage are negotiated** with trade union/elected worker representatives." (Fairtrade Labelling Organizations International eV, 2014b, p. 28)

Also, the *Charter of Fair Trade Principles* (2009) stays with the term "decent" while it refrains from speaking about wages but replaces that term with livelihood to incorporate income generated by individual farmers in SPOs as well. The *ToC* for Fairtrade throughout speaks about "living wages" as the ultimate goal of Fairtrade.

> "Prices and payment terms (including prepayment where required) are determined by assessment of these factors rather than just reference to current market conditions." (World Fairtrade Organization and Fairtrade Labelling Organizations International eV, 2009)
>
> "In hired labor situations the Fairtrade standards require the company to bring social rights and security to its workers. Some of the core elements are: … condition of employment exceeding legal minimum requirements… ." (Fairtrade Labelling Organizations International eV, 2015)

Concluding, no core document describing the Fairtrade ideals fails to mention wage and wage is always seen as crucial. In all the documents, there is some kind of mentioning to gradually increase the remuneration to reach a living wage, which is defined through what one needs to maintain a certain living standard rather than what the market offers or a legal minimum. This understanding is the core of the token "wage".

A varying understanding of the role of wage in the Fairtrade project was encountered in the field study. The following three chapters describe the appreciation of wage or material benefits delivered by Fairtrade first from the view of the employer (Chapter 7.4.2), the workers (Chapter 7.4.3), and the Fairtrade Associate Principal (Chapter 7.4.4) to highlight the differing translation of the token "wage" between in its implementation.

7.4.2 The view from above: Fairtrade is not about wage or goodies:

. Visiting TPI at their main headquarters, it was made clear in the beginning that this can and will not be about wage. Everybody gets the minimum wage and no one can or will pay more. There cannot be any discussion about that. Rather, a fair mode of trade in the context of Darjeeling plantations is the respect or the attention that the workers are getting from the management or the plantation owner. Delightedly, the CEO of TPI told a story about one workshop TPI did, where they invited their workforce in order to gain feedback on how to improve the operations on their plantation. The fact that the workers were asked for advice about the pest management and improvement of tea cultivation changed a lot. Reportedly, the eyes of the workers started to glow, when they realized that their opinion matters and that they are listened to.

The fact that the wage is a given that will never be challenged by the plantation owners was further highlighted during one discussion over the minimum wage.

> Nareen Radesh: "[The minimum wage is] 132 Rupees a day."
>
> Andri Brugger: "Probably no one pays more than this?"
>
> Nareen Radesh: "You can't pay even if you want."
>
> Andri Brugger: "You can't pay?"
>
> Nareen Radesh: "It is an industry wide agreement. I can't do that, it will affect the other gardens. You will put others in trouble. Then everybody has to pay the same wage. Then tomorrow you cannot pay, than what happens? You can't come back. The workers will not accept." (Nareen Radesh, 6.1.2017)

Also during the training, the Fairtrade Associate Principal made it clear that Fairtrade is much more than the material benefits the workers can derive from it:

> "Thank you all for sharing your feelings, after hearing you now I have realized that you should know more about Fairtrade and I have thought of a solution for this problem […]. Before, we understood Fairtrade as the distribution of pressure cookers, distribution of tiffin boxes, scholarship for children. But Fairtrade is not actually about all these things, Fairtrade is not just premium. It's time we understand the principles of Fairtrade." (Fairtrade Associate Principal, 7.1.2017)

In the following speech about the ideas and principles, reoccurring in each FPC training, the Fairtrade project was described with the analogy of a marriage. Trust and transparency were described as key to a successful relationship. A successful relationship between anyone involved in the production of tea from the plantation worker to the consumer was presented as one major goal that Fairtrade aims to achieve.

7.4.3 The view from below: Fairtrade means to me all the new things that we have got now.

As suggested by the last statement of the Fairtrade Associate Principal, Fairtrade for the workers often is equal with financial and welfare improvement that they received through the project because most statements from FPC committee members about what Fairtrade means to them contained some mentioning of the Premium or increased welfare. The multiple extracts from the workers' statements are listed to describe the varying but still similar understanding that plantation workers represented in the FPC had about Fairtrade:

> "It is only the premium money through which we can develop ourselves economically and socially. Fairtrade guarantee to cover for the cost of production so that is why we feel we need Fairtrade." (Female Worker, 7.1.2017)
>
> "This premium money has really helped to invest in educating our children which otherwise is difficult to maintain with only the wage we receive. So, at the end we produce by the rules of fair trade and deliver quality product to the consumers and in return they also pay us the premium price, so this is all I know about Fairtrade. (Female Worker, 7.1.2017)

> "For the labor we also get a premium price which is paid by the consumer and this premium money has to be spent for the upliftment and social development of the producer's community and it cannot be used for the personal interest of any party. […]. The tea workers receive the lowest wages in the country and this rate is actually fixed by the government **so with this kind of wage we are not able to give our children the level of education which they require to develop themselves, thus, we do not have our social development. But Fairtrade came in as a savior here by simply eliminating the broker and also giving us the access to premium money.** Previously when the wages were so low we could not afford to **provide our family with proper lifestyle so many workers started migrating out of the gardens to find better paying jobs, which inherently created crisis in labor force in the garden.** Fairtrade ensures the stability of market for tea by keeping the workers motivated and providing and at the same time providing the consumer with the product in an affordable price. This is what I know about Fairtrade" (Male Worker, 10.1.2017)

In sum, all of the statements link social and economic development to the Premium money. It is hard to qualify the statements because the statements were all recorded during FPC trainings where representative might also felt obliged to prove oneself grateful. However, whenever they expressed gratefulness its was predominantly for changes in material and financial circumstances. Thus, for the workers, Fairtrade is not only but predominantly about the material benefits they receive from it.

7.4.4 The Importance of additional income (i.e. Premium) for Fairtrade

The vast majority of statements during the FPC trainings referred to the Premium and the increased welfare that was received through the Premium. Also, Fairtrade officials are well aware that what the workers receive is not enough to sustain a sustainable livelihood solely through tea.

> Andri Brugger: "And for the workers I feel that the premium is really important, it is just a feeling I had."
>
> "Yes. It is important because what they get from the tea estate is just what they are entitled to legally." (Fairtrade Associate Principal, 6.1.2017)

Since the additional income was of critical relevance to the workers, the Fairtrade Associate Principal encountered large difficulties in motivating the FPC members when the premium money was very low:

> "Therefore, their motivation is not there. Because the sale percentage is low. That's one. And the second thing is, since the sale percentage is low, they feel it's not beneficent [there is few premium]. It doesn't bring anything to be Fairtrade certified. (Fairtrade Associate Principal, 6.1.2017)

The Fairtrade Associate Principal was very clear about the deprived conditions of plantation workers and the marginal effects of the Premium on their situation. Nevertheless, during the trainings and also after the trainings he mentioned multiple times that Fairtrade is "more than just Premium money".

The translation of the token “wage” shows two things: First, if Fairtrade does not define paying living wages as a measurable requirement for certification, it is up to the owners of the plantations to carry on the spirit of increasing the payment until the living wage is reached. And the material benefits do not rank high on their priorities. The question arises whether the emphasis plantation owners put on the token “culture” at least to some extent should compensate for the fact that material benefits are “fading away” during the translation process. Second, token “wage” well illustrates the gatekeeping function linked to the translation process: FPC committee members never mentioned that Fairtrade intends to increase payment to a living wage. Thus, this translation shows that the workers on Fairtrade certified plantations learn only about those principles of Fairtrade that survive traveling all the way along the certification chain from the Fairtrade headquarters to the plantation. The principle of living wages was not one of them.

8 The interaction of Fairtrade with local power relations through the lens of the power cube

This chapter applies the power cube analysis described in chapter 0 to the Premium and is organized along four sub-chapters. The first sub-chapter (8.1) describes the conception of the Premium in theory and the power implications that are contained in its conception. The second subchapter (0) describes empirical findings observed throughout all the interviews and relates them with the implementation of the Premium at the theoretical level. These empirical findings are referred to as general findings because they have been observed without contradiction in all of the interviews that touched the respective topics. Further, many of the general empirical findings have already been reported by research for Fairtrade in general or for Fairtrade in the production of different goods in other locations. The third subchapter (8.3) analyses the general findings through the power cube lens in order to find out how they theoretically constrain the implementation of the Premium. The fourth sub-chapter (8.4) describes one case example that has been observed. The case example centers around the just investment of the Premium. In order to prevent a tautological argumentation, the case example described in 8.4 has not been considered in the general empirical findings described in chapter 0. The final subchapter (0) analyses the case example through the power cube lens in order to locate the empirically found power implication of the Premium in the case example.

8.1 The Premium and assumed power relation in its conception

The following considerations are based on a critical reading of the official Fairtrade documents that describe the design as well as the intended implementation of the Premium (Fairtrade Labelling Organizations International eV, 2014a; Fairtrade Labelling Organizations International eV, 2015; Fairtrade Network of Asia and Pacific Producers, 2016).

8.1.1 Functioning of the Premium

The Premium is a specific amount of money that is paid to small producer and worker organizations based on the labeled sales volume of their produce. Thus, it is not depending of the value of the sales but on the quantity. It is only paid for products that are produced, traded, and sold as Fairtrade certified products and deposited in a separate fund, managed by the workers or farmers and used exclusively for community projects, meaning that not only the workers and small farmers but also their families and non-productive members of the community have to benefit from the projects carried out with the Premium funds (FAO, 2014, p. 19). For tea, the Premium is 0.5 USD per kg made tea produced with the CTC method and 1.1 USD per kg made tea produced using the orthodox production method. The Premium is intended to enable small producer and worker communities to invest in economic, social and environmental development, in line with their democratically agreed upon priorities (Fairtrade Labelling Organizations International eV, 2015). The Premium is the key empowering tool in the hands of farmers and workers to address their needs through carrying out identified solutions to multifarious issues (Fairtrade Network of Asia and Pacific Producers, 2016). “Fairtrade Standards do not prescribe how producer organizations should use the Fairtrade Social premium. Fairtrade Standards do, however, require that project selection and the management of the Premium monies be made through transparent, participative, and democratic processes.“ (Fairtrade Labelling Organizations International eV, 2014a)

8.1.2 The implicated power relations in the Premium

a. Level

The power implications in the Premium in the dimension *level* of power is that collective investments realized through the Premium payment are legitimize because of the existence of producer cooperatives or the FPC specifically designed for the implementation of Fairtrade. Local councils (FPC or SPO committees) decide how the funds obtained through participation in Fairtrade should be invested, while the donor, in this case the consumer, has no direct say in what the funds are invested. This is opposed to developmental organization with a specific aim such as building wells or investing in education, where the donor decides in what kind of projects he invests. The power over decision-making about local developments can be seen as returned to *local* levels.

b. Space

In the dimension *spaces* of power, the Premium is only managed through Fairtrade certified intermediaries and it has to be assumed that the correct amount of the social Premium reaches the producers. The FPC, representing the producers in a HL setup as such is conceptualized by Fairtrade as a democratically elected body. In HL situations, management, staff and workers are invited to jointly decide on investing the Premium in a meaningful manner to develop the working communities. Therefore the management staff also has a representative in the FPC. From a power cube perspective, the decision over the investment of the Premium is taking place in an *invited space*, which is *created* through the Fairtrade project. The Premium shifts power over the decisions of local development towards *created* and *invited spaces*.

c. Forms

The *forms* of power are most difficult to address. As there is no clear conceptualization of how the Premium interacts with the local power relations, it is hard to figure out how it interacts with the forms of power. As Gaventa (2009) suggested, it is reasonable to assume that the local forms of powers are more or less directly transferred into the councils which have decision making power over the Premium funds. Because only the presence of an invited space does not mean that it is equally filled with all voices. This means that ideas of what a beneficial investment for the whole community might still be shaped by hegemonic ideas or elite capture that might contradict with the ideas of empowerment incorporated in the Fairtrade idea unless they are specifically addressed. As I have shown in the chapter “Power as Translation”, the idea of Fairtrade undergoes various translations until it reaches the producing communities. Being aware that it is hard to challenge existing hegemonies and considering that Fairtrade has defined only few standards on the correct spending of the Premium, local hegemonic ideas have the opportunity to translate Fairtrade in a way that is compelling for them. As a consequence, the Premium is most likely invested in a way that it suits the existing hegemonial ideas. This implies a shift towards the *invisible forms* of power inherent in the design of the power cube.

8.2 General empirical findings regarding Fairtrade and the Premium

The presented findings are the results of the investigation in the GPN for OHT. All of the general findings have been observed in multiple locations and with multiple different actors, petrifying the assumption that they have a certain degree of general validity.

8.2.1 Certification is buyer driven.

> "If you see Fairtrade or any other certification, the certifications are because of consumers demands. And when the consumer demands for it, only then. So therefore, this side cannot be self-motivated to get certified. Until and unless the consumers ask for it. Also, the change into different product sector. So, consumers' awareness and consumers' willingness to have certified products is very important to have." (Fairtrade Associate Principal, 10.1.2017)

All interview partners, without any exception, located the motivation for any certification, including the Fairtrade trademark, with the consumer. The introductory statement from the Fairtrade Associate Principal shows the dependency of Fairtrade NAPP on the consumer awareness for the Fairtrade project to grow as well as the dependency of plantation workers and small farmer to receive the Premium.

The following statement from Nareen Radesh adds to that insight, showing that garden owners respond to the certification demand in a strategic manner: The bureaucratic effort is focused on one plantation to satisfy all the different consumer demands, while other plantations are relaxed from the certification efforts. Yet, this means that they are also left out from the benefits of the Premium payment and eventual benefits linked to other certification schemes.

> "We have our Doorai. Doorai garden. Its Rainforest certified. ETP certified. Fairtrade certified. Because we wanted Doorai to get certified like this, because the buyer the importer, ok? He demands!" (Nareen Radesh, 9.1.2017)

First the demand for Fairtrade certified products is the trigger for producers to pursue Fairtrade certification. After that the demand for certified products defines the success of the Fairtrade project and is a critical point of discussion in itself. After the certification of an organization has taken place, it is the responsibility of NFOs to create the demand for certified products. Through that, producers (with no direct contact to consumers) depend on NFOs to generate the demand for their products. Only when the demand is at a level where benefits from the created market access and Premium payments for the producing communities are larger than the payment of the certification fee the Fairtrade certification is feasable for producers.

> "But the only thing is, our question has been to the FLO. We used to have a product manager for tea. They used to be from the system. Why you give a statistic and everything is increasing in the Fairtrade. Bananas is going up, everything is going up, you have a big statistic your volumes are going up, why not tea? Why tea is there and is actually coming down. For example, Switzerland, this has been also the question put to them. If Switzerland is supporting 80-90 percent Fairtrade bananas, why they are not supporting tea? That means the promotion is not correct. Why are Fairtrade banana buyers not supporting the tea? (Nareen Radesh, 9.10.2017)

The finding that Fairtrade certification is demanded by buyers and not pursued by producers independently is in line with literature on certification and private governance schemes in general (Dolan, 2010; FAO, 2014; Potts et al., 2014) as well as with previous work in the study area on tea production, market integration or the influence of Fairtrade (Besky, 2008; Besky, 2014; Dammert & Mohan, 2015; Mohan, 2014).

Yet, since Fairtrade certification does not automatically translate into sales of certified products, there is a disconnect with the design of the Premium which suggests that after obtaining Fairtrade certification, the Premium reaches the producers who then can decide themselves about how to invest this money and thus be interested in the Fairtrade certification for their own benefit. This disconnect has significant consequences: It creates dependency of Fairtrade certified producers from those marketing Fairtrade products at the level of NFOs as well as dependency on political consumers who are actually buying Fairtrade products.

8.2.2 Holders of the Fairtrade certificate are not the ones receiving the Premium.

According to the Fairtrade Associate Principal, the beneficiaries of the Premium do not legally own the certificate. This is one of the shortcomings in certification when it is totally buyer driven. In the case of alternative OHT, all of the investigated production sites (plantations, worker owned plantations and SPOs) were either owned or managed along with multiple other production sites by what can be conceptualized as the economic owner and controller of the production process until the manufacturing of the made tea and its marketing.

The owner companies pay for the certification costs of various certificates. For individual tea plantations or SPOs it is exceedingly difficult to carry the cost and risk of certification themselves. The inability of deprived producers to enter the Fairtrade system due to the high cost of certification and the lack of knowledge about the standards has been reported for standards in general as well as for the production area (Mohan, 2014; Potts et al., 2014). The decision about acquiring or maintaining Fairtrade certification therefore lies with an owner of multiple tea plantations. The company that pays the certification cost does not get any direct economic benefit besides the possible market access to markets where consumers demand the respective certificate. As a founding member of a local Darjeeling NGO points out:

> "If the owner or the company decides not to be part of the Fairtrade even though the community wants, the community doesn't have any say. It's totally dependent on the company if they are Fairtrade or not." (Rabin Magar, 14.1.2017)

It is therefore possible that the interest of the worker community that receives the benefits of the Premium is not in line with the interest of the company paying for the certification cost and owning the certificate. While the worker communities are mainly concerned with the financial benefits they receive from Fairtrade, the owners are more interested in the gaining of market access. This impression was gained in all the interview and confirmed by the Fairtrade Associate Principal responsible for all the Fairtrade certified production sites for OHT.

As interim finding, it can be noted here that for the Premium to flow, the producers, or in the case of OHT the owners of the plantations have to be certified while the recipients of the Premium have no influence on whether they are certified. Following, it is the consumers and after that the retailers (see Chapter 8.2.1) and in the end the owners who have to get engaged in order for the plantation to get certified and thus receive the Premium.

8.2.3 Market for Fairtrade certified orthodox Himalayan tea: Low sales compared to production

Fairtrade sales volumes as a percentage of total Fairtrade production volumes are very small for OHT. The Chief Markets Officer for the NAPP estimated that out of the total production of OHT eligible for Fairtrade sales, no more than 7-10% are sold under the Fairtrade label. Different managers and owners of plantations mentioned that the certification cost was about the same amount or even larger than the Premium the worker or farming communities received. What this means for the flow of the Premium is best understood through the following conversation:

> Fairtrade Associate Principal: "Some of the individual companies have higher sales [in Fairtrade]. For TPI for example has a sale of about on an average of all the 7 estates, an average of about 18%."
>
> Andri Brugger: "18% is Fairtrade?"
>
> Fairtrade Associate Principal: "18% of it is Fairtrade sold. Out of the Fairtrade eligible teas that they produce from the 7 estates, they sell 18% of the tea as Fairtrade. So, they are still left out with 82%. Although it is Fairtrade eligible it is not sold as Fairtrade. "
>
> Andri Brugger: "So it's like a marketing tool that works for 18% of the tea that is produced."
>
> Fairtrade Associate Principal: "Yes, and therefore their motivation is not there. Because the sale percentage is low. That's one. And the second thing is, since the sale percentage is low, they feel it's not beneficent. It doesn't bring anything to be Fairtrade certified."
>
> Andri Brugger: "Yes. And also like the social premium that would go to the workers, […] the workers themselves they would be eligible to ten times more of social premium. If all the produced tea was sold Fairtrade."
>
> Fairtrade Associate Principal: "Exactly." (Fairtrade Associate Principal, 6.1.2017)

The feeling that the Premium is too low to carry out any meaningful program was narrated by all of the interviewed managers. Many of them blamed Fairtrade for not helping them to achieve larger sales in Fairtrade products to increase the Premium.

The challenge to sell certified produce through certified channels that was encountered in the GPN for OHT mirrors the findings of larger studies on certified production. In the "State of Sustainability Initiatives Review" Potts et al. (2014) have found that globally only 7% of the tea produced under Fairtrade terms are sold under the Fairtrade label. The low percentage of Fairtrade sales for tea is also reported in the annual statistics of FLO (Fairtrade Labelling Organizations International eV, 2016b).

As Fairtrade does only give the aggregated mean value for all tea and only estimations for the Fairtrade sales volumes as a percentage of total production volume for OHT exist, it is hard to really assess the extent of the problem in the GPN for OHT. Despite repeated efforts, it was impossible in the context of this research to get specific information on Fairtrade production and sales volumes for each tea plantation form Darjeeling

individually, anonymized or in an aggregated manner. According to Fairtrade Monitoring and Evaluation such information is business sensitive and could therefore not be shared. The only indication available that 18% sold as Fairtrade represents one of the higher figures suggests that some plantations must have close to zero Fairtrade sales and thus no reasonable Premium to carry out projects with their respective FPC.

This adds to the interim findings that the recipients of the Premium have the highest interest but the least influence on the sale of certified products through certified channels. The burden of investing in reaching certified markets and retailers lies with the owners who do not necessarily have any incentive to invest in marketing to Fairtrade channels. This misalignment of incentives results in Premiums becoming very small for most and insignificantly small for some.

8.2.4 Fairtrade certificate is not always seen as trustworthy

FLO was a constant companion throughout most of the field study. In Darjeeling, critical voices towards FLO are very common. Often it was mentioned that FLO has become another multinational corporation which is certifying tea from other multinationals as well as small farmers. In the supermarkets' shelf they are sold next to each other and the consumer has no possibility to comprehend the ideological difference between the two. Through this broadening of the fair trade idea and its application to any kind of production and trading structure through FLO, the power and credibility of Fairtrade for many actors has been narrowed.

> Andri Brugger: "There is a huge discussion in Fairtrade between the more than Fairtrade companies like GEPA or Equal Exchange. And the move from TransFair USA to break away from Fairtrade International to certify even more plantations."
>
> Bimal Rai: "And the politics of that. Right?"
>
> Andri Brugger: "So there I found you, because the ATOs work together with you. They don't use the Fairtrade logo anymore."
>
> Bimal Rai: "They don't. […] because Fairtrade has become another MNC. You know, they started with a very alternative view. You know, what was the alternative view? The alternative view was that typical story of the Ethiopia farmer selling his coffee beans to Starbucks at like one percent of the final price, right? Today, those exact supermarkets, especially in the UK, less in Switzerland and Germany, who are buying from that farmer, still at that price, are now 50% Fairtrade." (Bimal Rai, 18.1.2017)

Even though the Fairtrade certification is seen as a requirement for market entrance by most producers, the specific Fairtrade label is no longer seen as trustworthy amongst many encountered retailers that are specializing on the sales of what can be called "alternative modes of production". Especially ATOs and representatives of the "Naturkost" movement in German speaking consumer countries have lost faith in the way of certification of fair trade:

> "Fairtrade is a very Western concept. A farmer has to get certified, pay the certification fee, only so he gets a minimum price and the premium, which are "pittances", so, why should someone pay to get pittance?" Such a screwed concept we cannot support." (Melanie Oberholzer, 16.2.2017) (Translation by the author)

Because Fairtrade certification has become a very general standard, the power for retailers to differentiate themselves through using the Fairtrade certification trademark has been taken away. ATOs as well as creative businesses in tea rather profile themselves through their innovative business model or in building up trust between consumer, retailer and producer. For example, the largest importer for Darjeeling tea, TeeKampange, reports on its website that more than 50% of the companies spending accrue in the producing countries for the buying of the tea. Further, they would pay "more than the world market price", implicating that more value is reaching the producers. In a phone call interview, the manager for social responsibility of TeeKampagne explained that they as a buyer had no direct influence over the conditions on the field. Furthermore, they are particularly focusing on their project SERVE where they support activities of the WWF Darjeeling to carry out environmental sustainability programs in all Darjeeling and not only the tea plantations. They rather support their own projects instead of being Fairtrade certified because through that they can distinguish themselves better from the competitors.

> "To re-enter the Fairtrade business right now does not make sense to us. Especially when there are supermarkets like Lidl selling Fairtrade products. Everybody knows that they don't even treat their own workforce fairly." (Barbara Strasser, 2.5.2017) (translation by the author)

Although TeeKampagne is not certified as Fairtrade retailer they predominantly buy tea from Fairtrade certified producers. This trend of retailers demanding or expecting the Fairtrade certificate without being certified themselves has also been reported by a Nepalese producer.

> "If a German company has a project in Nepal they can present themselves as fair and people trust them. Also, when consumer by products from Japan it doesn't need to be certified, since Japan is a Western state and consumer assume that working conditions are ok. However, if a company from the third world, like Nepal, sells products (SAGRO) and is not certified, retailers and consumers are not trusting. Therefore, we need to be certified." (Rajiv Lama, 31.12.2016)

While the controversy around what is "fair" in fair trade and why certain producers need a Fairtrade certificate is in line with the scientific debate surrounding the fair-trade movement and the dispute surrounding the certification of plantations and HL situations (Besky, 2015; Raynolds, 2014; Raynolds, 2017), it is in contrast to the constant rise of Fairtrade sales worldwide (Fairtrade Labelling Organizations International eV, 2016b).

Because most ATOs are still Fairtrade certified but do not use the trademark, the Premium still flows for their sales. However, the pressure for producers to be certified can substantially reduce following the rising mistrust voiced against Fairtrade. This mistrust has also been as a partial cause to the proliferation of various new, completely corporate owned, Fair Trade certificates. One of those examples is the current separation of UKs largest supermarket Saintsburry from Fairtrade through the creation of their own certificate called "fairly traded" (Equal Exchange, 2017a).

8.2.5 Personal connections are valued higher than certificates for retailers specializing on alternative mode of production and trade.

Building up trust is not only key between ATOs and their customers but is similarly important between producers and ATOs. Often, producers spoke about their customers in a way that friends and relatives speak

about each other. Pictures, videos and stories about foreign visitors who are interested in tea production and the producing communities are very common. The following statement gives an impression on how producers treat their customer friends in order to maintain favorable trading relationships.

> "He is my good friend. We know each other since 1984, when I was with NTDC tea. I took samples from NTDC and I had visited Germany and he was in Hamburg under the Tee Laden. The companies name was Tee Laden. A very small company. Later on, they became the giant. TeeGeschwender. Ok. So, in Germany they have 150 tea shops. More than 150 tea Shops. And I know each and every tea shops people. They are the franchise member. And they are visiting here. I am organizing their visits in a subsidized rate. If they come themselves, they have to pay more money. If they come through me, then they have to pay less money." (Udaya Acharayan, 4.2.2017)

While retailers and producers alike stress the friendship and trust in the trading relationship, the certification was not mentioned when speaking about how the connection between producers and retailers was made and is maintained. In none of the observed examples, the relationship between the retailer and the producers was maintained through the Fairtrade certification. Rather, it was individual ATOs but also tea specific retailers that had a large interest in nursing the connection to their producers. Since they are the same retailers that are not truly fond of FLO's Fairtrade certificate, this thesis argues that the personal relationship and trust between producers and retailers is more important than the Fairtrade certificate for accessing markets.

8.3 Analysis of the general empirical findings through the lens of the power cube

Table 8 summarizes the general empirical findings regarding the Premium resulting from field research in five statements. In the following chapter, the general empirical findings are referred to by their respective finding numbers.

Table 8: Empirical findings entering the analysis of the shift in power in the field following the Premium

1	Certification is buyer driven: creating the demand is the responsibility of the NFOs
2	Holders of the Fairtrade certificate are not the ones receiving the Premium.
3	Very low Fairtrade certified sales compared to Fairtrade production → Premium is low as well.
4	Fairtrade certificate is not always seen as trustworthy.
5	Personal connections are valued high and appear to be more relevant than certificates

Next, the findings summarized in *Table 12* are analyzed by applying the power cube method to understand how the constrained implementation of the Premium theoretically can interacts with existing power relations. Further it is compared whether this interaction is in line with the intended interaction of the Premium with power relation as described in chapter 8.1.2 through the analysis of the core documents.

Finding 1: The decision over the certification is triggered with the consumer. Thus, the *level* for the decision making over the existence of certification and thus the possibility for any Premium tends to shift towards a *global* level. Because the producers are not envisioned and are not able to buy their own Fairtrade certified produce, the *space* for creating the demand for the fairly traded product lies with wealthy consumers in the global North. This space can neither be accessed, nor can the decision of the consumers be influenced by the producers. Following, the *space* for the decision over the existence of a certification and thus the possibility for any Premium is *closed* for the producers and *created* for the consumers.

Finding 2: The cost of certification is carried by the owners of plantations, bought leaf factories as well as coordinators of small farmer's projects and not by the producers themselves. In most cases, single plantations or SPOs are not able to pay for their own certificate because they cannot carry the risk of certification. Thus, continuing describe *space* for the decision making over the existence of certification and thus the possibility of any Premium, this further suggests that the decision is taking place in *closed* spaces such as the board rooms of the plantation owners, where the producers and beneficiaries of the Premium have no influence. Furthermore, the legal ownership of the label lies with the plantation owners and not the FPCs and therefore they have the *power over* (Dahl, 1957) the existence of the Premium. The owners (A in Dahl's (1957) typology) can have the possibility to make the workers (B) to consent to the current working conditions in order keep the Fairtrade certification and receive the Premium. Thus, the workers (B) might act against their will as improvement of labor standards could be of more interest to them than keeping the Premium in the long run.

Finding 3: The large excess supply observed in Fairtrade tea with an estimated ratio of 7% of Fairtrade certified tea produced being sold as certified tea creates a large discrepancy of incomes in Premium payments between various producers. While one SPO reaches nearly 100% of Fairtrade certified sales other plantations have zero Fairtrade certified sales. Accessing the Fairtrade niche market where sales result in Premium flows is costly. These costs have to be carried by the holders of the certificate and are not carried by the producers, who receive the Premium themselves. Therefore, the workers and small farmers are dependent on their owners or bought leaf factories to reach the Fairtrade market and secure the Premium for them. The decision whether to invest and reach the Fairtrade market or not is made in the head offices of the owner companies for example in Kolkata, where producers have neither access to nor influence. Thus, the *space* of decision making about the amount of the Premium, even after being certified, still lies in a *closed space,* which the small farmers and worker cannot access.

Finding 4 & 5: The mistrust towards the Fairtrade trademark by retailers as well as the focus on personal relations show the dependency of the Premium flow on the fickle minds of the consumer. The amount of Premium that reaches the producers triggered through their consumption can go both ways. When trust is fully there and a standard is not disputed, consumer might opt for Fairtrade, and the Premium increases. In times like now, when the trademark is under attack by ATOs, some consumers might avoid Fairtrade. Even more, already retailers can prune the choice of the consumers through their resistance towards the label. Buyers specifically purchasing from Fairtrade certified plantations without certifying themselves is a common practice that has been reported by the findings of this study. All these factors, in the end, lower the Premium for the producers. Through the lens of the power cube, the dispute around the Fairtrade certification has disempowered the FLO label. With a fully trusted and executed standard, certification is demanded by ATOs and customers. Now, with the mistrust the decision to stay certified or not lies with the owners as the demand from the consumers is too

low. They are the ones that can negotiate with their retailers if the certification is still demanded or not, locating the *space* of the decision over the continuation of the certification and thus the Premium more or less full in the board rooms of the companies owning the plantations. These *spaces* are *closed* for workers and small farmers. And the actors with actors with access not necessarily pursue the same ends than the producers (i.e. workers and farmers) themselves.

In sum, the five general empirical findings theoretically result in the shift of the power relations inside the Premium towards *closed spaces* and *supra local levels* when analyzed through the lens of the power cube.

Both the theoretical considerations about the constraints that are put on the implementation of the Premium because of the circumstances described in the general empirical findings (chapter 8.2) and the purely theoretical analysis of the implied interaction of the Premium with existing power relations (chapter 8.1.2) have up to here been analyzed through the lens of the power cube. Comparing both analyses in *Table 9*, contrasting implications of the Premium's interaction with power relations can be found.

Table 9: Summary of the indicated interactions in the design and theoretical implementation of the Premium

	Purely theoretical analysis - chapter 8.1.2	Empirical findings, theoretical power analysis - chapter 8.2
Indicated interaction in the dimension *levels*	local	Supra local
Indicated interaction in the dimension *spaces*	Invited for producers and consumers	Closed for consumers and beneficiaries i.e. small farmers and workers.
Indicated interaction in the dimension *forms*	Invisible	-

8.4 Reconsider the shift in power relations – an exemplary case study

Chapter 8.1, describes how the Premium theoretically shifts the location of bargaining processes in each of the dimensions of the power cube: Level, space and form. Chapter 8.3 and 8.4 have showed that the implementation of the premium in the specific circumstances for Darjeeling tea results in a – still theoretical – relocation of the arena for decision making that is diametrical contrary to the purely theoretical considerations. The following chapter describes a case example in order to reconsider or even test the theoretical assumption through the empirical description of power struggles surrounding implementation of the Premium in the field.

The findings discussed in the case example did not enter the general findings presented in 8.3 in order to prevent a tautological fallacy.

8.4.1 Case history and intended development

GRSVS, the only tea cooperative for small farmers' organic Fairtrade Darjeeling tea, is a unique program with implications for tea internationally. It is the only small farmers' project where the community owns the land. In 2004-2005, Fairtrade included GRSVS as a partner member. While the Premium was RS 75'000 in 2004-5, it increased to RS 440'000 in 2008 when all GRSVS tea was sold through Fairtrade certified channels (Sen, 2009).

In the field study, while interviewing the committee members of the producer organization, it was made clear very fast and very soon into the interview that their main challenge at the moment was the struggle for a factory.

The upgrading of their production process through the vertical integration by creating their own processing is the kind of development Fairtrade strives for.

Further, the committee members stressed that they have no clue about what happens to their tea green leaves after they sell them. They don't even know at what price their tea is sold in the international market. However, the could guess that it is sold for much more than whatever they are getting for their green leafs.

> "Here, what we think is like, until now. From 98 we are selling tea. We don't know at what price our tea is sold." (GRSVS committee, 13.1.2017)

The desire to know how much their tea is sold for increased with enhanced connection of the community with the outside world. For a few years, there have been home stays where tourists come and enjoy the nature and might go trekking in the surrounding hills. In these homestays, local farmers sell their own hand rolled tea at a very good price. Furthermore, increased interaction with Fairtrade representatives gave them the idea of what their tea might be worth and they were supported in demanding more for their green leaves and encouraged to think about what transparency is through Fairtrade. In sum, they have grown more self-conscious and aware of trade in tea.

In the early years, the Premium was used to build an office space, small bridges, tea weighing sheds or repair water tanks that had already been built by the local NGO. After taking care of all "urgent" needs in the community, from 2012 onward all the Premium earned through Fairtrade sales were saved in order to upgrade their cooperative through building their own factory.

> "Our society is certified Fairtrade also. So, whatever the premium we were getting earlier we used to do some social development things with that. In the last four years [checks back with the president and the board] so we are keeping all the premium money to build our own factory. So, last year we planned to buy one part of land. But it's not viable, suitable land. We can't make the factory in the corner of a village. So, we are finding a place where we can build a factory." (GRSVS committee, 13.1.2017)

8.4.2 Power struggles in the case example

a. Struggle over the meaningful investment of the premium

Since the GRSVS is one of a kind for Darjeeling, many visitors from different organizations visit this society. In 2014, a German Fairtrade representative visited the producer society. The treasurer of GRSVS, a former NGO worker who decided to settle in the area, was advised by the management of TPI, with whom GRSVS has a memorandum of understanding about the processing of their green leafs, to give a short presentation about the producer society, its impressive history and some facts and figures.

After presenting a detailed overview of the society and its activities, the treasurer decided to put forward their desire of a factory. Towards the end of the presentation the treasurer mentioned that their main goal as a society is to build their own factory to produce their own tea. As expected, the Fairtrade representative was greatly impressed. However, the TPI management staff present were snubbed. Obviously, the management did not expect the society to make their desires public so early. In confidence, the manager asked the treasurer why he is

making all the farmers these hopes, arguing that they are not capable of running their own factory and selling their own tea independently.

The opposition of TPI towards the GRSVS having their own factory was an open secret during the field study. In the interview with the second-generation CEO of the TPI, he mentioned that he does not see an independent future for the GRSVS with their own factory as they wish. Even though they are portrayed as a small farmer's society working together with TPI, it was made clear that they depend on the help and generosity of TPI in order to continue to prosper. Furthermore, the CEO stressed that they neither have the skills nor enough tea green leaf volume to run a rentable factory.

While the image painted by ATOs about GRSVS is that of the prospering community that is freed from any struggle over prices and wages through the incorporation to the Fairtrade system, the field visit tells another story. The topic of the factory is not the only cause for confrontation. While the green leave prices have been increased by two rupees annually between 1998 and 2010, rising from RS16 to RS50 per kg, GRSVS with a new treasurer and the help of Fairtrade started to enter into a real bargaining process over the memorandum of understanding between TPI and GRSVS after 2010. It was not without pride that the treasurer of the cooperative narrated their skill in how they managed to secure an increase of RS7 for 2011.

b. Struggle over the amount of Premium

While the disputes over the factory and prices were rather open, other contentions were subtler. As the president of GRSVS narrates it:

> "So, like earlier, so like whatever we are producing. Whatever tea was produced from Golden River. TPI used to give the premium for the whole of that tea. … Whatever the tea they are selling through Fairtrade so they are giving the premium only for that thing. So, like you know, here TPI they are doing their own monopoly things. Because earlier like: „ok, you take the premium". So, this time, when we started saving the premium for the factory is, so like what we thought is, if we are giving the whole money to them, if than they make the factory of their own, so at that time we will not have any business anymore. So, whatever the tea they are selling through Fairtrade they are paying us only for that. Earlier it used to be 400'000-500'000 and this year it was only 32'000." (GRSVS president, 13.1.2017)

The assumption that there is something odd in this drastic drop lies close, thus the producers felt cheated.

> "So, what he [the president] says its very good that you are doing all this job. There is a big curtain or a big gap between the company and the small tea growers. So, with this, your articles, let this wall be destroyed. So, like let all the members know how they are doing and at what price they are selling our tea. Recently we talk about like the monopoly of the TPI for the Fairtrade only. So why they are doing all these things?" (GRSVS president, 13.1.2017)

To prove such allegations is quite difficult with the decisions over the sale being behind in *closed spaces*. Still, there are several clues that stiffen the allegation voiced by the GRSVS committee. Primarily, the SPO is one of a kind in Darjeeling and the only SPO selling Darjeeling tea. While accessing the case study it was the main

flagship for the Fairtrade Darjeeling tea, so there should not be any problem for selling the tea through Fairtrade certified channels. However, the decrease in the Premium was not yet the peak of the conflict.

c. Struggle over the continuation of the Fairtrade certification

According to the treasurer GRSVS will not be certified Fairtrade from 2018 onwards, if it goes after the will of TPI. TPI contacted GRSVS, saying that they have only very few buyers for their tea that are certified Fairtrade so it does not make sense to carry on the certification, since the cost might be higher than the benefits. While GRSVS was not asked if they want to be Fairtrade certified, the treasurer of GRSVS was directed by TPI to write a letter to the NAPP, that GRSVS wants to discontinue the certification, because they are not able to sell their products as Fairtrade. What is striking, is that they had to withdraw themselves, even though TPI is the certificate holder and the initiator of the certification primarily. Because the treasurer of GRSVS would not meet TPIs demands, they would harass him through various modes of contact like e-Mail, WhatsApp and phone calls in order to hassle him into writing the withdrawal.

The narrated events sounded very exaggerated to me and they are hard to judge. However, the Fairtrade Associate Principal with insight to the sale statistics and practices of the owner supported the allegations made by GRSVS towards TPI. According to him the fact that Golden River gets decertified from Fairtrade as of 2017 is mainly because of internal politics.

8.4.3 Summary of the case example with the power cube

The case example of GRSVS struggling for the creation of their own factory gives an empirical insight to where the location for decision making over the existence of Fairtrade certification, the existence of Premium, and the amount of Premium lies.

The *levels* for the decision over the Fairtrade certification of GRSVS was ranging from the *local* to the *global level*. Processes on all *levels* influenced the decision if the Fairtrade certification of GRSVS will be carried on such as the local demand for upgrading as well as the global processes of decreasing trust in the Fairtrade certificate by various retailers. However, the decision to possibly decertify GRSVS was taken on a *supra local level* meaning that it was at the sited that produce the certified tea.

The *space* for the decision over the amount of Premium as well as the existence of Fairtrade certification in the specific case example narrated in chapter 8.4 lay in the board rooms of the owners, in *closed spaces*.

The empirical findings complete the tripartite analysis with the power cube in

Table 10: Summary over the analysis with the power cube.

	Purely theoretical analysis - chapter 8.1.2	Empirical findings, theoretical power analysis - chapter 8.2	Empirical power implications – chapter 8.4
Indicated interaction in the dimension *levels*	local	Supra local	Supra local
Indicated interaction in the dimension *spaces*	Invited for producers and consumers	Closed for consumers and beneficiaries i.e. small farmers and workers.	Closed spaces
Indicated interaction in the dimension *forms*	Invisible	-	-

9 Discussion

The presented Master's thesis *investigated if and how the fair trade idea is interacting with the power relations in the export oriented orthodox tea production sector of the eastern Himalayas*. The interaction of the fair trade idea was divided into two strands to account for the multifaceted interactions that are taking place when the fair trade idea is enacted on the ground. The discussion chapter answers the main and sub research questions and compares the answers to the background of the field study and existing literature.

9.1 Power as translation

First, the translation of the fair trade idea and its basic principles from their official conception to the local understanding of the fair trade idea on site was examined to find out, *how different actors from the GPN for OHT translate the concept of Fairtrade in order to improve their position in the GPN for OHT*.

Table 11 summarizes the four tokens that have been identified to be of great importance in the conception of the fair trade idea according to the core documents, or in the understanding of fair trade amongst plantation workers, plantation managers and Fairtrade officials. Column two summarizes the definition of the token in the fair trade idea and column three the appertaining translations that have been identified during the field study.

Table 11: The four identified tokens and their translation from the conception of the fair trade idea to the implementation of fair trade on the ground.

Token	Description in Fair Trade ideas	Understanding in the field
Rights and Stability	**Rights** of marginalized producers to fair trade. Fairtrade is **not for risk-management**	Fairtrade **rights** come with the **responsibility** to comply with certification standard through making them co-owners. Economic **stability is prerequisite** to sustainable development for plantation owner. As co-owners, plantation workers are made **responsible** for the stability of the plantation.
Politics	**Focus on** independent and democratic producer organizations / trade unions. Political leadership **mandatory** to reach Fairtrade aims	**Fairtrade as alternative to** corrupt and militant labor unions. **Depoliticizing** as main achievement for Fairtrade.
Culture	The fair trade core documents do not specifically speak about culture.	Breaking up of colonial hierarchy as goal / achievement.
Wage	**Living wages** for producers	**Workers:** Fair trade is all these new things I have. **Management:** Fair trade is not about wage. **Fairtrade officials:** Fair trade more than material things.

The research about the translation of the fair trade idea from the conception in core documents to the understanding of fair trade in the field indicates that:

- There is a variation between the conception of the fair trade idea in its core documents and the understanding of fair trade that is circulating between fair trade officials, workers on fair trade certified plantations, management of fair trade certified plantations and owners of fair trade certified plantations.

- The observed variation can be understood as a wittingly or unwittingly translation of the fair trade idea from conception to implementation.
- The translation of the fair trade idea was often formulated relating to the differing achievement of the fair trade project in the region compared to the aims of the Fairtrade project. For example, the missing Premium money for perceivable material changes through the Fairtrade certification was met with the translation of the fair trade idea away from the material benefits towards the change in relationships between management and workers. This emphasis was not as much supported by the plantation workers as it was supported by plantation management, owners and Fairtrade officials.
- The focus on the relationship between management and workers was given much attention by Fairtrade officials and plantation owners and resulted in a creation of a new token comprising of all the understandings of fair trade as project to unlearn the colonial hierarchy. Many workers managed to raise their voice in front of their co-workers, plantation management and even a representative of the owner company, sometimes with critical content. Thus, a process of unlearning colonial hierarchy could be observed in the Fairtrade trainings. Where the empowerment of plantation workers (i.e. the increased *power to* speak their mind in front of the management) comes from was not analyzed. However, even the Fairtrade Associate Principal assumed that broader political and social changes have a greater influence on this process than the Fairtrade project.
- Conversely, part of the cultural change is also a transfer of responsibilities towards the workers through making them so called co-owners and thus co-responsible for the economic stability of the plantation and the economic development of their own communities. Management and plantation owners mentioned more than once that now, because of Fairtrade, the differences have been removed and they should pull all on one string, to make the plantation prosper. Thus obedience through regimentation might be solely converged to obedience through consent.
- The wittingly translation of the fair trade idea is acknowledged by the performers of the translation and framed as embedding the fair trade idea to the local context. A prominent dispute for example was the role of the labor unions in the fair trade system. Plantation owners and managers as well as fair trade officials stressed that labor unions in Darjeeling are not the same than labor unions in south America, where the fair trade concept originates from. Therefore, the understanding of labor unions has to be redefined inside the Fairtrade certification in Darjeeling.
- Making the stability of the plantation part of Fairtrade's duty reveals the power of the plantation owners to rearticulate the aims the fair trade idea in order to support their aim of keeping production costs as low as possible. The translation that Fairtrade first and foremost should give the plantation stability is in line with the Fairtrade standard that sees a special rule for Darjeeling tea plantations allowing them to use 50% of the Premium money to spend on facilities that they are obliged to provide through the PLA (Fairtrade Labelling Organizations International eV, 2011). This very rare exception undermines the impression that the owners of plantations as well as the management of plantations have a high interest and influence in how the fair trade idea is translated in the field.

In regard to the research sub question one, different actors from the GPN for OHT and their varying understandings of the fair trade idea have been illustrated to show that the initial fair trade idea as conceived in its core documents is modified, added to and subtracted from during the translation that takes part when the fair trade idea reaches the field.

Previous research has emphasized the failure of the Fairtrade certification to address the local context in the implementation. The observed translation of the fair trade idea in the field could be seen as a successful adaption of the Fairtrade certification to the local contexts of the production region for OHT and especially the struggles on Darjeeling tea plantations. However, the tendency to translate the fair trade idea in a manner that supports the owners of the plantation suggests otherwise. The communication of the fair trade idea can, like the Fairtrade certification, be seen as buyer driven, top down process, with the targeted beneficiaries of the fair trade projects being the last ones that are learning what fair trade is and what it aims at. The top down approach of the Fairtrade certification and communication results in a translation of the fair trade idea from conception in Western countries along the value chain to the producers in the global South. Anyone who encounters the fair trade idea before the beneficiaries (i.e. traders, plantation owners and managers) can rearticulate the fair trade idea in a way that suits themselves. The resulting translation renders the fair trade idea beneficial to the continuation of business as usual, removing the emancipatory possibilities of Fairtrade through laying it in the hands of the guardians and beneficiaries of the incumbent trade structure.

9.2 Power cube

Second, the implementation of the Premium was analyzed through the power cube lens to *investigate if and if so, in how far the interventions of Fairtrade create new arenas for decision making in the GPN for OHT.* Furthermore, the power cube analysis tried to assess how the intervention and the new arenas for decision making *can indicate a shift the power relations in the GPN for OHT between producers (i.e. plantation workers or small farmers), traders (i.e. plantation owners), Fairtrade retailers and conscious Fairtrade consumers in the global North.*

Table 12 summarizes in column one the general findings that are constraining the implementation of the Premium. Column two highlights the varying power implications through the shift of the bargaining arena over the existence and the amount of the Premium that results from the constrained implementation of the Premium. In column three one specific example of the effective power relations in the Premium are summarized to show how the implicated power shifts in the constrained implementation of the Premium can in effect influence the ability of producers to independently decide over the existence, amount and finally the spending of the Premium.

Table 12: The general findings constraining the implementation of the Premium and their power implications analyzed through the lens of the power cube. The arrows (→) indicate that the shift in the dimensions of the power cube indicate only a direction of change but not a measurable interval of change.

Findings	Power implications	Effects on power relations
Buyer driven	**Level**: → global **Space**: →created by and for consumers, →closed for producers	Consumer decide on the existence as well as the amount of the producer welfare through their consumption of Fairtrade certified OHT.
Low % of certified sales	**Level** → global/national **Space**: →closed for Fairtrade producers, controlled by owners	Small farmers and plantation workers depend **owner's goodwill to access** the Fairtrade markets for the Premium to flow.
Premium recipients don't hold the certificate	**Level**: →local/nation **Space**: → closed space for Fairtrade producers and consumers	Small farmers and plantation workers depend on **owner's goodwill to consent** on Premium investment in order to continue the payment for the Fairtrade certificattion.
Retailers: personal connections valued higher than Fairtrade certificate	**Level**→ local **Space**: → closed	Small farmers and producers depend on **owner's goodwill the to maintain** the certificate, because various Fairtrade strategies lower the pressure for producers to comply with Fairtrade.

The analysis of the Premium through the lens of the power cube links general findings surrounding the implementation of the Fairtrade certification in the context of OHT with theoretical considerations of the power relations inherent to the design of the Premium and the empirical findings of one specific power struggle over the just investment of the Premium. The creation of new locations for decision making through the Premium are analyzed to understand the interaction of Fairtrade with power relations between plantation workers or small farmers and plantation management and/or plantation owners. The analysis with the lens of the power cube indicates that considering the plantation owners as producers in the case of OHT results in undesirable interactions of the Fairtrade certification and Premium with local power relations.

- The certification process is a buyer driven and top down process. The buyer driven process is intended in the design of the Fairtrade certification. It has been mentioned in earlier studies surrounding Darjeeling and Fairtrade (e.g. Besky (2014)) that this focus on the consumer recreates colonial dependencies in production and trade from agricultural products. The buyer driven and top down functioning of Fairtrade should enable consumers to influence the wellbeing of producers.
- The low demand for Fairtrade OHT shows the vulnerability of the Fairtrade project to the consumer decision. With less than 10% of the Fairtrade certified tea being sold Fairtrade certified the influence of Fairtrade on the producer region is diminished tremendously. The low demand compared to the high production in Fairtrade certified OHT creates a major challenge for Fairtrade certified producers to sell their tea in certified markets. The challenge to sell certified products relocates the decision over the

amount of Premium to the success of the plantation owners to sell their Fairtrade certified tea on the Fairtrade market. Neither the plantation workers nor the Fairtrade certified small farmers selling to a Fairtrade certified bought leaf factory have a say or even and idea of who buys their tea and if the plantation owner tries their best to sell it Fairtrade certified. The decision about where to sell the Fairtrade certified tea is taken board rooms of plantation owners. This represents a shift of the power relations towards closed spaces for plantation workers, who are the sole beneficiaries of the Premium.

- The ownership structure in Darjeeling tea production with multiple plantations belonging to the same company brings a challenge to the value chain certification. Through the buyer driven nature, plantation owners become certificate holders. Most plantation owners possess more than one plantation. Often not all of the plantations are Fairtrade certified. In this setup, the plantation owner decides which plantation to certify and which tea to sell where, theoretically gaining the influence on the existence and amount of Premium payed to specific plantations. Decisions of plantation owners where to direct the Premium can be understood to take place in closed space for consumers and producers, located somewhere between the local and the global.
- The competing manners of Fairtrade that exist in the GPN for OHT decrease the gains producers can achieve through Fairtrade certification as well as the pressure for producers to be certified Fairtrade to access certain markets. With retailers creating their own fair trade projects which are independent from the Fairtrade certification, the decision to certify plantations and carry the cost of certification is further shifted towards the owners of plantations. The owners of plantations can be understood to represent closed space for decision making, located somewhere between the local and the global, out of reach for producers as well as consumers.
- The empirical findings have been contrasted to one case specific example of power struggles between SPO producers and their respective owner of the Fairtrade certificate. The comparison of the empirical findings with the case example have solidified the insight that the location for decision making about the Premium are located on regional level in closed spaces with view influence for producers and consumers. Furthermore, the case example shows that Fairtrade certification is a strategic process. It is carried out to remain access to specific markets and terminated when the gains of market access are surpassed by the cost of certification and empowerment of the labor or small farmers.

The analysis with the lens of the power cube suggests that the implementation of the Premium is highly influenced by its interaction with existing power relations in the tea market for alternative OHT in general and the local ownership structure in Darjeeling specifically. The presented evidence from the GPN for OHT suggests that interaction of the Premium with existing trade relation and power structures is neither as straight forward nor as much in favor of workers and small farmers

In regard to the research sub question two, the research shows that among others, the Premium creates new arenas for decision making over the existence and the amount of Premium created as well as the just investment of the funds obtained from it.

In regard to sub question three, the presented research shows a clear tendency to shift the location of decision making towards closed spaces located somewhere between the local and the global through the Fairtrade certification in the case for OHT. This finding lies in contrast to the implicated shift of the location of the arenas for decision making in the design of the Premium.

9.3 Comparison of the power-as-translation and the power cube analysis

Distinct similarities become evident when comparing the analysis from the power cube with the analysis of the power as translation. Both of the analyses show that fair trade enables the guardians and beneficiaries of the incumbent trade structure.

The power over the translation of the fair trade idea has been indicated to lie with the owners of plantations and plantation management. In obvious cases the management has forbidden the Fairtrade Associate Principal to speak about certain topics of fair trade during the trainings on their plantations. The translation of the fair trade ideas becomes even more important because of the empirical finding that very view material benefits are delivered to the plantation workers and management. In some cases, all what the workers are left with is the idea of fair trade that is communicated with them.

Further, the Premium's pull of the bargaining process over welfare for workers and small farmers to a *supra local level* and towards *closed spaces* takes away the power from the workers and small farmers to demand adequate welfare on *local levels* and in *created spaces* such as mobilizations through labor unions or political ventures.

Similarly, the two analyses suggest that the consumer neither has a direct say in how the idea that he supports through consuming Fairtrade is translated on site nor which specific projects are supported locally. Thus, the focus on the power relations in the implementation of Fairtrade suggests that the power of the consumer is smaller than indicated in its design.

Combining the presented findings with previous research, three fruitful comparisons and extensions can be drawn.

9.4 Comparison with exiting research

First the lack of knowledge about fair trade amongst workers on Fairtrade certified plantations can now additionally be seen as a result of the limited funds that are available in the production region for OHT, where only 5-10% of the funds are available compared to the ideal Fairtrade situation. Theoretically, ten-times more value transferred through the Premium could impact the producer communities. With over 90 % of the Fairtrade certified tea being sold Fairtrade certified like for example in Fairtrade Bananas, the knowledge gap amongst workers about Fairtrade might be erased as projects carried out through Fairtrade could affect all of the plantation workers in a meaningful manner. With this new insight in a systematic deficit on Fairtrade certified tea, it is possible to suggest solutions to the problem of lack of knowledge that has already been identified by Besky (2008, 2014, 2015, 2016) and Sen (2007, 2009), without discrediting the Fairtrade idea as such. One solution that has been suggested in an interview by the Chief Markets Officers of the NAPP is the continuation of mainstreaming Fairtrade and incorporating companies such as Tata, Tetley, Unilever, and Starbuck in the Fairtrade system to increase sales and therefore the Premium flow. As the sales are never guaranteed, another solution to the mismatch of certified production versus production could be the refocusing of Fairtrade to its key stakeholders, namely small farmers.

Second, in the preceding research, the Joint Body or what now is the FPC has been described as controlled by management, staged, not political, and not representative. Whereas the election process of the Joint Body has not been examined, the political capabilities of the FPCs have been shed new light upon through the focus on power

as translation. This Master's thesis has shown that the former accusation of a not political capable Joint Body has until the time of the field study been changed to a translation of the fair trade idea as depoliticizing. What has been identified as an underachievement of Fairtrade by researchers 10 years ago has been turned into one major achievement by Fairtrade practitioners and plantation owners in the meantime.

Third, the conflict surrounding the creation of a factory by GRSVS to process their own tea is in line with Makita's (2012) analysis of Fairtrade's interaction with the existing patron-client relationship. It is not possible from the standpoint of this research to judge whether the opposition of TPI towards the factory if justified and eventually more beneficial for both of the actors. What can be seen however, is that the patron client relationship is continuing and is even reinforced through Fairtrade.

9.5 Limitations and outlook

A limitation to the findings of the research is the focus on only a limited number of four Fairtrade producer trainings as well as the close observation and interviewing of only one Fairtrade certified plantation owner. Therefore, only one company specific relation between management and workers during the Fairtrade trainings could be observed. However, the actors studied in the research are of major importance on how Fairtrade is implemented. First, the owner company studied is the major producer and trader in Fairtrade certified tea and has in addition to that a specific focus on ATOs. Second, there is only one Fairtrade Associate Principal responsible for Fairtrade OHT. Third, through the close shadowing more impressions could be gained than just through interviews to range the impressions according to their generalizability.

Further, limiting to the research findings is the isolated analysis of Fairtrade as a means of improving the conditions in tea production. It has not been investigated how feasible specific alternatives, such as the government, labor unions, and collective bargaining are to create adequate welfare for plantation workers and small farmers. The focus on more than one influence on workers' welfare in tea production would exceed the reasonable scope of a one year Master's thesis project.

The limitations influence the generalizability of the findings. The reported interactions of Fairtrade with local power relations are by no means a globally reproducible. Nevertheless, The integration of the case study approach, the power cube and the power as translation framework as operationalization of power makes it possible that the observed events can be seen not as a peculiar oddities but as a general influence of fair trade on the GPN for OHT. Therefore, the findings of the presented Master's thesis motivate to deepen the understanding of the interaction of VSSOs with power relation in trade and production. This understanding is equally important for the successful implementation voluntary standards such as Fairtrade as well as for research that tries to understand the social and developmental dynamics of contemporary capitalism.

As the presented Master's dissertation has shown, many power struggles over the Premium and the meaning of Fairtrade are only understood when embedded in the local context. Often Fairtrade was blamed to impose a system that has been invented in central and South America to Darjeeling, where history has unfolded differently. Thus, for further research it would be extremely interesting to deepen the knowledge about the interactions of VSSOs with local power relations in the heartlands and main products of Fairtrade to contrast it with the already existing findings.

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Appendix

Appendix 1: Flowchart “Follow the Thing”, successful contacts and paths.

Entry Points	Details (German/English)	Date (1)	Answer / next step	Date (2)	Answer / next step	Date (3)	Answer / next step	Date (4)	Answer / next step	Date (5)
Coop		11.11.16	Warten	18.11.16	Warten	21.11	Forwarded to GDG Schütte			
Migros	In house company Bina responsible for tea	11.11.16	Forwarded to Bina	17.11.16	Forwarded from Bina to Hälsson & Lyon					
Max Havelaar	Swiss NFO	15.11.16	Rceived various informations on value chains connecting Switzerland and Darjeeling	28.11.16	note of thanks and request for local contacts	29.11.16	Forwarded to FLOCERT India and Fairtrade NAPP			
Gebana	Sells Fairtrade Darjeeling tea	11.11.16	Warten	18.11.16	Fairtrade tea not important for Swiss market therefore Gebana buys from Gepa - forwarded to Gepa					
Gepa	Wholesaler and retailer for various Fairtrade products. Largest German ATO	19.11.16	Buys tea from TPI, might buys tea from SAGRO from Nepal	01.12.16	Forwarded to and introducy to TPI CEO	09.12.16				
Equal Exchange	Large US ATO, buy tea from TPI from the field site	17.11.16	Contacting sales team with request	27.11.16	Forwarded to supply chain manager in tea	29.11.16	forwarded to TPI	02.12.16	Introduced to TPI from Equal Exchange	
Tea promoters India	Seems to be major retailer in Fairtrade Darjeeling tea	28.11.16	Introduced to TPI through Gepa	02.12.16	Successfull contact, interview appointment scheduled for 18.1					
Fairtrade Napp		01.12.16	Contacted Fairtrade Associate Principal with the aim to get the chance for an interview	05.12.16	Multiple interactions	21.12.16	Last contact. 6, 7, 9, 10 January are fixed for producers visits. I will be picked up at NBU.			
Haelssen-Lyon		19.11.16	Awaiting Answer	01.12.16	put of	07.12.16	sent reminder	17.12.16	sent reminder and more or less immediatly got a contact to ambotia	
SAGRO		28.11.16	contacted with the aim of a meeting between 28.12 and 31.12	05.12.16	sent reminder	30.12.16	hotel boss managed to call by phone and arrange appointment for the afternoon.	01.01.17	second meeting & takin pictures	03.01.17
Teekampagne		12.12.16	first contact and waiting	25.02.16	forwarded to Projektwerkstatt	12.05.17	Phone interview with Projektwerkstatt			

Appendix 2: Flowchart “Follow the Thing”, unsuccessful contacts and paths.

Entry Points	Details (German/English)	Date (1)	Answer / next step	Date (2)	Answer / next step	Date (3)	Answer / next step	Date (4)	Answer / next step	Date (5)
TeeGschwendner	Largest franchise retailer for solely tea. Supports their own project in Nepal	11.11.16	First contact and waiting	18.11.16	positiv, my request has been forwarded to the boss	07.12.16	waiting, sent a reminder	17.12.16	waiting, sent a reminder	02.02.17
ETP (Ethical Tea Partnership)	coorporate initiative to improve conditions in tea production	28.11.16	first contact and waiting	07.12.16	waiting					
Ambootia tea Group	owns various Fairtrade certified plantations	21.12.16	waiting	04.01.17	waiting					
Forum for the Future	coordinates a idustry wide initiaitve to assess and tackle future challenges	17.11.16	waiting	28.11.16	no useful information and no willingness to cooperate					
					Nächster Schritt: spezifische Fragen zu Tea2030 formulieren					
Teekanne		17.11.16	first contact and waiting	28.11.16	waiting	01.12.16	negative			
Deutscher Teeverband		17.11.16	first contact and waiting	28.11.16	waiting	01.12.16	waiting, sent a reminder	07.12.16	weird answer, no willingness to cooperate	
GDG Schütte GmbH	wholesaler in tea and spices	01.12.16	waiting	27.11.16	negative					
Flocert		11.12.16	waiting		contact to auditor not possible					
FLOCERT India		21.11.16	waiting	28.11.16	contact to auditor not possible	17.01.17	phone call, contact to auditors still not possible			

Appendix 2: Semi structured questionnaires

Semi Structured Interview Question guidelines for the Tea Value Chain

This questionnaire is designed for companies working along the value chain, exporting teas from Darjeeling / Ilam to international consumers.

The goal of the interviews is to understand the functioning of the value chain for tea from production until the wholesaler. A focus will be placed on possible dependencies, power brokers and gate keepers.

Always remember: ask for specific answers that are "documented" or "proven" through experiences of the interviewee or the organization he works for. Don't settle for general answers.

Person

As an introduction, I want to get to know the person just a little bit to get trust and try to assess the interviewees attitude towards me, fair trade, and tea production in general.

Name: _____ Organization: _____

- Function: What is your role at _____?
- How long have you been working for _____?
- Chores: What kind of duties bring this role to your everyday work?
- Education: What path in terms of education did you take, in order to get that position?
- What other jobs or experiences do you have that are now useful for your work in tea business?
- Further notes concerning the person:

Work

In this part of the interview I want to gain an understanding of the company and its position in the market for Darjeeling tea.

- What is a short history of _____ ? can you give some numbers?
- What kind of ownership does the _____ have?
- What are the activities carried out at _____; can you describe them shortly?
- What is the size of your company compared to others? (ask towards the end whenever trust has been built up):
    - How many people do you employ?
    - How much tea do you "produce"?
    - What is your annual turnover? / earnings?
- Further notes concerning the company and its position in the tea market for OHT:

Input / Supplier

This is the first section that should give me insights about the coordination along the value chain. I want to figure out what is important for producers to work together with the given company and thus be integrated in a GVC for tea.

- Who do you buy your tea from?
- How do you make sure that your tea is "Darjeeling"?
- What shapes the decision to work together with such partners? / Along which criteria do you select partners? (e.g. finance, geographic distance, quantity, quality)
- Are there any disqualification criteria?
- How is the connection between you and your suppliers shaped
    - Are there contracts (written / verbal)?
    - What possibilities of actions do you have, when contracts are not abided?

    - Are there fixed prices / margins?
    - Who decides on the quality of the tea?
- How do you perceive the relationship between your suppliers and yourself?
- Further Notes concerning Value Chain in upstream direction:

Output / Customer

In this part of the Interview I want to figure out how the interviewee connects the producers and the consumers

- What are your partners, that you sell your tea to? I have contacted you through _ _ _ _ _ _ _ _ _ _ _ _ but are there other types of output like direct sales, internet shops etc.?
- How do you find partners / customers to supply with Himalayan / Darjeeling Tea?
- What kind of contracts exist between you and your customers that you supply with tea? (Are they written / verbal ; annual / long term ; flexible to changes in production? Etc.)
- How is the financial connection to your customers? (Direct sales in cash, regular payments, payments per shipment?)
- What are the criteria to work together with certain customers? (Do you select your customers or do they select you?)
- What roles play the following factors while selecting customers:
    - Financial liquidity
    - Geographical proximity
    - Quantity demanded
    - Quality demanded
    - Further?
- How can you guarantee your customers, that your product is Himalayan / Darjeeling tea?
- Where do you see your main competition? Other teas, other exporters, other labels?
- Further notes concerning downstream connection interviewee:

Regulatory surroundings

In this part of the interview I want to find out, what rules and regulations that are not set by the interviewee itself hinders the market integration of alternative modes of production, such as the rules by the government or voluntary standards

- Can you shortly describe the regulatory surroundings (public & private) that your activities in the tea value chain (green leave production, processing, transport, packaging, export, etc.) is embedded in and how these rules affect the cooperation with suppliers as well as customers.
- In your opinion: What roles does the Indian Tea Board play and could it do more for (the workers, the planters, the traders) or should it do less in order to have a more optimal / fair tea production environment?
- In your opinion: What roles does politics play in Tea? Are plantation owners important politicians, is tea production a political topic? (are there any political campaigns that try to influence tea production?)
- Are there any industry associations that shape tea production, processing and trade? (e.g labor unions, export committees etc.)
- What are other important actors that set rules and regulations in tea production and trade?
- Further notes concerning the regulatory surrounding of tea production.

Market assessment.

When we can understand the current market situation it might be easier to identify possible modes to integrate cooperatives in the global tea market or raise their position in the current market that they are in.

- In your opinion: What is a fair price for tea?
- How has the “tea crisis” and the introduction of certifications manifested itself in the workings of _____ or of you own personal activity?
- What are the main challenges that you are expecting for the development of the tea sector in the coming 20 years? (have you heard about the tea 2030 project and what is your opinion on that?

- Where do you see the future outlet market for tea made in alternative modes of production (cooperatives, fair trade, worker owned plantations etc.)?
- Who do you think right now takes the biggest share of the value created in the tea value chain and how can this margin be more "equally" or "fair" distributed?
- Do you see any structural deficiencies in the tea value chain that need to be abolished or altered in order for it to work more efficiently?
- Can there be a "fair" production of tea on plantation and how do you see the difference between production on plantations vs. in cooperatives?

Snowball Questions

Here I want to check my value chain in order to verify it and to get access to new interview partners.

- What do you think about my value chain for tea, that I have drawn and the actors I have Identified? Is something very important missing?
- Who do you suggest me to talk to to gain further information on still open / more interesting points?

Appendix 3: Overview of acquired data

Table 13: Semi-Structured interview participants

Name	Profession & educational background	Organization	Location & date of interview
Shemale Banknote Taifudi Banknote Rajiv Lama	Shanta: Manager, Resposible for all the certification issues. Tara Manager: Responsible for packaging and marketing. Rajiv Lama: Co-owner, head of sales and marketing.	Shangrila Agro World (SAGRO)	Company headquarter, Kathmandu, Nepal 30.12.2016 and 31.12.2016
Fairtrade Associate Principal	Education: Studied commerce; profession: Fairtrade associate principal. Since 6 years. Before: Consultant and trainer for a church NGO in the region.	Fairtrade Labelling Organization (FLO) Aisa and Pacific Producers Network (NAPP)	Various. 6.1.2017-10.1.2017 and 13.2.2017
Amit Das	Education: Studied Finance; Professiona: Fairtrade executive officer. Since 1.1.17. Before: Consultant and trainer regarding financial literacy of small scale farmers.	Fairtrade Labelling Organization (FLO) Aisa and Pacific Producers Network (NAPP)	Various. 6.1.2017-10.1.2017 and 13.2.2017
Nareen Radesh	Education: Tea College; Professional: General Manager in diverse tea plantations since 45 years. Manager of the first organic certified tea plantation. NAPP board member.	Tea Promoters of India NAPP	Various. 6.1.2017-10.1.2017
Pendeedra Supran	Senior Programme Officer WWF-India	WWF Darjeeling; “Project Serve”	WWF office, Darjeeling, India. 13.1.2017
Vivek Gurung	Education: Studied Commerce; Professional: Tea farmer and hotelier. 15 expertise as organic internal contrl systems trainer and consultant in	Golden River Sanjukta Vikas Sanstha (GRSVS)	At Home, Golden River, Darjeeling, India. 13.1.2017 and 14.7.2017

	community building.		
GRSVS	Committee:	Golden River Sanjukta Vikas Sanstha (GRSVS)	At Thathagata Farm, Golden River, Darjeeling, India. 14.1.2017
Rabin Magar	Core staff since 2008	DLR Prerna	DLR Office, Darjeeling, India. 14.1.2014
Bimal Rai	Professional: Director of TPI. Previous: UN food Program. Education: Bachelor in Agriculture, Masters in Development Economics.	Tea Promoters of India	Company Headquarter, Kolkata. 18.1.2017
Rashesh Rai	Senior Director TPI	Tea Promoters of India	Company Headquarter, Kolkata. 18.1.2017
	Factory Assistant Manager	Castleton Tea Garden, Goodricke	Castleton Tea Estate, Kurseog, India. 23.1.2017
	General Manager	Castleton Tea Garden, Goodricke	Castleton Tea Estate, Kurseog, India. 23.1.2017
Binod Banerjee	Professional: In the teas association (Assam and Darjeeling) since 21 years. Education: Military Officer	Darjeeling Tea Association (DTA)	Private house, Darjeeling, India. 23.1.2017
Tamarant Acharya	Project Director for Darjeeling	Tea Board of India, Darjeeling division	Office, Darjeeling, India. 26.1.2017
Rabin Rai	General Secretary	Central Tea Cooperative Federation Ltd. (CTCF)	CTCF headquarter, Ilam, Nepal. 29.1.2017 and 4.2.2017

AA Naryan	General Manager	Kanchenjuga Tea Estate, SAGRO	Managers Office, Phiddim, Nepal. 20.1.2017
Bubat	Staff at NTCDB Fikkal; BA tea technology and management, 2015	Nepal Tea and Coffee Development Board	NTDCB office, Fikkal, Ilam. 1.2.2017
Tumquat	Staff at NTCDB Fikkal; BA tea technology and management, 2015		
Udaya Acharayan	Entrepreneur in tea, owner of gorkha tea estate and factory.	Gorkha tea estate	Gorkha tea estate office, Fikkal, Ilam. 2.2.2017 – 4.2.2017
Chief Markets Officer	Chief Markets Officer	Fairtrade NAPP	Biofach, Nürnberg, Germany. 16.2.2017
Barbara Strasser	Professional: Poject Coordinator; Education: PhD in business economics	Projektwerkstatt, Teekampagne	Phone Call. 12.5.2017

Table 14: Not structured interview participants

Arnold Schwarzeneger	Product manager	Bina	Phone Call. 2.11.2017
Tea Garden Worker	Staff	KTE	Raintar, Phikkal, Nepal. 30.1.2017
Tea Garden Assistant Manager	Supervising staff	KTE	Raintar, Phikkal, Nepal. 30.1.2017
Tea Garden	Implementing certification requirements	KTE	Raintar, Phikkal, Nepal. 30.1.2017

Assisten Manager			
	Secretary	CISTA	His house, New Jalpaiguri. 12.2.2017
	Board Member, Former Bank of India Manager		His House, New Jalpaiguri. 12.2.2017
IPD	Coordinater of the Import Promotion Desk (IPD) at Biofach	GIZ	Biofach, Nürnberg Germany. 16.2.2017
Melanie Oberholzer	Co-Founder and Co-Owner	Heuschrecke	Biofach, Nürnberg Germany. 16.2.2017

Table 15: Shadowings

Fairtrade Producers Training	Tumdong Tea Workers Welfare Committee. 6.1.2017
Fairtrade Producers Training	Shelobeong & Selimbong Fairtrade Premium Committees. 7.1.2017
Fairtrade Producers Training	Kumagong & Selimbong Fairtrade Premium Committees. 8.1.2017
Fairtrade Producers Training	Coupell Fairtrade Premium Committee. 10.1.2017
Dinner	CTCF, Agriterra, Maas International. 31.1.2017

Appendix 4: Code structure - power cube

- politics
  - trade unions
  - empowering
  - corruption
- small farmers
  - Small farmers as selling argument
- Employment as support
  - we reopen gardens
  - better than notching (lockout)
- Empowerability
  - education as key
  - infuenced/controlled by the owners
  - not capable (yet) enough to be empowered?
  - FPC as too complicated to empower
  - lack of motivation for empowerment
- Outmigration / Absenteeism
  - people dont want
  - resulting from colonial plantation structure
  - as the main challenge
- Government
  - labour standards / PLA
  - social costs
  - wage bargain
- Private Governance Schemes
  - Fairtrade
    - challenges
      - information transfer
      - certification cost
      - missing sales
        - indian market as a solution
        - a fact
        - market not ready
        - "buyers" are not certified (not trusted?)
    - claimed achievements
      - Colonial history, present or changing?
      - transmitting Fairtrade ideas
      - no achievements / not relevant achievements
      - access to the tea communities
      - "enforcement" of (government) set standards
      - relationship
    - "history of fairtrade"
      - SPO vs HL
      - "improvement of organization"
    - How do the victims see Fairtrade?
      - handouts
      - premium money
      - not "prominent"
      - something to be developed by
      - something to learn from
      - something that has to be done
      - not beneficient
    - Training
      - management influence
      - information about fairtrade idea
      - information about rights and entitlements
      - focus on community
      - (self)responsability
      - nothing concrete
      - no improvement since last visit
      - frequency
    - What does Fairtrade ant to achieve?
      - stability
      - depolitisation
      - increase welfare of community
      - the communication of the fairtrade ideals
      - a change in culture
      - build independency
      - evolve from the workers mentality
    - Premium money
      - for infrastructure (for everyone)
      - elite capture
      - foreign funds
      - amount-too low
      - distributed / used as money / goodies
    - motivation
      - buyers demand
      - market access / marketing
- VC /GPN notions
  - value capture
  - depending on middleman / shortening the value chain
  - lead actors
  - Power / Dependancy
    - owners - small farmers
    - research - Fairtrade / FLOCERT
    - owners - ngo
    - owners - workers
    - premium: owners - workers
    - fairtrade - owners
    - power over

Appendix 5: Code structure – power as translation

- Private Governance Schemes
  - Fairtrade
    - challenges
      - information transfer
      - certification cost
      - missing sales
        - indian market as a solution
        - a fact
        - market not ready
        - "buyers" are not certified (not trusted?)
    - claimed achievements
      - Colonial history, present or changing?
      - transmitting Fairtrade ideas
      - no achievements / not relevant achievements
      - access to the tea communities
      - "enforcement" of (government) set standards
      - relationship
    - "history of fairtrade"
      - SPO vs HL
      - "improvement of organization"
    - How do the victims see Fairtrade?
      - handouts
      - premium money
      - not "prominent"
      - something to be developed by
      - something to learn from
      - something that has to be done
      - not beneficient
    - Training
      - collective financial management
      - management influence
      - information about fairtrade idea
      - (loose) atmosphere
      - participants in the focus
      - information about rights and entitlements
      - focus on community
      - (self)responsability
      - nothing concrete
      - no improvement since last visit
      - frequency
    - What does Fairtrade ant to achieve?
      - stability
      - depolitisation
      - increase welfare of community
      - the communication of the fairtrade ideals
      - a change in culture
      - build independency
      - evolve from the workers mentality
    - "Individual" translations of the Fairtrade Idea
      - baught pittances
      - money redistributed along the VC / fair wage
      - documentism
      - distribution of goodies
      - sales guarante - "sustainability for producers"
      - buying = supporting of "a special kind of people"
      - western influence
      - transparency
      - making the relations better
      - depolitication
    - compliance
      - auditors as key
      - confident / misterious
      - premium money
      - organization / information
    - Premium money
      - for infrastructure (for everyone)
      - elite capture
      - foreign funds
      - amount-too low
      - distributed / used as money / goodies
    - motivation
      - buyers demand
      - market access / marketing
    - effort
      - high
      - organization

Appendix 6: Actors in the global production network for orthodox Himalayan tea

Table 16: Actor description - western orthodox tea consumers

Actor Groups	Players	Description
		Western orthodox tea consumers
Retailers		Retailers are differentiated according to their specialization. Three different groups of retailers are specified. First there are retailers that focus on the sale of fair trade products. Fair trade is the core of their enterprise philosophy and they only sell products that comply with either standards set by certification agencies or themselves. The story of the product and its producer is a key component of the product quality. Most of these retailers emerged in the founding time of the fair-trade movement between 1970 and 1980. Second there are retailers that focus on a specific commodity. In the presented analysis, commodity specific retailers are those that solely sell tea. Tea here is no limited to the camillia sinensis leafs and its different forms of fermenting but can also include herbal teas. Third there are retailers that sell everything. Selling everything is core to the strategy of supermarkets. Many of them sell Fairtrade certified tea from the area of the cases study.
Fair trade specific retailers	Gebana	Gebana is a company based in Zürich, Switzerland that was founded out of the project "Gerechte Bananen" that has been portrayed as the first project to create something like the Premium, when a group of world conscious women bought bananas at the supermarket to resell them at a higher price that was transferred the producer in order to increase their well-being. Gebana engages in retailing and trading of products from specifically selected producers in whom they invest for them to become their long-time trading partners to create sustainable development. Core to their philosophy is the "direct way" by what they mean that their suppliers should not be replaceable. This lies in contrast to conventional terms of trade where suppliers are chosen according to current deals they offer. Because tea from the camillia sinensis plan is not an important consumer good in Switzerland, all the tea sold by Gebana is sourced through Gepa Germany, relying on their expertise with producing communities and trading partners to source fairly produced and traded tea.
	Gepa	Gepa – The fair-trade company portrays themselves as 100% fair, putting the fight against decreasing prices that for products and thus income for producers at the forefront of their activity. Founded in 1975 and sponsored by "aej", "Brot für die Welt", "BDKJ", "Miseror" and "Die Sternsinger" their second business imperative is 100% not for profit. Thus, putting itself behind the larger goal of achieving a fair mode of trade. Gepa is seen as a pioneer in pursuing fair trade and promotes itself as achieving more than just complying with the standards set by "common fair trade certifications".
	Equal Exchange	Founded in 1986 Equal Exchange is a younger fair trade retailer which was founded out of activist ideals to challenge the unequal mode of trade. The activist past still lingers along in the blog "small farmers – big change" that is supported by equal exchange and portrays the stories of the small farmer producers that are responsible for the growing of the products sold through Equal Exchange (Equal Exchange, 2017b). Equal exchange is a vociferous participant in the discussion about what fair trade is and what the labels and certifications are doing to the fair-trade movement (Besky, 2015). The companies' views have been published in a graphic novel called "The history of *authentic* Fair Trade".
	Heuschrecke	Focusing mainly on herbs, spices and tea, Heuschreck is a part of the "Naturkost" movement that emerged in the 1970ies and sees a fair mode of trading as a responsibility towards the environment as well as the humans populating it. Thus, organic production goes hand in hand with fair modes of trading: "Leben, Arbeiten, Handeln im Einklang mit der Natur bedeutet mehr als der Verzicht auf synthetische Mittel. Es ist auch Kommunikation und Vernetzung, Verbindlichkeit und geteilte Sorgen und Freuden zwischen Händler und Produzenten, inzwischen auch über mehrere Generationen hinweg" (Heuschrecke Naturkost

		GmbH, 2015) Personal relationships between producers and consumers are an important part of Heuschreckes business model as they are portrayed prominently on their website (Heuschrecke Naturkost GmbH, 2015).
Tea specific retailers	Teekampagne	Teekampagne is the single largest importer of Darjeeling tea importing and selling around 400 tons of Darjeeling tea in Germany. Their business model is special because the only product they sell is Darjeeling tea and it is sold as loose tea in wreaths of 1kg. While fair trade is stated to be of importance to the business guidelines and more than 50% of the expenditures are payments to the producers, the main focus is on the quality of Darjeeling tea and the creativity of the retailing model for an efficient mode of trade.
	TeeGeschwendner	Tea is at the heart of TeeGeschwendners operations. Quality, food safety, expertise as well as the independent franchise model are valued higher than a fair mode of trade in the business' own guiding principles. TeeGeschwendner is the leading franchise retailer for high value specialty teas in Germany. Out of the 130 franchise shops many are outside Germany, mainly in Switzerland and Austria but also in the middle east.
General supermarkets	Migros, Coop, Lidl, Aldi	All of the mentioned supermarkets are active in Switzerland and selling consumer goods and especially food in different value segments to the customers. All of them sell tea from the field study area that are Fairtrade certified.
Traders & Blender		Traders neither engage in production nor in retail of tea products. Very often the process of blending is taking part with the trader in the GPN. For blending, tea is bought from different production location and qualities and engage in mixing the different teas in order to blend them to obtain a constant taste for the tea they sell to their customers.
	Hälsson & Lyon, GDG Schütte, Scheibler, Kloth	All traders that were encountered were responsible for supplying Fairtrade certified teas to any of the supermarkets. All of the encountered traders were specializing in tea products, while some only sold tea, others focused on spices additionally. None of the tea or fair trade specific companies investigated is depending on traders as means of acquiring their products.
The State		The role of the state in economic governance as a regulator but also promoter of certain activities is well recognized in the literature on development. In principle, state regulations can extend from labor and land issues to financial markets, and from health and safety issues to environmental concerns. On the promotion side, the interventions by the state range from direct investment in firms to favorable industrial policies and sector or even actor specific subsidies for activities that are decided to need the support of the government (Yeung & Coe, 2015, p. 47&48). While there are various interventions, in regulation and promotion, through which they influence operation in tea production, trading and consumption focus is given foremost to interventions identified by the interview partners that are regarded as meaningful. Secondarily, focus is given to tea and development specific interventions.
	Customs and food safety authorities	Maximum residue levels are adopted in order to ensure the food safety of tea and thus the health of consumers. MRLs limit the residue of certain chemical substances in tea that can be sold in the targeted market. As 100% of the Darjeeling and Nepal tea consumed in Western countries is imported, MRLs of intended destinations are very relevant for Darjeeling and Nepalese tea producers. MRLs can be seen as a form of non-tariff barriers that restrict trade with Darjeeling tea.

Civil Society Organisations		Civil society organizations have flourished as a response to the failure of pre-1980 development practice with the state as a driver for development. Civil society organizations as the main bearer for development incorporate anything that exists between the state-marketplace-family nexus, engaging in advocacy, support/aid and regulation. Thus, civil society organizations can be additions to as well as challengers of existing regulations, supports/aid and advocacy that is already executed through the state government, economic actors as well as social structures such as families and tradition. Because these challenges always appear under the name of a "civil society" there is special need to see civil society as a contested political space where different groups seek to influence public policy. For the encountered civil society organizations, the dimensions "advocacy" and "support/aid" are discriminated. As anything that aims at the regulation of economic activities inside the GPN for OHT is seen as standard setting and therefore is gathered in the "voluntary sustainability standards setting organizations (VSSSOs).
advocacy	Brot für die Welt, Solidaridad, Action Aid, Miseror	The main activities for NGOs operating in the consumer countries in order to achieve a more socially and environmentally sustainable mode of tea production are advocacy campaigns in order to highlight the production conditions under which the tea stemming from India and Nepal is being produced. These advocacy campaigns are often linked with fundraising campaigns where international civil society organizations engage in further activities.

Table 17: Actor description - voluntary sustainability standards-setting organizations.

Actor Groups	Actors	Description
		Voluntary Sustainability Standards-Setting Organizations (VSSSOs)
Voluntary Sustainability Standards- Setting Organizations (VSSSOs)		Voluntary Sustainability Standards (VSS) are regulations created by non-state actors to improve the social and/or environmental impacts of multinational business, international trade, and/or GPNs. VSSSOs refers to the organizations that are setting but not controlling these standards (Bennett, 2017). VSSSOs are discriminated according to their focus either for the environmental or social conditions they are addressing. Additionally, tea specific standards are singled out. Tea specific standards address either social, environmental or both but are limited to the production of tea from the camillia sinensis plant.
Social / economic sustainability standards		VSS with a focus for a socially and economically sustainable production are characterized by interventions that aim at increasing value creation and/or capture in production. Core features are premiums and minimum prices. Furthermore, trainings can be carried out in order to improve capabilities for producer to further increase their share at value capture.
	Fairtrade International Labelling Organization	FLO is a jointly set up body, initiated by different fair trade initiatives from various consumer countries in the global North. FLO grounds on its framework of generic standards, differentiated for traders, smallholder production and plantations, complemented by product-specific criteria where appropriate. For smallholder production, standards for farmers' associations and cooperatives set criteria for a democratic participative structure. For plantations and cooperatives employing workers, labor standards include freedom of association, criteria for wages and accommodation, occupational health and safety standards and a ban on child and forced labor. Trading standards stipulate that traders have to: pay the FLO minimum price plus the Premium; agree to partial pre- financing for certain crops if producers ask for it; and commit to a long-term trade relationship. Environmental criteria are included in the product specific standards. Certification is carried out by local auditors and organized through FLOCERT, an ISO 17065 accredited certifier, the only organization certifying against the FLO standard. FLO certified products are labelled "Fairtrade" which is a trademark protected name. FLO members, so called National Fairtrade Labelling Initiatives (NFOs) grant licenses to trader of Fairtrade labelled products for a fee. Furthermore, NFOs are responsible to create the demand for Fairtrade products.
	UTZ	UTZ Certified (originally UTZ Kapeh) was launched for coffee in 1997 by the Dutch Ahold Coffee Company with Guatemalan coffee producers. The focus of the standard is on transparency and sustainability along the supply chain with a focus is on responsible farm management. With UTZ premiums are not mandatory, there is a requirement for traders to provide information about premiums that have been paid for UTZ certified products, which are then aggregated and made available as averages to producers. UTZ utilizes third-party certification bodies that are accredited to ISO 17065 standards. (FAO, 2014, p. 29) In brief, UTZ rather brings development through increasing production as well as improvement of farming practices than through market access and Premium.
Tea specific sustainability Standards		Corporate social responsibility initiatives are rela- tively new to the tea sector; however, over the last 10 years several labelling and other initiatives have emerged. (Dolan, 2010)
	Ethical Tea Partnership (ETP)	ETP is a not for profit membership organization that exists to improve tea sustainability, the lives and livelihoods of tea workers and smallholder farmers, and the environment in which tea is produced. ETP is founded in 1997 by a number of UK-based tea companies. Today more than 40 members comply with ETP standards and are members in its organization. Prominent members are Taylors, Tetley, Twinings, Tesco, Unilever, Starbucks. From the case study, TeeGeschwendner is a noteworthy member (2017). The ETP standards are based on the conventions for decent work and rarely exceed government

		regulations. Additionally to setting standards, ETP is carrying out information workshops regarding child labor and gender equality on tea estates and with SPO. (Raynolds & Ngcwangu, 2010)
	Trustea	Trustea is an initiative led by the Tea Board of India to develop and implement a sustainability Code for the Indian domestic tea market aiming to transform the Indian tea industry is based on industry realities and globally accepted sustainability principles. Focus of the standard lies of tea farmers, making it possible for them to comply with national standards and improve their competitiveness. The verification under the Code provides consumers with the assurance of responsible production and provides producers the opportunity to credibly demonstrate this to their customers. ()
Ecological / Environmental sustainability standards		According to the Codex Alimentarius, organic agriculture is defined as "a holistic production management system which promotes and enhances agro-ecosystem health, including biodiversity, biological cycles, and soil biological activity" (FAO, 2014, p. 23) Between the 1920s and 1940s, farmers themselves developed organic farming methods on a learning-by-doing basis in reaction to increasing input use in conventional farming in Europe and North America. Initially management practices controlled and communicated by producers themselves, as production and consumption were divide more strongly in geographical and social terms towards the end of the 20th century, verification of organic production switched to independent certification bodies. While demand grew faster than supply, this was an incentive for producers and especially traders to cheat, leading to state regulated organic standards at the turn of the century. However, state regulation did not make private standards obsolete as they sometimes are more stringent. Thus, many products are certified many times are certified by various organic standards for the different markets (e.g. North America, Europe, Japan). Adapting organic standards for tropical products lead to the creation of internal control systems (ICS), where responsible members of SPO are responsible for keeping necessary records. Certification inspections focus on verifying the effectiveness of the ICS system. (FAO, 2014, p. 23)
	IMO, NAASA, JAAS, IFOAM, EU-organic	This is just a selection of organic certifications found on different tea plantations, with many of the organic certified plantations having at least 3-5 organic labels.
	Demeter	Demeter is the oldest and strictest standard for organic(-dynamic) production of agricultural goods. Of the four core principle one notably differs from other organic standards. Point three mentions that Demeter aims for "Harmonische soziale Beziehungen", meaning harmonic social relations". Furthermore, Demeter certfied producers respect the earths own rythems and work in unity with them. The strongest influence is given to the moon but also other planets are ascribed to influence agricultural production (2017).
	Rainforest Alliance	The Rainforest Alliance is an international conservation organization with its origins in the United States. The standards represented by the Rainforest Alliance include requirements for the management system, ecosystem conservation, wildlife protection, water conservation, working conditions, occupational health and safety, community relations, integrated crop management, soil conservation and integrated waste management. Thus, it is not solely an environmental standard but also less strict than organic standards (FAO, 2014, p. 25).

Table 18: Actor description - production region Darjeeling

Actor Groups	Actors	Description
		Production Region: Darjeeling
Processing		Processing is the process of creating "made tea" from tea "green leaf". This process is key to the quality of produced tea. Processing starts with the weathering of the tea green leafs. Weathering sets in right after the tea leafs have been plucked and therefore the distance between the production site and the processing site is limited. During weathering the leaves loose about 25% of their weight. Afterwards, to stimulate the oxidation process in the leafs, they are rolled in so called rolling beds, heavy machines often still being the original ones from colonial times. Rolling lasts only for a few minutes, after which the leafs are placed in temperate rooms, where the oxidation is continuing and with the voranschreitenden oxidation the leafs turn from green to brow to black. Depending of the kind of tea to produce this process can last longer or shorter. To stop the process of oxidation the leafs are baked, meaning that they are heated up with warm air to remove all the remaining moisture content. The final step is the grading and sorting of the dried leaf in different qualities. Since processing has to take part less than 12 hours after the plucking of the green leafs, it can be located on the plantation or in vicinity to production places, buying green leaf from plantations and or small farmers, making it a bought leaf factory. Generally, in the hilly and colonially structured Darjeeling hills, processing is taking place on plantations while in the plains with better transport possibilities and in Nepal with fewer plantations, processing is taking place in bought leaf factories.
Production, up to made tea		Vertically integrated production for all production steps from planting of the bushes until the bulk packaging of sorted and graded made tea is taking place in the same location. The product dispatched from the following locations can be sold and consumed however most of the times it is sold to intermediaries who are responsible for blending constant tastes for teas that are sold to retailers.
	TPI, Goodricke	All of the estates investigated during the field visit are carrying out the processing on the plantation.
Production, up to green leafs		If there is a lack of a factory due to the place specific history of tea production, small farmers are depending on bought leaf factories to sell their green leafs to. In Darjeeling, there are no small farmers' organizations having their own processing facilities independent of their age and location. Additionally, there is a closed plantation that started to produce tea green leafs again and is selling them to a plantation that is running and having their own factory.
	Tumdong, GRSVS, Subarna, Teesta Vally	Various small Farmer groups exist. Included in the analysis are GRSVS and Tumdong, which is technically something between small farmers and a plantation
Civil Society Organizations		
Aid through education and information	DLR Prerna	DLR Prenrna is a Darjeeling based NGO with the focus on community development that "believes in a world that sees the need to live as one family where the environment is preserved and protected, where conscious efforts are made to remove unjust structures while striving to build a just and humane society" DLR Prerna's mission is to build sustainable human communities in the Darjeeling hills and the adjoining areas by promoting peoples participation, gender equality and living in harmony with the environment." The focus activities of DLR Prerna are "to strengthen people's organisations", "to promote sustainable agro-ecology and appropriate technology", "environmeltal education with a specific focus on climate change and waste management" (XXX Website)

Local structures of international organizations	Fairtrade NAPP	Fairtrade NAPP's mission is "to serve as an organ of representation, coordination, exchange and collaboration for the empowerment of small scale farmers and farm workers from Asia and the pacific within the framework of Fairtrade certification. Two goals are core to NAPP's mission. First, the incorporation of more producers into the Fairtrade movement. Second, ensuring that Asian and Pacific realities and conditions are taken into account while setting Fairtrade Standards, without compromising on the Fair trade principles. To incorporate producers into Fairtrade, NAPP mainly invests in producer trainings in order for them to comply with the standards and if possible develop them even further. To advocate for Asian and Pacific realities, producer meetings are organized where strategies are developed to contribute to the standard setting processes inside FLO as well as to improve the producers support. (Fairtrade Network of Asia and Pacific Producers, 2016)
Industry organizations		A trade association is an organization founded and funded by businesses in a specific industry. An industry trade association participates in public relations activities such as advertising, education, political donations, and lobbying but its focus is collaboration between companies. Associations may offer other services, such as producing conferences, networking or charitable events or offering classes or educational materials.
	DTA (Darjeeling Tea Association)	The DTA is an industry organization representing the tea producers from Darjeeling. Traditionally tea producers from Darjeeling are plantation owners and companies owning multiple plantations. Lately, small farmers have been accepted by the DTA to be increasingly producing Darjeeling tea and are in the process of being integrated in DTA operations. " Darjeeling Tea Association is a neutral body of the producers which handles the industrial labor problems. It interprets the acts and rules applicable in a tea plantation. It lobbies with the state government, it lobbies with the central government of India. It also lobbies in formulations of agreement with the importing countries. #00:27:45-8# " (1_23_DTA_Binod_Banerjee_3, Paragraph 69)
	CISTA (Confederation of Indian Small Tea Farmers Associations)	Rules and regulations for tea production in India have been designed for plantations. CISTA, representing small tea farmers that are organized in so called self-help groups (SHG) is the political body representing the requests from small producers towards the local and national governments on the one hand, while on the other hand building up links with other small farmers in tea and other crops. Small farmers are a very new reality in tea production that started in the 1980ies and grew constantly to be recognized as a mode of production that needs regulation and support from the government from 2000 onwards. Small farmers and plantations have been in conflict in the Darjeeling area, as DTA, representing mainly the plantations accused small farmers of spoiling the brand name of Darjeeling through the sale of low quality tea.
The State		See *Table 16: Actor description - western orthodox tea consumers.*
	Tea Board of India	Tea Board of India is divided in divisions according to government units as well as production location. There is the National Tea Board of India, The Tea Board of India division Calcutta, responsible for West Bengal, the Darjeeling division, responsible for Darjeeling, which are important for this analysis. Tea is one of the industries, which by an Act of Parliement comes under the control of the national government. The tea board was founded in 1903 in order to promote Indian tea inside and outside of India. The activities of the Tea Board are mainly the regulation of tea cultivation and export practices as required by the International Tea Agreement as well as the promotion of consumption. The Tea Board of India functions as a statutory body of the Central Government under the Ministry of Commerce, rather than the Ministry of Agriculture, resulting in a lack of agricultural subsidies for tea production. The Board is constituted of Members of Parliament, tea producers, tea trader, tea brokers, consumers, and representatives of Governments from the principal tea producing states as well as trade unions.
	Darjeeling GI	The registered geographical indication (GI) is a voluntary standard for the production methods of a product in a specific geographic region, usually developed by a producers' group or a local government authority and registered with a national body in charge of protecting the GI. This national body could be the ministry or institution in charge of intellectual property (IP) or an Institute or Ministry of Agriculture, depending on the country.

		Registration is based on an assessment of the conformity of the link between the product and the geographical origin. Geographical indications are defined and protected by the 1994 Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs) of the World Trade Organization. They are "indications which identify a good as originating in the territory of a member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin. Each GI has its own standard, or code of practice, which normally includes a description of the product, the ingredients or inputs and production process, a definition of the production area, labelling rules and the verification system. The requirements focus on the elements that give the product its typical character and that justify the link between the product and the territory. GI registration rules may also differ from country to country and various legal tools can be used to protect the GI. GIs are quite different from the other voluntary standards included in this study and are the reason why the evidence base contains only a few studies of GIs. First, GIs are geographically and culturally specific, making it difficult to perform an aggregated analysis of the impact of the standard or certification on price, environment or value chain, as it is nearly impossible to establish a credible counterfactual. Second, GIs are often considered as a public good (e.g. culinary heritage, link with specific landscape, rural development policy) by authorities that strongly support their development. This separates GIs from other voluntary standards, even public standards like Organic or National GAP initiatives, as GIs receive significant public and institutional support. Third, GIs are producer-driven and their value chains are very specific to a region within a country; thus economies of scale, vertical coordination and some of the other value chain indicators are not always applicable or particularly explicative of the dynamics found in GI systems.
	Ministry of Labor & Employment	The Ministry of Labor & Employment is one of the oldest and important Ministries of the Government of India. Its main responsibility is to protect and safeguard the interests of workers in general and those who constitute the poor, deprived and disadvantage sections of the society, in particular, with due regard to creating a healthy work environment for higher production and productivity and to develop and coordinate vocational skill training and employment services. The objectives are sought to be achieved through enactment and implementation of various labor laws, which regulate the terms and conditions of service and employment of workers. The State Governments are also competent to enact legislations, as labor is a subject in the concurrent list under the Constitution of India. At present, there are 44 labor related statutes enacted by the Central Government of which the Plantation Labor Act is of main interest in the research surrounding the tea industry. The Plantations Labor Act (PLA) which seeks to provide for the welfare of labor and to regulate the conditions of workers in plantations was passed in 1951. Under this law, the State Governments have been empowered to take all feasible steps to improve the lot of the plantation workers. The passing of PLA brought some improvements in the plantations sector. It also helped in creating conditions for organizing the workers and the rise of trade unions. http://labour.nic.in/about-ministry

Table 19: Actor description - production region east Nepal

Actor Groups	Actors	Description
		Production Region: East Nepal
Export		Export of Nepalese OHT is mainly organized through the large producers as they are the main actors responsible for exports, with smaller producers playing a less significant role. There are some exporting firms who purchase made tea from factories/small processors and export. The majority of the exported product goes to India, where it is either consumed or re-exported and rest goes to countries including Germany, USA, UK, Czech Republic, Russian Federation, and Japan. Almost all the exporters have marketing offices in Kathmandu. Some exporters also have marketing offices in Kolkata. (USAID, 2011)
	Himalayan Tea Producers Cooperative (HIMCOOP)	HIMCOOP is a cooperative formed for the international marketing of Himalayan orthodox tea, creating and maintaing contact to customers worldwide. HIMCOPP is financed by an operating margin of 5 percent of all the sales that are realized through HIMCOOP. However, there is no requirement for member producers to sell through HIMCOOP. Membership requirements for HIMCOOP are the ability to supply made tea, thus members are bought leaf factories, large estates and theoretically small farmers cooperatives that possess their own processing units.
	Shangrila Agro World (SAGRO)	SAGRO is the sole marketing unit for tea produced in the Kanchenjunga Tea Estate and Research Center (KTERC). It was created when the founders of the KTERC were struggling to manage the tea estate and find market access to the international markets in the meantime. The founders and owners of KTERC turned to acquainted carpet dealers to help them build up their export business. Now SAGRO is mainly run by descendants of the founding families of KTERC and SGARO.
	Ilam Tea House, Buddha Tea, etc.	Various different exporters for Himalayan tea exists. Most of them being younger than 15 years, with many of them having internet based sales of their product as a key strategy.
Tourist Shops	Pokhara / Kathmandu / Ilam	For the domestic market, there are several wholesalers and retailers mainly based in cities especially in Kathmandu, Pokhara and Ilam. The wholesalers get the supply from factories as well as small processors. There are an estimated 40 tea shops operating in Kathmandu and Pokhara (SNV, 2010). Departmental stores and groceries have also placed the orthodox tea both of domestic and foreign origins. Target customers or Nepalese OHT are international as well as national tourists visiting the country or the production location respectively. Ilam the major production state for Nepalese OHT is a very popular tourist destination for Nepalese and Indian tourists.
Processing		Processing is the process of creating “made tea” from tea “green leaf”. It can be located in the place of production, the plantation or in vicinity to production places, buying green leaf from plantations and or small farmers, making it a bought leaf factory. In Nepal, processing of OHT is completed by large and medium factories as well as small farmers and micro processing units. Demarcation between large and small processing units is not consistent throughout literature and interviews. However, productions larger than 10 tons per year have been counted as large processing units for this study. Everything below 10 tons per year is counted as small processing unit. As of 2017 there were 28 large processing units, and about 90 small processing units operating for Nepalese OHT.
Production up to made tea, large processing units	Kanchenjunga Tea Estate (KTERC)	The factory and thus the economically viable tea production at KTERC was established in 1984 and has the capacity to produce about 100 tons of tea annually. However, production of the plantation and the surrounding farmers results in the production of roughly 60 tons of tea annually, depending on climatically conditions for each production season.
	Gorkha Tea Estate	The Gorkha Tea Factory was established in 2009 and processes tea leaves from the appertaining plantation as well as from four surrounding small producer cooperatives. With a capacity of 150 tons made tea a year, production stagnates around 60 tons of made tea a year.

	Nepal Small Tea Producers Ltd.	Nepal Small Tea Producers Ltd. is the first private owned bought leaf processing unit, established in 1994. One of the co-founders is the founder of the Gorkha sunderpani tea estate, Udaya Acharayan.
Production up to made tea, small processing units	Tinjure Cooperative	
	Shri Antu Cooperative	
Development Organizations	GIZ, SNV, DANIDA, USAID	The main activities of the different National Development Organization are creating market access (including specific last mile support), support in the process of upgrading and support in capacity building for farmers and cooperatives. A project currently operating in Nepalese OHT production is the UNNATI scheme, funded by DANIDA. UNNATI identified various agricultural production as a focus for development, tea being one of them. UNNATI supports vertical upgrading, mainly the contruction of processing units as well as support in agricultural practices.
Industry Organizations	Himalayan Orthodox Tea Producers Association (HOTPA)	HOTPA was established in 1998 to address the issues and problems faced by the Nepalese orthodox tea industry and to establish orthodox tea as a major export commodity. HOTPA currently has 22 members comprising of Tea Farmers Federations, tea plantations, and tea estates and processing factories. From its inception, HOTPA has been actively involved in lobbying with the central government as well as for a promotion of Nepal tea, for the Code of Conduct (CoC) creation and implementation, and the advocating for a Geographical Indicator. Activities have been carried out in partnership with various donor agencies including: USAID, GIZ, JICA, SNV, DFID, IDE and Winrock International (USAID, 2011, p. 24).
	Central Tea Cooperative Federation (CTCF)	CTCF is an umbrella organization made up of district level tea producers cooperatives. Its primary role is to conduct advocacy and lobbying activities at the national level in support for small tea farmers' cooperatives. It was established in September 2010 and till date has members from four tea producers' cooperative associations and 56 tea producers cooperatives from seven districts including Ilam, Jhapa, Panchthar, Tehrathum, Dhankuta, Udaypur and Bhojpur. (USAID, 2011, p. 24)
The State		See *Table 1: The different spellings of the term fair trade in the presented Master's thesis.*
	National Cooperative Federation of Nepal (NCF/N)	Through the creation of the NCF/N in 1993 as formulated in the 1992 Co-operative Act, the cooperative became the most prominent type of organizational structure to organize the Nepalese economy. As of 2017 NCF/N represents around 27000 cooperatives operating in all kinds economic activities. NCF/N is a member of International Cooperative Alliance (ICA), Geneva. It is also affiliated with the Network for the Development of Agricultural Cooperatives (NEDAC), Thailand. The The general objectives of NCF/N are to promote, strengthen and empower the cooperatives for the benefit to their members on the basis of mutual cooperation through the participatory development process in the country. http://www.ncfnepal.com.np/divisional%20coops%20office.html
	NTDCB	National Tea and Coffee Development Board (NTCDB) is commodity specific government board established on in 1993 under the Ministry of Agricultural Development. The broad objective of this board is to promote and strengthen Tea and Coffee sector through policy formulation, technical and managerial support. Both the sectors have seen remarkable increase in figures of plantation and production in recent decades. In 1996, plantation under tea was merely 3,500 reaching. to 19,036 ha in less than two decades. http://teacoffee.gov.np/en/

Late King Birendra	Birendra Bir Bikram Shah (29 December 1944 – 1 June 2001) was the King of Nepal from 1972 until 2001. The eldest son of King Mahendra, he reigned until his death in the 2001 Nepalese royal massacre. During his reign, he has, amongst other activities, announced the 5 districts with a focus of developing tea production. The selected districts were Ilam, Phiddhim, Jhapa, Dhankuta and Terathum.

Appendix 7: List of anonymized actors and production locations in alphabetical order.

Table 20: Anonymized actors and porduction locations in alphabetical order.

AA Naryan
Arnold Schwarzenegger
Barbara Strasser
Bimal Rai
Bubat
Chief Markets Officer
Doorai
Fairtrade Associate
Principal
Golden River
GRSVS
Kumabeong
Melanie Oberholzer
Nareen Radesh
Pendeedra Supran
Rabin Magar
Rajiv Lama
Rashesh Rai
Shelobeong
Shemale Banknote
Taifudi Banknote
Tamadura
Tamarant Acharya
Tumdong Tea Garden
Tumquat
Udaya Acharayan
Vivek Gurung

Personal declaration: I hereby declare that the submitted thesis is the result of my own, independent work. All external sources are explicitly acknowledged in the thesis.

Zurich, September 2017

Andri Brugger