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Dissertation

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The Great Transformation:
Looking back on Kenya's
economy to examine the space
for alternative economies today

Statement of Originality

I hereby declare that this dissertation has been composed by me and is based on my own work’.

Signed.....

Word Count: 17,523

Abstract

The purpose of this research is to make anthropological sense of the numerous movements that have occurred in Kenya’s small-scale tea industry through a reconstruction of Karl Polanyi’s theory of the ‘double movement’. Although Polanyi’s work is with regards to Europe in the nineteenth century, his theories on countermovement and protectionism still remain an effective framework within which to analyse the last century of economic change and progress in Kenya. The framework is used as a mechanism to describe events in Kenya that contributed to commodification, recalling the lasting impacts of the colonial period which are inextricably felt in the present day.

Further to this, Polanyi’s framing of the double movement is a useful paradigm within which to study alternative economic spaces. Parallels are drawn between the literature on ‘alternatives’ and the ‘double movement’. Against the backdrop of discussion on capitalism, globalisation and liberalism, this study contributes to the body of knowledge surrounding ‘alternative’ spaces. Using the case study, it finds the notion of alternative to be subjective and dynamic. It finds that some elements of being alternative are more an extension of the market economy rather against it, the term in some cases is used poorly which masks numerous elements of non-alternative or mainstream ideals.

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Abbreviations

AGM	Annual General Meeting
CPDA	Christian Partners Development Agency
CSR	Corporate Social Responsibility
DFID	UK's Department for International Development
FGD	Focus Group Discussion
FLO	Fairtrade Labelling Organisation
FRICH	Food Retail Challenge Funds
FT	Fair Trade
GAP	Good Agricultural Practices
HSE	Health Safety and Environmental
JFK	James Finlay Kenya
kg	Kilo-grams
KTDA	Kenya Tea Development Authority/Agency
MNC	Multinational Corporation
RA	Rainforest Alliance
SACCO	Savings and Credit Cooperative Organisation
SCDA	Special Crops Development Authority
SOMO	Centre for Research on Multinational Corporations
SRM	Self-regulating Market
WTO	World Trade Organisation
WWII	World War Two

Section One

1. Introduction

In Kenya agriculture forms a significant part of the economy, being the single most important sector in the economy, it contributes about 25% of the GDP and employs 75% of the national labour force. Approximately 80% of the Kenyan population reside in rural areas, indeed livelihoods in rural areas rely directly and indirectly on agriculture (Alila & Atieno, 2006).

The history of tea in Kenya dates back to 1903 when tea was introduced by European settlers. Early settlers and the colonial government restricted tea growing to large-scale farmers and multi-national companies (MNC). The situation changed in when Kenya became an indent country and saw the passing of numerous Land Reform Bills that have had last effects on agriculture (CPDA, 2008).

There are around 420,000 small-scale tea farmers situated in Kenya. Currently small-scale tea farming accounts for 60% of tea produced in Kenya, the rest is produced by large-scale tea estates (CPDA, 2008).

This study focuses on small-scale tea producers involved in the Kibagenge Project. This project has been chosen because of its simple approach to empower small-scale tea farmers, as well as the sheer number of farmers affected by the changes made in the project.

The purpose of this research is to make anthropological sense of the numerous movements that have occurred in Kenya's small-scale tea industry through a reconstruction of Karl Polanyi's theory of the double movement. Although Polanyi's work is with regards to Europe in the nineteenth century, his theories on countermovement and protectionism still remain an effective framework within which to analyse the last century of economic change and progress in the case study.

Polanyi's hypothesis on the countermovement also known as double movement has parallels with literature concerning alternative economies. By using the foundations of Polanyi's work on the double movement as a reference consideration is taken to the future of the economy and whether the ideals of alternative economies are suitable.

Whilst there is much excitement surrounding the idea of alternative, the paradox is that alternatives remain marginal, peripheral and relatively powerless, with the very notion of the word ‘alternative’ implying the presence of something else to be alternative to. Against the backdrop of discussion on capitalism, globalisation and liberalism, this study aims to contribute to the body of knowledge surrounding ‘alternative’ spaces. Similarly the concepts ‘alternative economies’ ‘alternative economic space’ and ‘alternative economic geography’ throughout are used interchangeable and refers to economic activities that differ from the mainstream or the conventional. These could take the form of production, ownership, labour, exchange and consumption (Healy, 2008).

The main analytical focus of this research, uses the case study to consider whether this alternative economic project is sustainable. The context of the case study is complex, so Polanyi’s ideas on the economy act as a structure in which to explore the case study in further depth.

Using Polanyi’s key point that the transformation of a market society to a market economy requires that all aspects of industry are commodified, not only that of goods but also land, labour and money. I relate this to Kenya and the transformations that took place in the colonial period.

I make two principle points in this research. The first is that whilst the project appears to have succeeded in re-embedding social and cultural values into the local economy, the project also appears to make a higher priority for economic exchange. The second key finding is that certain alternative institutions actually establish and build on neoliberal agendas, although not immediately obvious it leads to questioning the effectiveness of alternative institutions.

The Aims

The aim of this study is to problematise the notion of ‘alternative’ in economic spaces: Using the Kibagenge project in Kenya as an example of an alternative institution, describe the impacts and understand the placement of economic and non-economic factors for the small-scale tea farmers involved.

- Look in to the different theories of alternative economies and problematize the notion of alternative.

- Using the present day institutions and historically constituted events in Kenya to reflect on the changing dynamics of economic and social spaces of the Kibagenge project, referring to the work of Karl Polanyi in *'The Great Transformation'* book
- Using focus group data from participants of the Kibagenge project, explore the impacts of the project in terms of economic and social factors.

The Structure

This dissertation is laid out over three sections and consists of seven chapters. The first section, including chapters 2, 3 and 4 provide a background of the research. Then the second section, chapter 5 provides a historic account of the Kenyan economy whilst referring to Polanyi's work on *The Great Transformation*. The third section, chapter 6 looks at the results from field work in Kenya and refers to the literature on alternative economies and Polanyi's 'double movement'.

Chapter 2 provides the context required to understand the project. It begins by looking at a history of Kenyan agriculture and focuses on the history of smallholders in particular. It follows on with the background of the project, the key players and outcomes of the project.

Chapter 3 provides a summary of Polanyi's ideas on the economy by providing a comparison of pre-capitalist and capitalist economies and the process of the double movement. Following on from this is a summary of the literature on alternative economies.

Chapter 4 looks at the methodologies used in this research and the importance of positionality in the research.

Chapter 5 provides a history on pre-colonial and colonial Kenya and relates to Polanyi's model of 'a great transformation'. The final part of the chapter uses the researcher's interpretation of the tipping points in Kenyan social history that could ensue into a countermovement.

Chapter 6 uses the data gathered in the field to relate the case study to a double movement. Lastly the researcher reflects on the use of models and their effectiveness.

2. Kenya Agricultural Background

2.1. Kenya Tea Industry

The spatial and social geographies of agri-food networks of Kenya are important to understand in current development programmes in the food industry. The history of relationships between Europe and Africa and the previously established colonial ties from producer consumer embedded a legacy of empires which can be observed today (Freidberg, 2003b).

Kenya was under a state of emergency from 1952 to 1959 arising from the Mau-Mau rebellion against colonial British rule. Africans were demanding land rights and the right to grow tea. The colonial government recognised the potential of the tea industry and regulated the tea sector with the Tea Board of Kenya under the Tea Act in 1950 (CAP.343, Laws of Kenya) (Tea Board of Kenya, 2012). At the time this was to protect estate plantation tea and smallholders were forbidden from producing tea.

The creation of the Swynnerton Plan in 1954 was in response to the Mau Mau uprising and was a plan to integrate Africans into the colonial society more effectively. The plan was a significant colonial development scheme put in place post WWII. It aimed to increase colonial production of goods and raw materials through state intervention and allowed select family farms to grow cash crops, of which tea was a suggested crop, also the plan stated assistance would be given to the farmers (Thurston, 1987).

By 1960 the Special Crops Development Authority (SCDA) under the Ministry of Agriculture was created by the colonial government in the promotion of tea as a cash crop. After independence the Kenya Tea Development Authority (KTDA) was formed which is now Kenya Tea Development Agency Ltd.

There were attempts to create co-operatives or group farms in western Kenya as a means to overcoming land fragmentation and to intensify land use. Over a period of a decade and with the help of practical and financial assistance, people had not accepted the schemes. People blamed

the scheme for being top down, coming from the government and had not come from the needs and desires of the people (Thurston, 1987).

The contemporary significance of the historical connections has been importantly highlighted. It is evident that the present economy in Kenya and more widely Africa has been shaped by European colonialism (Freidberg, 2003a; 2003b). The economic and strategic objectives that were put into place can be seen in the agro-food networks operating today. The Afro-European trade connections in place now demonstrate a relationship which some scholars would label as a dependency relationship, explained in the dependency model (Watts et al., 2005).

Import substitution industries remained at the forefront of policies from 1963-1979 so that imports were discouraged in order to protect infant industries. Due to the oil crisis and the disbanding of the East African Community economic shocks meant that the World Bank and International Monetary Fund (IMF) intervened in the macroeconomic stability of the country to recover economic growth (Mosely et al, 1991). Structural Adjustment Programmes were the main intervention by the World Bank and IMF which resulted in trade liberalisation.

In Kenya tea is grown either by large estate plantations that consist of 20 hectares or more or by smallholders that average at 0.25 hectares per farmer (WTO, 2012). *Camelia sinensis* or tea was introduced from India in 1903, around the start of colonial rule in the form of plantation farms by Britain (Tea Board of Kenya, 2012; Bulow & Sorenesen, 1993). Following the initial planting in Limuru small private tea farms were established in Kericho. Kericho is known today as having the perfect conditions for growing tea because of the high altitude, rainfall patterns, soil and climatic condition the crop favours. Commercial cultivation began in 1924 and the in 1934 the Tea Ordinance governed the industry (Thurston, 1987).

In Kenya tea is sold through an auction in Mombasa via the East African Tea Trade Association. Membership is required and consists of brokers, buyers, producers, warehousemen and packers. 80% of Kenyan tea is traded at this auction and the remainder is sold directly to customers as private agreements (WTO, 2012).

2.1.1.Smallholders

The tea industry in the colonial period excluded indigenous Kenyans by law to grow tea. The colonial administration allowed only selected smallholders to grow tea and the outgrower scheme was introduced in the late 1950's (Bulow & Sorenesen, 1993). Tea outgrowers were attached to a nucleus estate and a regional factory on a contract basis and were subjected to quality controlled products, at the same time they maintained control over their land and labour (Bulow & Sorenesen, 1993).

A new independent government rescinded this law by providing prosperous outlooks for small-scale farmers. The President Jomo Kenyatta supported the development of the smallholder sector by putting in place legal and policy instruments to reduce internal and external threats in the tea industry (Kimanthi & Muriuki, 2012). For example, the SCDA, which focused on all special crops like tea and coffee was replaced by a parastatal body, the Kenya Tea Development Authority under the Agriculture Act that encouraged and supported smallholder tea farming. The formation of the KTDA meant smallholders had an autonomous government institution that was established to support further education on best practices, coordinate plucking and collecting and established factories for the tea to be processed in.

In terms of size, small scale tea surpassed estate growers in 1972 yet production levels were poorer. In 1988, quantity of tea produced by smallholders was greater than that of estate growers (CPDA, 2008).

Table 2.1 Area and production of tea in Kenya between 1963 and 2006

Sector/ Year	Smallholders		Estates		%age by small-scale farmers	
	Ha	Kilograms	Ha	Kilograms	Ha	Kilograms
1963	3,527	311,980	17,921	17,770,383	16.4	1.7
1965	5,429	796,011	19,327	19,027,163	21.9	4.0
1970	17,985	5,976,425	22,289	33,101,169	44.7	19.4
1972	26,493	13,129,006	23,268	40,193,463	53.2	24.6
1975	37,205	17,915,222	24,337	38,814,557	60.5	31.6
1980	50,691	33,980,009	25,850	55,913,349	66.2	37.8
1985	56,505	71,339,025	27,322	75,764,529	67.4	48.5
1988	57,693	84,692,559	29,109	79,337,869	66.5	51.6
1990	67,041	109,996,712	29,977	87,011,557	69.1	55.8
1995	80,355	138,945,451	32,201	105,579,709	71.4	56.8
2000	85,083	145,546,258	35,313	90,739,810	70.7	61.6
2005	92,682	197,721,429	48,633	130,776,195	65.6	60.2
2006	95,779	191,177,061	51,297	119,400,981	65.1	-

Source: TBK, 2007
Ha = Hectares

Source: CPDA, 2008

The number of tea growers rapidly increased reaching 20,000 in 1964. Inevitably increased tea production pressurised manufacturing plants and new factory buildings were the main focus for the KTDA to construct to cope with increased supply. These statistics (table 2.1) fail to highlight the local level picture of tea production. As Bulow and Sorenesen (1993) have noted there are striking variations in production among smallholders, revealing that one third of growers produce less than half of expected output and 10% produced less than a tenth for expected output. There have been numerous studies to understand productivity relationships including Hansen (1980) researching experience of tea growing and size of farm, whilst Lamb and Muller (1982) identifying labour as an area of concern in the small-scale tea industry.

In the 1990's the agricultural sector was affected by the political tension and violence that broke out during the multiparty elections. Many cash crop industries faced political interference to boost the economy, however the tea industry vocalised their opposition and rallied to liberalise the tea sector and ultimately privatise the KTDA. The main objective being to promote efficiency and competitiveness which in turn would attract private investment. After 10 years the KTDA was privatised in June 2000 and ownership of the smallholder factories was transferred to the growers themselves and managed by the renamed Kenya Tea Development Agency Ltd making it the largest private tea management agency.

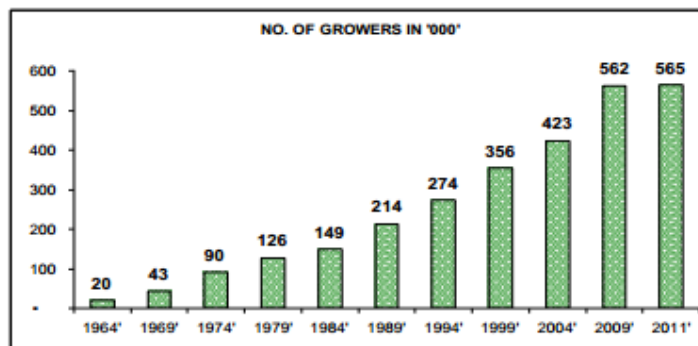


Figure 2.1 Number of tea growers in Kenya (Kimanthi & Muriuki, 2012)

Data from 2008 suggests there are 422,000 small-scale tea farmers in Kenya today who were originally employed by KTDA Ltd (CPDA, 2008). Smallholders contribute 65% of area and 62% of production to the Kenyan tea industry, highlighting smallholder dominance and the higher productivity rates that are yielded in the larger estate plantations (WTO, 2012).

Table 2.2 Tea production figures, Kenya (Source: CPDA, 2008)

Tea Exported	1963 (tea kg)	2006 (tea kg)	% increase
Small-scale tea farmers	296,381	172,537,298	58,214
Estate tea	16,881,864	113,430,932	672

Gender in Smallholder Tea Production

Contract farming can increase the productivity of smallholder farming through provision of credit, inputs and technical information (Minot, 1986). Contract farming in Kericho exacerbated gender relation tensions and consequently affected operations of tea outgrower schemes. Outgrower schemes aim to develop export crops for international consumption and gender inequalities act as a key constraint to tea production (Bulow & Sorensen, 1993).

In the past there was a bias towards technically and system oriented studies, essentially addressing problems outside of the household. Tea is a labour intensive crop where gender division of labour and gender relations of production take place and has been overlooked in the past to resolve production issues with new production and farming systems (ibid).

2.1.2. Estates and MNC's

As discussed previously the first tea crop planted in Kenya was by a multinational corporation (MNC) and until independence the tea industry consisted of large farms run by multinational companies and was governed by the parastatal body KTDA. Large tea estates today consist of 40% of tea produced in Kenya and are still major employers in the Kenyan economy (CPDA, 2008).

2.2. The Kibagenge Project

The Kibagenge project in Kenya was set up by Finlay Beverages and run by the following organisations: James Finlay Kenya (JFK) (a subsidiary companies of the Finlays group), The Co-operative College, The Co-operative Group and Africa Now! in 2009. The project was partly funded by UK's Department for International Development (DFID) Food Retail Challenge Funds (FRICH). The word 'Kibagenge' in the local language of Kalenjin means coming together as one. The Fintea Cooperative Union and from here on known as the Cooperative is based out of a major tea growing district in the west of Kenya. The office is based on the outskirts of Kericho along the main road from Kisumu to Nairobi. The project formed five cooperatives which are linked to the overarching cooperative called the Fintea Growers Union Ltd. The project essentially works with smallholder tea farmers surrounding the James Finlay Kenya tea estates who join a cooperative as a member. It is estimated that 11,200 smallholders to date are members of the Fintea Union with many people on waiting lists (Fintea Union, 2014a?; 2014b?).

The original objectives of the project were to:

1. Bring together 8,000 farmers as cooperatives and empower them.
2. Support the cooperatives to become Fairtrade and help access markets
3. Provide training for better farming practices
4. Support diversification scheme

2.2.1. Stakeholders

The partners and their roles are as follows:



The Co-operative Group: have invested £124,000 in the project, co-manage UK operations and have provided access to Fairtrade market through their 99 tea brand.

Finlay's Group: co-manage UK operations, manage FRICH liaisons, provide in kind support in Kenya, began a diversification project, provide cold storage for diversification produce, buy diversification produce and process the farmers' tea.

UK Government: through a £200,000 grant from the FRICH funds.

Co-operative College (UK and Kenya): employed to provide training and structural development

Africa Now!: project manager in Kenya and responsibility to provide Fairtrade training and to research into diversification.

The project enabled the Fintea Union to gain the Fairtrade status from rigorous audits carried out by the Fairtrade Labelling Organisation (FLO) in November 2011. The project also trained farmers using the principles of Good Agricultural Practices (GAP) for Rainforest Alliance certification (Fintea, 2014a?).

2.2.2. The Cooperatives and Structures

Fintea was formed as a group in 2008 pooling from three areas- Belgut, Ainamoi and Konoin (Fintea, 2014?a). The five cooperatives in figure 2.2 were formed and officially registered under the Ministry of Cooperative Development in 2012.

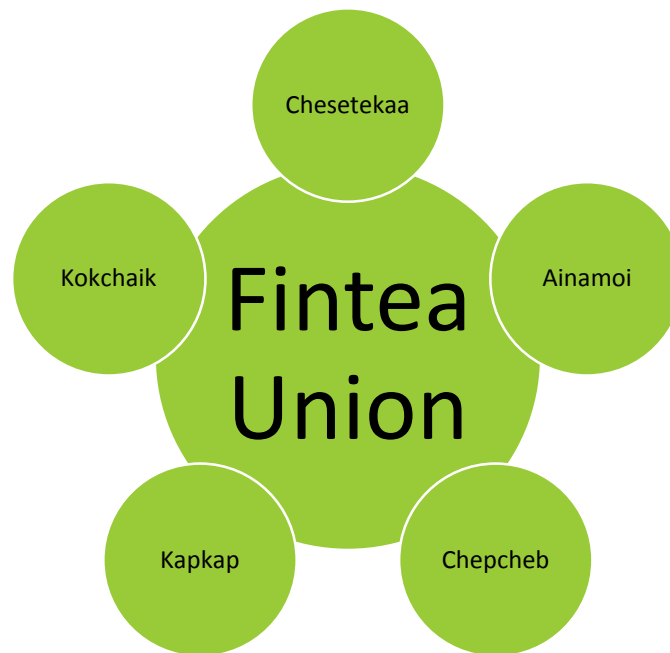


Figure 2.2 Fintea Union Societies

In the appendix (III) is the value chain structure of the small-scale tea industry, it is possible to see the complicated and long extent of the chain. Some see it as the longer the chain the more value addition that occurs in each stage which ultimately means less profit for the producers who are pressured by consumers for cheaper products.

2.2.3. Cooperative

The first aim and backbone of the project was the formation of five cooperative, thereby increasing the voice of the farmers to participate as a collective in marketing and business decisions. Prior to this farmers were price takers and had little power in negotiating better prices for tea (Fintea, 2014a?).

The creation of cooperatives means that farmers have ownership of the business and acquire share of dividends and profits. The development of cooperatives allows farmers to cut out the

middlemen. Middlemen were used in the Finlay Outgrower programme to act as an intermediary between farmers and Finlays to acquire smallholders' tea. It was understood that middlemen were acting unfavourably towards farmers by offering poor tea prices and collecting tea was unreliable. Not only this, but Finlays were unable to trace the sources of tea and wanted to improve tea quality.

As a collective the farmers benefit from the theory of economies of scale, in which they can utilise group benefits such as bulk buying and procuring direct sales of produce.

The cooperatives have been created with a particular structure to ensure fairness and greater organisation. Each cooperative is made of different committees which culminate in annual general meetings (AGM's) or more often if necessary. The diagram highlights the formal structures present in the Fintea Union. The highest levels are elected by the member with managers and staffs being the only members hired by the cooperative rather than elected.

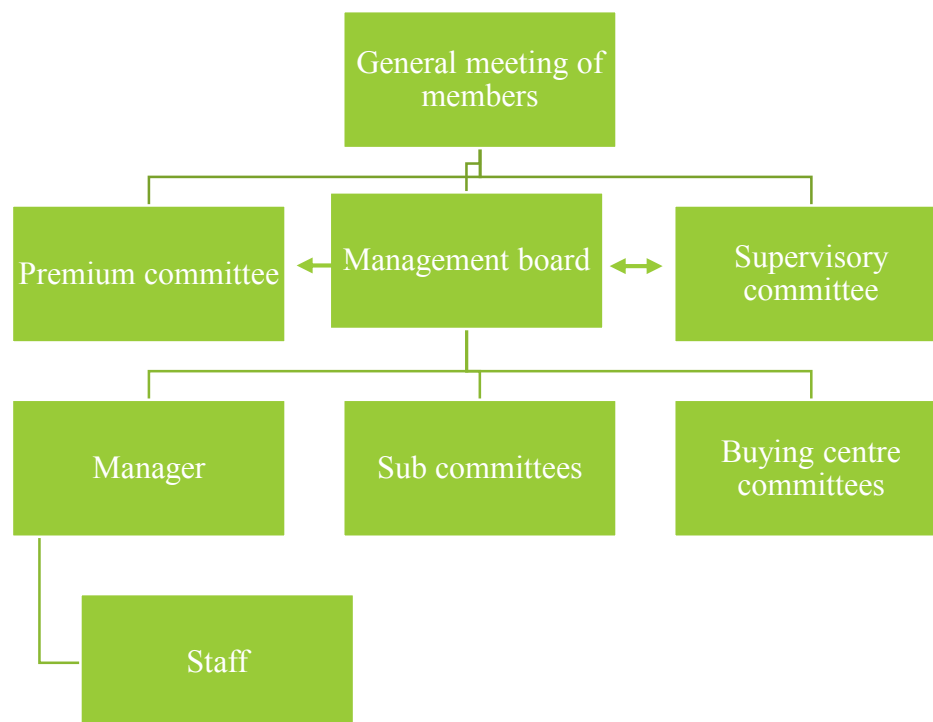


Figure 2.3 Organisational structure

Source: Yegon, 2014

2.2.4. Diversification

One aim of the project was to introduce a scheme to diversify the crop products of the farmers (Fintea, 2014a?;2014b?). In an effort to shift from mono-cropping tea crops, part of the project money has been invested into supporting farmers to introduce crops such as mange tout, sugar snap peas, fine green peas and garden peas. The products will be sold through Finlays Horticulture Kenya to the European markets. The scheme is to reduce vulnerability and dependence on tea as tea suffers from price fluctuations (Fintea, 2014a?).

2.2.5. Fairtrade Premiums

The Fintea Union is certified under Fair Trade 2nd grade producer organisation. Fair Trade certification means that producers receive \$0.5 per kg tea as a premium. This premium goes to the Fintea Union and is invested in the cooperatives in the form of community support projects. Each cooperative has a Fair Trade premium committee dedicated to allocating funds for the necessary project in the area. Currently it stands that only 2% of the Fintea Union is sold to Fair Trade markets (Fintea, 2014a?; 2014b?). See appendix I for the 2012 premium outgoing of the society.

3. Concepts and Theories

3.1. The Great Transformation

Karl Polanyi wrote the book *The Great Transformation* in the inter-wars period and it was published in 1944. His work stands out against other books on the history of capitalism as he refers to historical events to relate the points he makes throughout the book. Polanyi's book occupies the space of political economy by differentiating between capitalism and the market economy on the one hand and socialist, communitarian market society on the other hand (Vancura, 2011).

The Great Transformation is a historical journey beginning from a crises in the 19th century due to the rise of economic liberalism which soon enveloped the world (Polanyi, 1944). Polanyi's work seeks to reveal the impossibility of self-regulating markets and critically analyses market liberalism. The consequences Fraser (2012) realises are present in the numerous economic breakdowns experienced throughout history, such as economic depressions, cataclysmic wars and imperial subjection which have all been linked to the change in the place of economy vis à vis society.

When discussing economy it is important to make two distinctions. The formal definition of economics is linked with the neoclassical economics, which characterises individuals by their logic of rational thinking for maximum utility. The other definition is the substantive meaning referring to economics in which society and economy are not distinguishable; it is how society meets livelihoods requirements (Polanyi, 1944; 1957).

The beginning of the narrative looks at the economy as a market society, in which the economic system is absorbed in the social system. The figures below are a visual representation of the market society (figure 3.1) and the market economy (figure 3.2) that the researcher created to comprehend *The Great Transformation*.

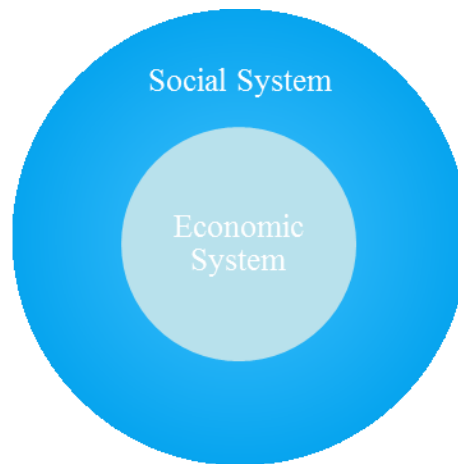


Figure 3.1 The market society

Prior to the great transformation, people organised their economies on embedded rules involving reciprocity, householding and redistribution. These three forms of economic organisation were rooted in the social organisation of the society which were based on centralised power. Social organisation tended to form patterns of symmetry, centricity and autarchy. The pattern of redistribution is from a central leader to allocate pooled resources for distributing to society, the pattern of reciprocity is based on symmetry and exchange so a form trust is present within society. For these reasons gain was not prominent “because in the long run all social obligations [were] reciprocal, and their fulfilment serve[d] also the individual’s give-and-take interests best.” (Polanyi, 1957; pp.46). Customs, beliefs and religion played a role in social organisations conformity to these ‘rules’ of behaviour that ensured this functioning economic system. In a market society the economy used the methods of barter and exchange but there was no tendency for individuals to expand or gain at the expense of the rest.

The market economy assumed a centralised administration which fosters autarchy thus markets were controlled rather than in control. This control is an important element in a market society, as Polanyi (1957; pp.46) says “individual’s economic interest is rarely paramount, for the community keeps all its members from starving unless it is itself borne down by catastrophe” he goes on to clarify that “in the long run all social obligations are reciprocal, and their fulfilment serves also the individual’s give-and-take interests best.” Thereby social organisation was not based on individual rationality of maximisation and the control was to safeguard greater good for the whole of society.

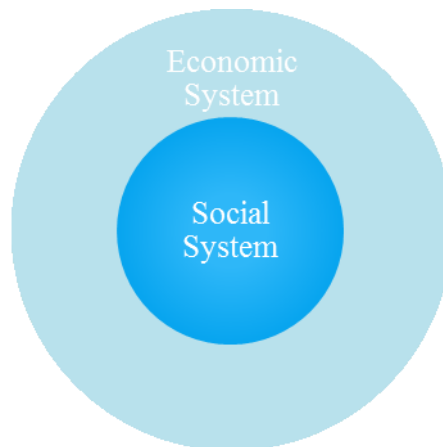


Figure 3.2 The market economy

The great transformation (in society) occurred through the imposition of the free market. Polanyi illustrates his point by using Britain from the late eighteenth century when the ‘Industrial Revolution’ took place and liberal economics took over, essentially social order disintegrated. The rise of liberal economics centred around the concept of self-regulating markets (SRM) and Polanyi (1957; pp.68) stated that this “economic system [is] controlled, regulated, and directed by markets alone”. Markets then are considered above the order of society and are deemed the most efficient way to allocate resources (Swedberg, 1994). In this system participants are assumed to behave in the same way, they all act rationally to maximise individual utility where all participants have perfect information and the desire to enhance their benefits through exchange (Friedman & Friedman, 1980).

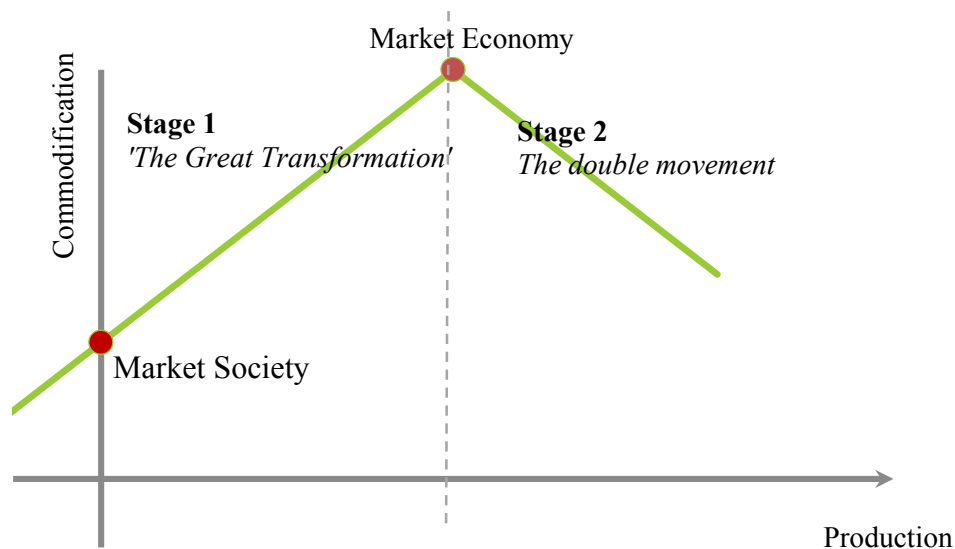


Figure 3.3 Visual representation of transformation of the economy from a market society to a market economy

3.1.1. The Self-regulating Market and Commodification

It is important to understand the meaning of commodity and thus later explain commodification. The empirical definition of a commodity is a physical object or thing that is exchanged in the market place which are products in their own right (Fraser, 2012).

‘The great transformation’ then is the economy transitioning from a market society to a market economy. This period is represented on the graph (see figure 3.3) in which the aim is to become a self-regulating market, this means that everything in the process becomes commodified and is ultimately a capitalist society. In capitalistic societies commodities take on additional characteristics than just the empirical definition stated at the beginning. Healy (2008) reveals that opposing the embedded system where societal institutions do not take precedence over the economic system will ultimately lead to a system where everything will become commodified. On the graph the point where production was goods alone is pre capitalist and the graph peaks at the point where everything is commodified, this is a free and liberal market which works on motivations of capitalism.

The market society is described as a system of barter and exchange with moral and ethical norms embedded into society (see figure 3.1). Polanyi distinguished this economy with the fact that societal

institutions fully embed or integrate economic needs of society including morals and ethics. In the market society noneconomic institutions such as kinship, religion and politics would take the role of provisioning humans that protected livelihoods (Booth, 1993).

The market society in the past would never encroach the social organisation of everyday life into the economic, the production and distribution of economic variables were ultimately controlled by social institutions which would use mechanisms including redistribution and reciprocity to fulfil economic needs. Polanyi (1957; p.68) wrote that “never before our own time were markets more than accessories of economic life”. In pre-capitalist societies, a market society would still have the presence of markets but they played a role in reciprocity and redistribution of income. In short “markets [were] not institutions that function within an economy, but without. They [were] meeting places of long-distance trade” (Polanyi, 1957; p.58). But rather market exchanges were for the pursuit of land grants or traded goods to sustain life. To further this Appadurai (1996) refers to theorist Habermas (1987) who said “in the nonmonetarised economic activities of archaic societies, the mechanism of exchange has so little detached itself from normative contexts that a clear separation between economic and noneconomic values is hardly possible” (pp.163). In the institutions of society and community, cultural values were inseparable from economy. It can be seen that value was in material goods alone. Both pre-capitalist and capitalist societies alike, value things but in different ways. Things have little meaning apart from those that have been endowed by human processes of transaction, attribution and motivation. But it is when capitalism exploits the concept of value, with the persuasion that ‘nothing can be produced if it cannot be sold with added or surplus value’ (Appadurai, 1996).

3.1.2. Fictitious Commodities

Fraser (2012) reports that all the essential conditions of life that were previously untainted by commerce, become necessary for self-regulating markets to operate. The market economy differs from a market society, in that factors of production include elements from the social system, looking at the graph it shows the increase in commodification. The graph starts at a market society, that has a certain amount of commodities used for barter and exchange, at the top is the market economy where every aspect of life is commodified. The self-regulating market subjects societal, ethical and moral norms to

subordination. The shift occurred when societal functions became secondary to the market economy and was setup as factors of production in the market. Essentially society is a factor of production in the market.

It is notable that in a market economy what is seen as the essential foundations of life are treated merely as physical commodities open to market exchange (Polanyi, 1944; 1957). The role of governments or centralised administration is criticised as introducing inefficiencies (Shorette, 2010). In turn modifying relationships between economy and society. Central to the market economy is the dominance of the commodity 'fiction'. The term commodity fetishism as coined by Karl Marx also considers the social impact of commodification. To a degree echoing Polanyi's ideas by saying that the process of transforming labour, services or ideas that would ordinarily not be sold in the market place, into objective matter allows for exploitation and conceals implications of subjecting theorised values to abstract commodities.

The transformation of a market society to a market economy requires that all aspects of industry are commodified, not only that of goods but also land, labour and money. By considering the meaning of commodity, as defined above and reiterated in Polanyi's writing, labour, land and money is not a commodity. Thereby creating a market for these elements is to base markets on fiction, with the term 'fictitious commodities' referring to land, labour and money in this regard. Strictly speaking, labour is undeniably a human activity, Polanyi (1944; 1957) says that this is "life itself, which... is not produced for sale" (p.72); land can be called nature, it is not produced by man but is where man resides, and money is "a token of purchasing power... which... comes into being through the mechanism of banking" (p.72). Fundamentally all are deemed fictitious as they are not principally produced for sale (Polanyi, 1957). In terms of land more specifically, there is a material and non-material case against the commodification of nature. Materially, land cannot be produced as such for sale, it is considered as a necessary precondition for production. The non-material dimension as best describe by early ecologist Leopold who considers that commodifying land disregards the human and natural existence and meaning when it theorized as property (Polanyi, 1944; 1957).

In the market economy every component of industry is sorted into groups of supply and demand. The market economy assumes the forces of supply and demand will keep the markets in a state of equilibrium, ensuring sellers and buyer's needs are met. Theorising that the competition within the market is the most efficient mechanism to keep prices reasonable by rewarding the most efficient producers (Shorette, 2010). Each component of the market has a price, the commodity price and is ultimately the relative market value. Labour, land and money does not have an obvious price because unlike other commodities has not been purposely produced for sale, so to label them with a price is deemed fictitious. Yet in the capitalist market everything that enters the cost of production become commodified the prices for fictitious commodities take the form of wages, rent and interest. In a market economy there is no allowance for external interference like the state and accordingly the regulating factor is price. Therefore in self-regulated markets it "implies that all production is for sale on the market and that all incomes derive from such sales" (p.69). For this scenario, it frames that all humans behave in such a way so as to maximise personal utility, meaning humans are in competition. As this is the case market exchanges are said to be inherently beneficial for everyone who partake (Friedman & Friedman, 1980).

3.1.3. Effects of Commodification

The concept of the 'Self Regulating Market' has, according to Polanyi adverse effects to society, but what are the effects of the spread of this paradigm? Fraser (2012; pp.4) interprets that 'a breakdown' will occur after the '*Great Transformation*', suggesting there will be "disintegrated communities, destroyed livelihoods and despoiled nature". Polanyi (1944; 1957) believed that the self-regulating market economy is subject to breakdown because the foundations of this theory are based on fictitious commodities. The impossibility of the market economy uses land, labour and money, which are empirically not commodities but central to this institution and will result in demolishing society. Thus it is said that for society to reassert itself from a "self-destructive mechanism" (Polanyi, 1957; p.76) a counter or 'double movement' will take place. It attempts to resist the dis-embedded nature of self-regulating market utopia and realign itself against commodification of land, labour and money.

The transformation society made from market society to market economy meant social values of which ethics and morals were integral were technically lost. Evident in the industrial revolution where policies were based on laissez faire free market economics, so production was for the pursuit of profits, As social institutions were subject to the market and a central authority was lacking it meant labour was exploited and worker conditions were poor, with a total disregard for welfare (Polanyi, 1944; 1957).

The key driver of commodification is capitalism's needs for goods and services to sell profitably. This objective is, but not always placed above and beyond the objective of preserving nature. As nature provides the living conditions and basis for human requirements, it is said that the basic societal needs have been endangered (Polanyi, 1944; 1957). Marketisation at present has encroached into nature, for example, schemes for trading emissions, in which a price has been placed on clean air.

Another effect of self-regulating markets is that because they are the only organising power in the economic sphere, there is the tendency to have inequalities where power is concentrated in certain areas (Shorette, 2010).

Polanyi theorises a countermovement because of these effects of subordinating society, this is known as the countermovement or the double movement.

3.2. The Double Movement

After the great transformation comes the countermovement, a premise described by Polanyi of Western Europe in the 20th century. Essentially it is the consequences of achieving a market economy where previous social structures have disintegrated. Recalling the graph from earlier (see figure 3.3), stage one of the chart describes the process of market liberalisation, the countermovement is triggered at the point when all elements of society are commodified, stage two forecasts the need for intervention to protect man and nature and ultimately de-commodify.

Self- regulating markets are idealised based solely on non-intervention so long as land, labour and money maintain the system. As soon as these conditions are not met, social protection is required. "But to allow the market to be the sole director of the fate of human beings...would result in the demolition of society" (Polanyi, 1944; pp.73). In reality, Polanyi sees SRM as a utopia because land, labour and

money are limited and fictitious commodities (Vancura, 2011). Polanyi's work seeks to reveal the impossibility of a market economy, which solely relies on the self-regulating market concept to realise value. Following on from the period of the market economy, Polanyi saw the double movement as a conflict between two disparate and incompatible movements. With the principles of the market on one side and on the other side an appeal to embed society principles in production and distribution. The countermovement is a spontaneous and defensive reaction from the consequences of market mechanisms in society and seeks to re-embed the disintegrated social values. The countermovement after the great transformation seeks to re-embed social relations that disintegrated in the market economy. These societal relations were originally based on reciprocity and redistribution. The notion of reciprocity is said to occur in social system where there is trust and bond between the community and of the system of reciprocity. In this sense power relations are seen as equal between members of society. On the other hand, redistribution in a social system requires the presence of a central authority who bares decisions of distribution with the community.

The double movement in this research is likened with alternative economic spaces and the rise in moral economies. Karl Polanyi's simple observation that the market is not the only form that economic life can take (Watson, 2006), has laid the foundations of studying alternative economies. The re-emergence of the culture in the economic, emphasised by alternative economic geographies divulges the underlying normative concerns for a more socially and environmentally sustainable economy (Booth, 1993; Watson, 2006). As such, values are expected to be distributed evenly between what is known as the triple bottom line- the environment, society and the economy. Booth (1993) also works with the idea as the countermovement being the emergence of a moral economy, comparable to the notion of embeddedness by saying "the economy is embedded, it is *Gemeinschaft*—the institutions, traditions, and norms of the community- that governs it." (p.653). The following section outlines the concepts behind the literature on alternative economies.

3.3. Alternative Economic Geography

In recent years, there has been an increasing amount of literature on the notion of alternative. A statement from Margaret Thatcher in the 1970's famously stated that "There is no alternative" [to economic liberalism] (in Friedmann, 1998), which advocated neoliberalisation of the market economy. The dominating discourse disregarded any strategies that contradicted the requirements for a market economy, therefore alternative economic spaces were perceived undesirably and merely seen as a sub-system to the wider capitalist economy, rather than being taken seriously as a suitable alternative (Friedmann, 1998). Today the restrictive view of the market is being proliferated by the creation of alternative pathways, with alternative economic spaces emerging in the local and global markets. Neoliberal theories previously avoided ideas that were alternative, limiting policies, economic spaces and geographies to what was classed as the conventional, within a market economy (Fuller, 2010).

The term alternative economies has two meanings it can refer to "processes of production, ownership, labour, exchange, and consumption" that veer from mainstream economic activities. The second meaning though has the potential to reconstruct ideas founded in economic geography by questioning the understanding that the economy is a heterogeneous space (Healy, 2008). There are various ideas of alternative in the economic sense in the literature. These include a cooperatives and other similar structures, non-monetary currencies, fair and ethical trade, the social economy and sustainable production and consumption (Daya & Authar, 2012).

The role of globalisation has been heralded as the reality in the economy with the capacity to merge and eliminate the boundaries of production and consumption through the pervasive control of all levels of consumer culture and everyday life (Gibson-Graham, 1996). Globalisation is said to allow money to be fluid and unbounded whereby money is set free from the real economy and allowed capital to seep into productive systems. It may be fluid but nothing 'other' comes into or out of this system (Daya & Authar, 2012; Gibson-Graham, 1996).

The aim of alternative economies is the “conceptual re-location of agency from the capitalist system to the realm of human” (Daya & Authar, 2012; pp.885). Businesses adopting CSR policies share the same ideas used in alternative economies, in which human development is fundamental to the success of the economy. Further, it is duly noted by Schreven, Spoelstra and Svensson (2008) that the “business of alternative is very lucrative”. Highlighting that motives and intentions in ‘the business of alternatives’ differ (Daya & Authar, 2012) and approaching the topic ought to be with caution (Schreven, Spoelstra & Svensson, 2008; Daya & Authar, 2012).

Many new economic geographers criticise accepted orthodoxies and are researching the potential of alternative economic spaces. To appreciate the notion of alternative it is often implied in the literature that the roots have stemmed from constructing ideals away from globalised neoliberal capitalism. For example, Gibson-Graham’s (1996) feminist account of capitalism and diverse economies in the book *The End of Capitalism (as we knew it): A Feminist Critique of Political Economy* provides an in-depth narrative of what alternative was originally against. Essentially it is against globalisation where only one economic space exists, meaning international trade, internationalisation of production, financialisation and a commodity culture and increased communication systems have endorsed capitalism into all aspects of the everyday. Over time, the ease at which information and money can move around in capitalist societies has seen the world merging around a liberal, market based economy of social organisation (Leyshon and Lee, 2003). It is only in times of poor economic growth when threats and challenges of this system have been revealed. David Harvey positions the ‘Washington consensus’ as fundamental to ensuring the global economy is restructured to a ‘neoliberal hegemony’ (Watts et al, 2005). It is concluded by authors such as Fine (1999) that neoliberalism obscures the fact that rich economies gain directly at the expense of the poor (Fine, 1999 in Leyshon and Lee, 2003).

There are various ideas of alternative in the economic sense, in the literature. These include cooperatives and other similar structures, non-monetary currencies, fair and ethical trade, the social economy and sustainable production and consumption (Daya & Authar, 2012). The context is important in discussing alternatives and what one person sees as alternative another may see as operating in the mainstream with conventional business motivations. Turning to the differing constructions of alternative, it is

possible to understand that there are three types of alternative which have been visualised below. The chapter in the book *Alternative Economic Spaces* that discuss more specifically alternative finances by Fuller and Jonas (2003) questions alternative institutions and the part they play in creating sustainable alternative economic spaces. They describe the nuanced roles that alternative institutions can play and the nature of alternative that they occupy with or in the economy, see below for my visual interpretation of the concepts.

Alternative-substitute

Alternative-substitute theorises that alternative economies in this instance acts as a replacement or substitute for institutions that are either not there or as institutions of last resort, they are said to not always be engaged in actively being alternative (Fuller & Jonas, 2003; Jonas, 2010).

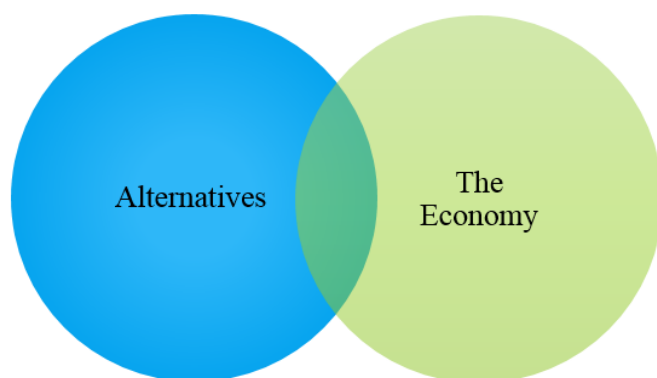


Figure 3.4 Alternative-substitute

The figure (see figure 3.4) depicts alternatives as occurring away from the economy but not fully as in some cases are replacing economic institutions or market activities that are not already there.

Alternative-additional

Alternative-additional embodies an economy that allows for extra choices to the other present institutions already there. In this instance it can be difficult to identify where the line between alternative and conventional exists as the alternative institutions do not necessarily pursue the need to be alternative.

In the diagram (see figure 3.5) alternative is depicted within the economy, with the economy expanding in size from the additional alternative institutions.

Further this idea with Gibson-Grahams work in a book called *Interrogating Alterity* Gibson-Graham's formulation of a diverse economy is reintroduced from their earlier work. They reveal that alternative market and non-market transactions, alternative paid and unpaid labour, and alternative capitalist and non-capitalist enterprises are regarded as alternative additional institutions (Lee, 2010). This is because they represent additional choice alongside capitalist enterprises (Jonas, 2010).



Figure 3.5 Alternative-additional

In this depiction of alternative it can be referenced to the appearance of a capitalist economy as Gibson-Graham (1996) say that capitalist system clusters around markets.

Alternative-oppositional

Essentially alternative opposition describes the opposite of alternative-substitute whereby alternative economies are meaningfully embodying something dissimilar in value and operationally. Alternatives in this case are actively going against the conventional.

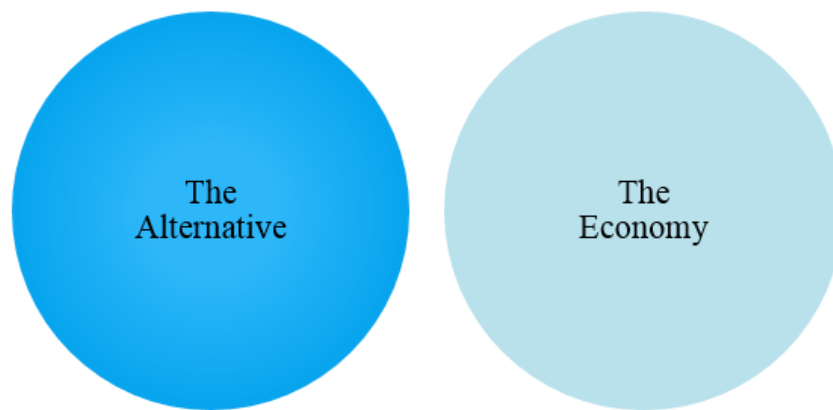


Figure 3.6 Alternative-oppositional

The figure that represents alternative-oppositional (see figure 3.6) reveals the economy remains alongside the alternative but it does not interact as they reject non-alternative or mainstream forms and identities. This model and concept fits with the ideals Polanyi conceived in a countermovement. He considered a countermovement would reject the orthodox approach to economics and re-embed society and economy (Polanyi, 1944; 1957).

In this model alternative and non-alternative appears to be at opposite ends of a binary, it implies that alternative is situated in relation to an 'other' (Jonas, 2010). But not all scholars believe this way of looking at alternative is appropriate and would prefer a relational concept such as Gibson-Graham (2006), who believe that alternative should not be limited via critiquing neoliberal capitalism and globalisation but rather to make adequate arguments use a range of economic and political conditions.

Some scholars show concern about the adjective alternative. Schreven, Spoelstra and Svensson (2008; p130) say "the threat of commodification that permeates our (alternative) lives today. The business of alternatives seems to be very lucrative indeed... their days are always numbered, and their alternative status, that is their status as an expression of our discontent with and disapproval of the status quo is ephemeral." It is easy to prescribe to an alternative when one is unhappy with the current situation, but that is not to say the alternative is necessarily better.

Moving on to a particular type of alternative economy known as fair trade, which uses economic concepts to ensure farmers are paid a minimum fair price for their crops (Van Der Hoff Boersma, 2014). A moral economy is the foundations of the fair trade philosophy and the executive director of Fairtrade International, Harriet Lamb believes that fair trade and social enterprises are viable alternatives to present day consumerism. By turning the rules of capitalism around the fair trade model has been put forward as one of the leading alternative trading mechanisms to combat the ‘current crisis of capitalism’ (Meade, 2014). Goodman (2004) builds on the idea that fair trade aims to re-connect producers and consumers economically, politically, and psychologically using a certain ‘political economic imaginary’ that appears to reconnect the wider ideals of a moral economy (Goodman, 2004; Goodman & Bryant 2013). Others are sceptical about fair trade as the principles centre around global capitalism and a neoliberal agenda (Dolan, 2010). Some authors extend cynicism by questioning whether fair trade actually entrenches neo-colonial and capitalist structures that produce and maintain producers’ impoverishment (Dolan, 2010; Freidberg, 2003; Naylor, 2014).

4. Data Collection and Methodology

The approach for data collection and analysis was a combination of quantitative and qualitative. I placed emphasis on qualitative data collection, using interviews and focus group discussions as tools to gather qualitative data and then the limited amount of quantitative data that was collected was to form a background picture of the participants.

In this research the theories of alternative economies and Polanyi's Great Transformation have been presented, these ideas are then examined using a case study approach. By using a case study approach it is possible to develop an intimate and in-depth understanding of a particular case that is set in the real world context. The aim of using a case study approach is to gain insight and deeper understanding of how theory and concepts play out in specific contexts where it is important to appreciate the phenomena in real life (Yin, 2009). Emic research is gathering narratives of situations from within a culture, the opposite is the case for etic research which is a description of behaviours and situations from an observer. The purpose of this research is to gather emic research by sourcing the views of the project members in this case study. This is deemed important because the research aim considers how alternative economies affect the people on the ground and in this case it is the project members. In addition, different emic accounts will be gathered in interviews with project managers and staff in terms of their views on the project so far (Rossman & Rallis, 2012).

4.1. The Methods

The following section describes the procedures I used to gather the information from the field. The methods employed in this research were semi-structure interviews, informal interviews and focus group discussions. Yin (2009), refers to the importance of triangulation in case study research, preferring to use multiple data-collection techniques to gather information in quantitative and qualitative formats that will provide a clearer picture of complex situations. Mixing methods and sources of information will ultimately maximise understanding of the research questions through triangulation.

The methods were based on a three pronged approach. The fieldwork was organised over a two week period in June 2014. The first week was dedicated to interviewing management and the second week

was dedicated to conducting FGD's with the smallholders. In the first week I gathered project background information which was collected from the staff at Finlays, following this, I took information from the cooperative staff and managers to gain specific understanding of each society. The second week was devoted to focus group discussions (FGD's), which were held in each society and were designed to find specific details on how the project had and still is affecting the members.

4.2. Sampling Strategy

The participants in this study were drawn from three key pools, namely the Finlay's project management staff, the Fintea Cooperative Union management staff and finally the smallholder Fintea Cooperative members.

Company Management

I conducted formal interviews with the Finlays staff that were involved in the project, they were usually prescheduled and took place on the James Finlay Kenya (JFK) site in various management offices. I interviewed the following staff, here are their positions to identify them in the text:

- Assistant Finlays Outgrower Manager
- Finlay Flowers HSE Manager previously JFK Social Responsibility Liaison Manager
- JFK Social Responsibility Assistant

Informal interviews also took place but were more conversational in nature and not pre-planned, such as being taken on tours or in the car driving from different destinations. The aim of meeting with Finlay's staff was to understand how the company had viewed the outcome of the project and to clarify how Finlays was involved in the project.

Cooperative Management

Formal interviews were held with each Fintea cooperative societies in turn, these were scheduled and took place in each of the societies' offices. The interviews varied between group and one on one interviews. The interviewees included the society manager and/or chairman and on occasion members of the board. These were prearranged using a key informant from Finlay Outgrowers to setup the

meeting. The aims of these interviews were to better understand how the societies as separate entities are running, how they vision the future and recognise how they view progress of the project so far. Most of the interviews were recorded using a dictaphone and used semi-structured approach to promote a natural conversation.

The following societies took part in this research:

- Chepcheb Outgrowers Cooperative Society Limited
- Chesetekaa Outgrowers Cooperative Society Limited
- Kapkap Outgrowers Cooperative Society Limited
- Ainamoi Tea Produce and Multi-purpose Cooperative Society Limited
- Kokchaik Cooperative Society Limited

Smallholders

Smallholders refers to the members of the cooperative who are registered smallholder tea farmers. Each member, along with the size and location of their farm plot, is registered to one of the 5 cooperative societies. Note that there are numerous registered smallholders in each family as land is commonly subdivided among family members. Many smallholders have labourers or workers who pluck tea on their land, in this study these people were not contacted and attention was placed on smallholder cooperative members. Focus group discussions with each cooperative society were instigated through the cooperative society managers. The aim of this was to gain deeper understanding of the broader issues and challenges facing the smallholders and to bring to light the benefits they gained from being a member of their society.

4.3. Data Collection

The following section details how the data was collected. The methods used comprised of interviews and focus group discussions.

Informal interviews were carried out when an opportunity arose and in this way meant that there was no significant planning of the questions and structure of the interviews. Informal interviews contributed

views on the spur of the moment and allowed more of a two-way discussion, in that they asked me questions too and I was able to pick up on interesting points to broaden my curiosity.

Semi-structured interviews were conducted with Fintea Cooperative management to gain an overview of the project, understand what actions had taken place and to reveal their hopes for the future. Other semi-structured interviews were carried out with Finlays management staff to gain background information of the project and reveal Finlays views of the project.

The FGD's were used as a mechanism to gather data from the Fintea Cooperative society members. See appendix IV for a sample of the protocol used. Discussions held prior to the trip with Finlay's Sustainability Manger and Muhaimina Said-Allsopp, a researcher who has carried out past studies with Finlays in Kenya concluded that FGD's were the most suitable data collection method. Using key informants in this way revealed that focus groups in their experience had been best suited to the culture and way of working in my particular study area. FGD's were used as a way of gaining an overview of the project itself from the people it affected, using the experiences from the members as the main source of discussion.

The focus group discussions were designed to be flexible and cover perspectives on both positives and negatives of the project. As Said-Allsopp (2012) highlights in her research using FGD's, there were two potential pathways of collecting this data. The participants could have been given a list and then asked to vote or prioritise the list that had been selected from the literature concerning alternative economic geographies. Or the participants were asked to discuss their experiences and then as a group and using a facilitator, would compile a personalised list. Therefore rather than pre-empt and predict what the smallholders had to say with categories that were predetermined, it was decided to use the latter option whereby participants outlined the benefits and drawbacks of the project themselves then later put them to a vote.



Figure 4.1 Photos taken before participants voted by researcher June, 2014

In the FGD's the participants were asked their reasons for joining the cooperative societies these were recorded by me as the note taker. Then the facilitator would move the discussions on to finding out the benefits and drawbacks from participants joining Fintea as a member. Generally benefits were discussed first, as some methods literature considered that participants engage better before by starting with positive talking points before carrying on to deeper discussions that involve negative topics (Laws et al, 2003; Rossman & Rallis, 2012).

As the note taker, after discussions of each topic (the benefits and the drawbacks) drew to a close I would relay the key points that came out of the discussions. These key points were agreed upon collectively and written on A4 paper and placed around the room/area (see figure 4.1 and 4.2 for examples of this). Each participant was given five sticky dots that represented five votes. They were told to place the sticky dots on the benefit they had felt the most, they were free to stick as many or as little dots on each benefit but they had a total of five to use. Following this, the participants were asked to discuss the challenges and drawbacks they had felt from the project and the same voting pattern took place for these.



Figure 4.2 A photo taken by the researcher in June 2014 after participants had voted

The FGD's were held in public places and were strategically located to be in the most convenient location for the smallholders to access. Access and time were a major issue in setting up FGD's as many farmers did not have good access to transport and had busy working and home lives. Examples of the locations of the FGD include tea buying centres, a church, community centre, near a zone centre (a zone is smaller than a village and the centre is a cluster of shops and services), outside a cooperative office under a tree and the boardroom of a cooperative society office. The focus groups were held at the most convenient times for farming schedules, for instance after morning plucking and after lunch to ensure the least disruption for them, these were set up by the society managers who used different modes of communication to contact members.



Figure 4.3 Photos taken by the researcher in June 2014 of some locations of the FGD's

4.4. Data Analysis

Data analysis was conducted according to the data collection method. Interviews, if recorded were transcribed. As interviews provided an overview of the situation a story of the project was constructed using the information from these particular participants with useful quotes used.

The FGD data consisted of taking notes, recording discussions and a record of the voting papers. A set of questions to gather socio-economic data was directed to each participant and this information was recorded and analysed quantitatively using graphs and tables. The FGD's were qualitatively analysed by drawing out themes that arose from all the discussions. Each theme was then linked to arguments presented in the concepts and theories section to prove and disprove the arguments made.

4.5. Ethical Considerations

Throughout the FGD's I used a facilitator interpreter to translate what I was saying into Swahili. I ensured the facilitator interpreter knew the importance of ethics conveying the message regarding confidentiality and data rights. In my introduction in the FGD's I was aware of my positionality (as a

master's student, who had previously been employed by Finlays, from the UK and who could not speak the language) and stressed the nature and aims of my research to the participants to illuminate my role of being there. The interpreter politely asked the participants if the discussions could be recorded and conveyed the message about confidentiality and that they are not obligated to agree. Consent was given verbally by the participants and in some cases the discussions were not recorded. There was one occasion when some of the participants did not feel comfortable being recorded. On other occasions discussions were not recorded due to language difficulties and I decided that recording the discussion would not be meaningful.

In the planning stage I considered that there could be difficulties with participant being able to read and write. Therefore consent and rights were verbally translated into Swahili, this was considered acceptable by the ethics committee. In the FGD's it was not considered a problem when participants came to vote where the sign was in English as I attempted to draw pictures and diagrams, and before voting commenced, the interpreter verbally translated each sign.

I recognised my reflexivity in the research and during the fieldwork realised my presence within the communities the project works with played an important role in the data I collected. As a researcher it was important for me to question and explore my presence within the data collection process as a foreign student, as a previous employee of Finlays and amongst other considerations like my age, gender, race and ethnicity. Therefore I was conscious of my presence and made an effort to respect cultural conditions and interact with participants to put them at ease. It was impossible for me to segregate myself from the researched and vice versa, I cannot eliminate this iterative process from my data collection therefore my research is entwined with my positionality (Rossman & Rallis, 2012).

4.6. Issues Incurred

Every effort was made to hold focus groups at the most convenient time and location to ensure a good numbers of participants. With FGD's taking place in public places, a few participants joined halfway through meetings or left partway through discussions. It was especially so with FGD later on in the day where women left the meetings to fulfil home duties and family commitments.

After the FGD's I opened the floor for participants to ask me questions or time for me to clarify any issues. In many cases this led to participants asking for my advice and seeking my help for donors. I was aware of my positionality in these situations and did not want to give false hope and promises I could not keep. Furthermore, I did not want to undermine them and further entrench prejudices that they carried for me being from the UK and the power they considered comes with that. Instead I tried to empower them and reflect on being united as a group and the power they have as an assertive force for change.

Power relations especially in group discussions were considered a prominent issue to deal with in FGD. Therefore the interpreter who was hired acted as the mediator facilitator to promote discussion and balance powerful voices. The interpreter was experienced in this and had conducted similar FGD with Finlay workers.

To promote fairness and an even playing field, discussions were held in Swahili or if the participant felt comfortable, could speak in English. It was deemed important for discussions to be held in the national language of Kenya, Kiswahili. This was to ensure that no one felt excluded and to ensure the discussions remain inclusive. However, it was not anticipated that some participants would not understand Swahili. On two occasions the facilitator/interpreter realised that some participants could only speak the local language of Kalenjin. Within the FGD, other participants volunteered to translate. Every effort by the interpreter and myself to include everyone in discussions was made. The interpretation of my questions into the local language does not have the same assurance as using an assured interpreter with issues such as questions translated to be a leading type of question and responses translated incorrectly. For example there was a time when an answer to a question was "they just agree with what I say, we have the same opinion".

Section Two

5. A Culture of Commodification

In order to uncover the impacts of the project on the smallholders, it is important to make links between significant periods of history that could affect the future of Kenya and the project. In this instance it is meaningful to look at Polanyi's model and decide when in the Kenyan economic history was considered a market society. After this is known it is important to look for key changes in the economy that occurred to transform the relations between society and economy. The following section highlights Kenya's period of commodification on its journey from a market society to a market economy.

The Kenyan agricultural industry has transformed in modern history from subsistence farming to export dependent. Remarking on the modern history of Kenya it would be reasonable to suggest that there has been a transformation of the economy from around the beginning of the colonial period, with evidence of a culture of commodification and the following section points to the evidence to suggest this.

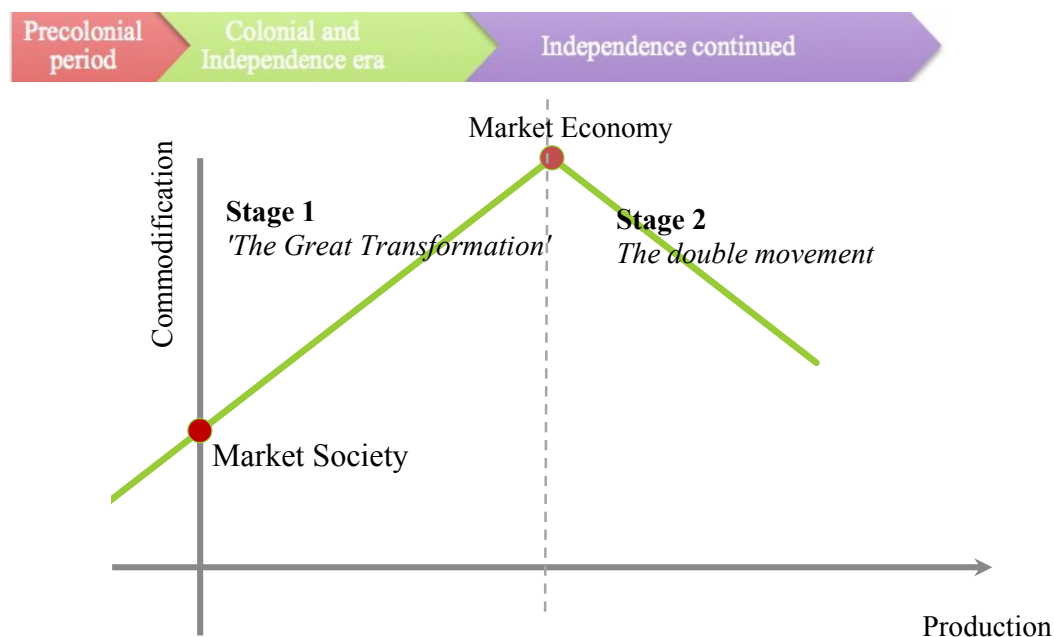


Figure 5.1 Process of commodification in Kenya

Adding to the previous graph (figure 3.3) figure 5.1 has been created to represent the process of commodification specific to Kenya. The blue line presents the development of the Kenyan economy

and in stage one it signifies the pathway to a self-regulating market (SRM). As stated by Polanyi (1944; 1957), all industries are subjected to market exchange and to be a fully self-regulated system all elements of social life are commodified. Polanyi's work is based on describing 19th century Western European economies, however this model has been adjusted to the Kenyan economy which sees *The Great Transformation* beginning from the start of colonisation. The red, green and purple divisions have been added to represent the context of Kenya and its history in the process transforming from a market society to a market economy. Notably it highlights how pre-colonial Kenya traded goods as commodities, and then the process of European colonisation re-structured the economy, chiefly commodifying all elements of industry, which transferred into the independent government policies.

5.1. Kenya as a Market Society

The following inquiry demonstrates what the economy of Kenya was like when it was considered a market society which is revealed to be the times before Kenya was colonised. The relationship between society and economy in Kenya before the colonial period was based around tribal cultures where the economy was embedded in society. Tribal cultures in Kenya were and to an extent still are characterised by a social organisation that centres on kinship, production and exchange. In pre-colonial Kenya communities adjusted themselves to the ecological niches, consequentially food production was based on resources available (Ndege, 2009). The Kalenjin community who are located in the Western region of Kenya, to the East of Lake Victoria and is the location of the Kibagenge Project.

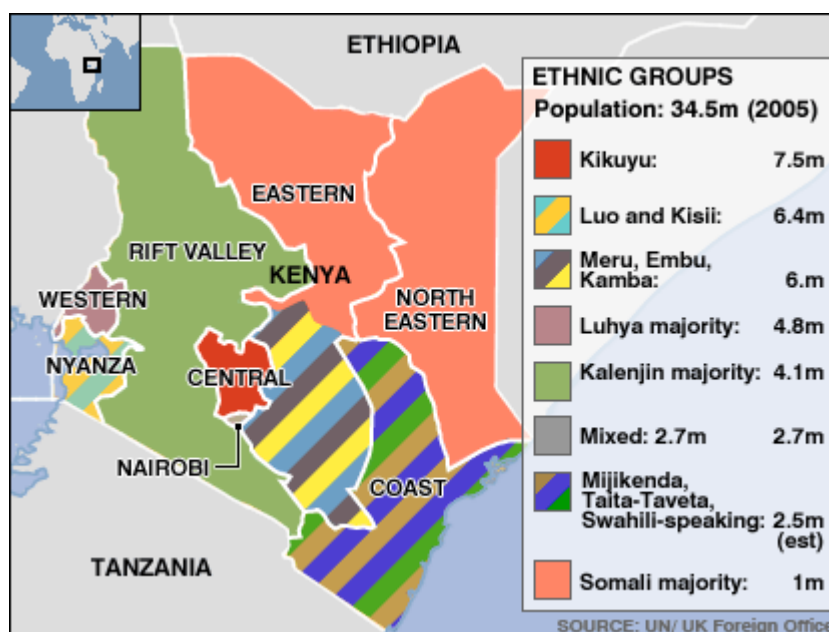


Figure 5.2 Map of Kenya showing the different tribal areas, the study spoke to mainly Kipsigis people from the Kalenjin community (in green)

Source: BBC News, 2008 <http://news.bbc.co.uk/1/hi/world/africa/7168551.stm>

The name was given to the Kalenjin community during colonial times and effectively contains numerous tribes including the Kipsigis (Kanyina, 2009). The Kipsigis communities resided in areas of good agricultural land, characterised by bush land and kept goats and cattle and grew crops for consumption and exchange (Donovon, 2009). Much land was owned communally and thus it was the virtue of the community that allowed rights to the land. A major element of a market society is that the economy is organised on reciprocity and redistribution. It was common to find exchange relations between tribes with different ecological niches. This exchange relation would be to fulfil other production needs that could not be fulfilled on the capabilities of the land. Conceivably Kenya before the colonial period could be classed as a market society because social organisation was based on redistribution and markets at this point in time were merely an accessory to exchange factors of production like meat and crops.

Polanyi described an element of market society as relying on a centralised administration who fostered social order for the greater good of the community. It was customary for clan or tribal elders to provide central administration and governance, imposing limits on trade, to provide basic political organisation

and settle disputes. It is believed that hierarchal structures were not evidently present in these societies, with no society having a distinctly higher class or caste but there was centralised governing was from village elders.

Social organisation in market societies is said to be based on markets that had no tendency to expand at the expense of anyone else, which fostered great trust between the community. In the case with Kenya the Kipsigis did not have physical boundaries allowing for cattle to roam freely and boundaries were only created to protect crops not to divide ownership of the land as such. Households were intimately dependent on the community and community land and it was of great importance to belong to a community for the social and economic benefits. Reward for labour in the community were redistributed evenly and according to need. Communal land pooling was common and communities would be of help to those who needed it showing egalitarian behaviour. Society was not static with history of migration and colonialism is said to have given new shape and direction to community dynamism (Ndege, 2009)

5.2. Kenya as a Market Economy

From picturing Kenya as a market society the route to a market economy was through liberalisation and laws enforced on Kenya from the colonial period and subsequently taken on by the independent government. Kenya was colonised in 1895 by the British military, the aim for Britain was for their colonies to supply the majority of raw materials, a market for manufactured goods and revenue for financing local colonial administration in Britain (Ndege, 2009). The colonial government set out a plan to improve the economy by creating what is called a settler economy. The economy was transformed by the need to produce commodities for the export market and food crops began to become imported. In particular in Kenya the European colonisation period promoted the commodification of nature, where space and land was transformed into thinking about it as exchange value. Before land had other values such as spiritual and cultural value. European producers were encouraged to migrate to Kenya to boost economic production in the form of increasing agricultural production. The colonial government commanded for the forced mobilisation of the Kenyan labour force, which resulted in the commencement of peasant production for the export crop sector. Virtually all export crops were

produced in an area re-named the 'White Highlands,' which were predominantly large European estates (Fahnbulleh, 2006). By 1946, 72% of the value of Kenyan exports came from just four crops including coffee and tea. Fostering of new (cash crop) industries meant that tea was introduced into Kenya in 1903 in the form of large plantation farms in the highlands of Kenya (Tea Board Kenya, 2012; Bulow & Sorenesen, 1993).

A major impact on society was the degradation of sovereignty, as native community leaders were replaced by colonial rulers. Before this time most of society was based around what Polanyi describes as a market society, and the economy used the redistribution, reciprocity and exchange market for subsistence.

Overall colonial economic policies were instrumental in incorporating pre-capitalist economies into the international market system. Single communities were divided up, thereby uniting different administrations and ethnicities, which Ndege (2009) says fostered negative ethnicity, as communities now had to compete for colonial resources. Repressive policies were enforced and boundaries were marked out within Kenya which established a large territorial entity, communities were divided and merged with other communities which created negative tension amongst them (Ndege, 2009). Africans were forced into a market economy by the hut and poll tax which meant tax was enforced on each household. To earn money Africans had no other options but to work on the colonial farms in order to pay taxes and claim resources (Ndege, 2009).

Following on from this period the post-colonial period, significant attention was paid to the agricultural sector. The large plantation tea estates owned by multinationals companies were too expensive for locals to invest in after independence and with a change in policy to allow small-scale tea to be grown by Africans, the smallholder tea industry began.

As we have seen Kenya has demonstrated a clear transition from a market society to a market economy which was triggered by colonialism.

5.3. The Breakdown

A breaking point is inevitable when society can no longer take the effects commodification has. The wave of neoliberal policies in Kenya has come about in recent history and built on the colonial policies to liberalise the economy. The entire relationship between the economy and society was restructured by the colonial government. As Polanyi reveals liberalising the economy will spur a kind of protective countermovement. Polanyi's argument on the process of separating society and economy he says is unnatural, as man's inherently social nature is all part of the economy. In the double movement, society searches for self-protection against the commodification of life. Whilst investigating the case study and the Kenyan economy a link is made with two significant events in history as being precursors to change in the economy.

The events leading up to a crisis point in Kenya culminated in violent social conflicts, namely the Mau-Mau rebellion and the 2007 post-election violence. The redress of these two events had major consequences for the re-structuring of Kenyan society and the economy. As will become clear, leaders that imposed the utopia of free market economics into the Kenyan society, as predicted by Polanyi's theories, enforced an impossible agenda and when these conditions were not met, society rebelled triggering a countermovement.

The Mau-Mau rebellion from 1952 to 1960 ultimately concluded with the British colonial government being phased out. The militant group Mau-Mau succeeded in their aim to remove British rule from the country due to the contestation between Africans and Europeans of land ownership (Dercon & Guitierrez-Romero, 2011). As land was expropriated and alienated by law under the Crown Lands Ordinance of 1915 that declared wasted and unoccupied land as belonging to the crown (Kanyinga, 2009). Scheduled land in the 'White Highlands' was for European settlers which took the rights away from Africans. This grew Kenyan animosity to European settlers in Kenya. Not only this, for the colonial government to obtain cheap labour for the settler economies, taxes to huts was introduced. Migration of Africans to find work in settler farms also increased the number of squatters in the 'White Highlands'. To intensify agricultural production in Kenya individualisation was introduced to register individual rights. The unrest in the country eventually broke out due to a culmination of changes in the

economy (ibid). Attempts were made to settle the economy with resettlement of squatters and a land purchase programme where the government purchased some of the European settlers land and sold it to 'new African farmers' (Kanyinga, 2009).

Following on from the Mau-Mau rebellion the following section will highlight a breakdown in Kenya economy that occurred more recently and is having a profound effect on Kenyan economy. This incident occurred after the 2007 elections where violence erupted around the country which saw Kenya in a state of emergency. Using the paper by Stefan Dercon and Roxana Guitierrez-Romero (2012), it was said that violence was instigated by political representatives with wide spread civilian belief that the elections had been stolen. They go onto reveal that the violence was an "explosive result of a combination of historical, economic and political factors" (pp.742). The 2007 post-election violence in Kenya can be seen as inevitable due to numerous historical factors such as the creation of land rights during the formation of the 'White Highland'. Land reforms by the colonial and post-colonial government ethnicised politics through the settlement schemes and it is said they favoured certain constituencies. Following this the land purchasing programme brought in the new dimension of class into politics as only those with the ability to pay for it received the land (Kanyinga, 2009). Ultimately an unsettled political system stimulated inter-ethnic and class competition (Kanyinga, 2009; Dercon & Guitierrez-Romero, 2012).

The Mau-Mau rebellion and post-election violence is a classic point showcasing society rebelling against injustices in the economy. The economy before each conflict was based on market economies and according to Polanyi the next stage is the double movement but it is apparent that political issues remained unresolved. The ultimate goal of a self-regulating market using the economics of free markets has its limits, not only this but Kenya politics added to both breakdowns.

Section Three

6. The Double Movement

The double movement is brought about after achieving a market economy where previous social structures have disintegrated and the economy seeks to rectify social-economic boundaries. Recalling figure 3.3, stage one of the chart describes the process of market liberalisation and the countermovement is triggered at the point when all elements of society are commodified, stage two forecasts the need for intervention to protect man and nature known as the countermovement. Polanyi's countermovement then is constructed on the ideals of alternative-oppositional which is presented by Jonas (2010) in the literature on alternative financial spaces. There are two other models though that are considered alternative but do not tend to fit as well with Polanyi's suggestions to reject the market place completely.

The aim of this research is to better understand the impacts the project has had and in order to untangle the complex situation, ideas of the double movement were used. The literature revealed the elements an economy should go through to be in the double movement. These elements are similar to those the literature reveals to be alternative economies. Therefore this section unpicks key elements found in the focus group discussions that relate well or do not relate well with the arguments made in the double movement.

6.1. Tea Trade Liberalisation as The Double Movement

Deliberating on the economy of the small-scale Kenyan tea industry, it has only been fully liberalised since 2000. As we know Polanyi refers to the double movement as a movement to re-integrate society and economy which was dis-embedded in the move to a free market economy. It is clear that the small-scale tea industry in Kenya is still relatively new, the concept of market competition is growing and has not always favoured the small-scale tea farmers.

After the Mau-Mau rebellion triggered the removal of the colonial government, the independent government only sought to liberalise the economy further with the formation of the KTDA. As has been stated before small-scale farmers were forbidden from producing tea until

independence annulled the restrictive laws that protected European settler economies in the market place. Polanyi's supposition of the double movement in which following a breakdown against market liberalisation a countermovement will take place, in this case small-scale farmers were liberalised. At the time the government creating the overseeing body, the KTDA, that effectively proliferated small-scale farming in the tea industry, in hindsight, it furthered the ideals of a market economy. The small-scale tea sector grew significantly over the years to dominate production figures against those of the large estates. In the Kenya tea sector the majority of buying and selling of tea is at a central auction. Using anonymity at the auction promotes self-regulating markets, in the aim for maximising profits at all costs. At auctions there is a barrier between producer and buyer, there is no immediate connection to work off of and this means the buyer is only able to distinguish products based on quality.

There were certain aspects of the small-scale tea sector which did not fit well with a free-market utopia though. The KTDA monopolised the sector as it was partly owned by the government and producers were not able to sell to any other factories, this condition is in opposition of the ideal of a self-regulating market as laid out by Polanyi.

Competition in the small-scale tea industry is emerging, this has brought positives and negatives with it. The introduction of the Finlay Outgrower scheme meant that the smallholders benefitted from selling all of their tea, previous to this the KTDA could not cope with the amount of tea being produced. From the FGD it emerged that competition for smallholder tea is growing, with other MNC offering to buy tea. If smallholders are not committed to the project and leave on account of better price elsewhere, the positive results of the project may be lost for example, economies of scale.

In summary, although it can be considered that the liberalising of the small-scale tea sector brought many benefits, it technically expanded upon the principles of a self-regulating market. The time between full liberalisation of the KTDA in 2000 and the beginning of the Kibagenge project was when the post-election violence took place.

6.2. Fair Trade and The Kibagenge Project in The Double Movement

After what is called the ‘breakdowns’ of the Kenyan economy were linked with the Mau Mau rebellion and the 2007 post-election violence, the following ideas present the double movement the small-scale tea industry and the creation of the Kibagenge project seek to rectify the economy, as part of this countermovement, a notable mechanism employed was Fair Trade.

The trading system for the smallholders benefit from alternative trading systems such as Fair Trade because it opens up a niche in the market as well as forming direct links to international consumers. Some alternative economies claim to, or have been formed to use the idea of being separated from the mainstream market and are against the effects of capitalism. This however is said to not the case with Fair Trade who work in the conventional markets and not against them (Shorette, 2010; Goodman 2004).

Some aspects of Polanyi’s work on market societies are akin to the aims of cooperatives and consequently the Kibagenge project. Redistribution and reciprocity operated as economic organisation inside the social system. The work of reciprocity on the project is evident in the way knowledge is exchanged. Learning for example about conservation or new farming techniques are filtered through to farmers from working with lead farmers in each buying centre. It can be seen that redistribution within the project is present in that, Fairtrade Premiums received from the sale of their tea is shared out from the Union to each society and is used for community projects (Shorette, 2010).

6.3. Finlays Expand Their Moral Compass

Of significance is the way in which the project emerged. Finlays began the project as one manager put it “*to expose these smallholders also to the benefits we are also experiencing [through Fairtrade certification]*” (JFK Social Responsibility Officer, 2014). Not only did Finlays feel a moral responsibility but it would also expand their factory operations. Although Finlays were not actively looking for extra leaf for their factories the project, as one Finlay’s manager, said is a ‘*win-win*’ situation. As there would be increased engagement with the surrounding community, a formal cooperative structure would mean better access to leaf and

capital cost for producing the raw tea are outsourced to the outgrowers (JFK Social Responsibility Officer, 2014). Overall, it was felt the company have benefitted in terms of the social outcomes of the project.

For producers it was clear in the focus groups the reason for many to join the Fintea Cooperative was for economic reasons. Time and again participants said the reason they wanted to join the cooperative was to receive a better price for their tea and the poor services provided by KTDA meant they lost money. It was revealed on many occasions that they were compelled to join the Fintea cooperative due to issues such as:

- Untimely collection of tea. Pluckers had to wait on some occasions up to three days for their tea to be collected at their buying station, by this time tea quality was reduced.
- Poor weigh scales. Participants said the weigh scales were in accurate and lost out a lot of money as the calculations rounded down the weight of their tea.

This leads to determining the Kibagenge project as ‘alternative- additional’ (see figure 6.1) economic space according to Jonas’ (2010) model.

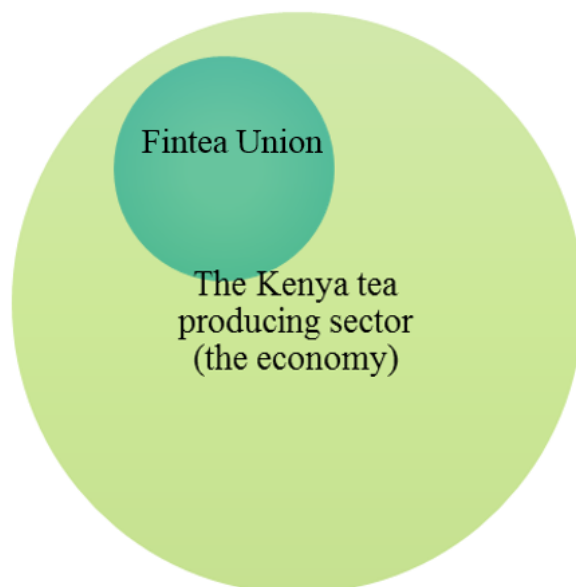


Figure 6.1 ‘Alternative-additional’ modelled on the Kibagenge project

It is possible to reject the two remaining models on the grounds that ‘alternative-oppositional’ would ultimately require a non-capitalist economy and ‘alternative-substitute’ would require for the KTDA to not be present at all. ‘Alternative-oppositional’ is analogous to Polanyi double movement whereas ‘alternative-substitute’ does not fit the model. The reason for classifying the project as ‘alternative- additional’ is that for small-scale tea producers in this area, there is no other choice. This project brought about choice, in that it expanded choice and created a formal structure. In the past small-holders were managed by the KTDA and there was no competition in the smallholder market place, it was monopolised. For small-scale tea producers in Kenya there was no other choice of who to sell to, there was no alternative. This practice was accepted as it was run as a cooperative and as part of the government agricultural body. Following the liberalisation of the small-scale tea market in 2000, the Kones Bill amended the Tea Act in 2010 to become fully liberalised (Kimanthi & Muriuki, 2012). The new amendment to the Tea Act means that the Kenya tea industry now operates as a free market economy.

6.4. The Project and its Impacts

The results gathered from focus group discussion with nine groups from the Kibagenge project reveal the benefits and drawbacks of being part of an alternative project. Using the results from the FGD the stated benefits and the drawbacks of the project were pooled together along with the number of votes given to each which is shown in the following two graphs, one for positives and the other displaying negatives. Find the socio-economic background of the participants involved in appendix V.

Table 6.1 Economic impacts of the project mentioned by the participants

Positives		Negatives	
Better tea price	62	Fertilizer price increasing and expensive	75
Premium projects	51	Unstable tea prices	71
Timeliness of collection	45	Tea price does not reflect cost of production	30
Tea advances	38	Low tea prices	23
Negotiate prices better	38	Lack of transparency on processing costs and market prices	21
Able to pay school fees	35	Payment delays on advance and final payments	20
Conservation training	33	Pay slips come after payment	18
Better health and safety	27	Poor road maintenance	17
Investment in shares	21	Transport costs are high	16
Continuous spread of tea payments	20	Division of premiums is less for us	14
More efficient weigh machines	20	Fertilizer not subsidised like for cereals	12
Help to diversify	16	Delayed collection and payment of fresh produce	10
Brought us together	14	Limited selling capacity	9
Easier access to SACCO for loans and payments (closer)	14	Time when you pay for fertilizer	9
Empowered women	13	Quantity of Fair Trade produce bought	6
Closer buying centre	13	Still have middle men	5
Job creation in the coops	12	Insufficient amount for premiums	4
Help us get loans	11	Bank charges on 2 payments	3
Invested in farm estates	8	Increased competition	3
Can come together financially	8	No land left to carryout diversification	2
Global awareness	7	Not enough jobs for the youth	2
Support from Finlays when needed	5	Poor quality and short expiration of fertilizer	2
Better standard of living	4	Premiums not directly for farmers	2
Regular fertiliser delivery	4	Seed supply for fresh produce	1
Managerial training	3	Labourers demand payment when tea price is low	0
Money arrives quicker	3		
Stable tea prices	2		
Benevolent funds	1		
Better agricultural production	1		
Fairtrade training	1		
Able to appoint our own leaders	0		
Increased communication channels	0		
Training for Jikos	0		
Training for home/veg gardens	0		
Greater market access	0		

The Benefits of the Project

The most amount of votes for the benefits of the project are attributed to better tea prices. At the opposite end there are other positive impacts which were stated but no votes were put forward such as that they have received training on improved jikos or stoves which cuts their wood consumption and improves their health.

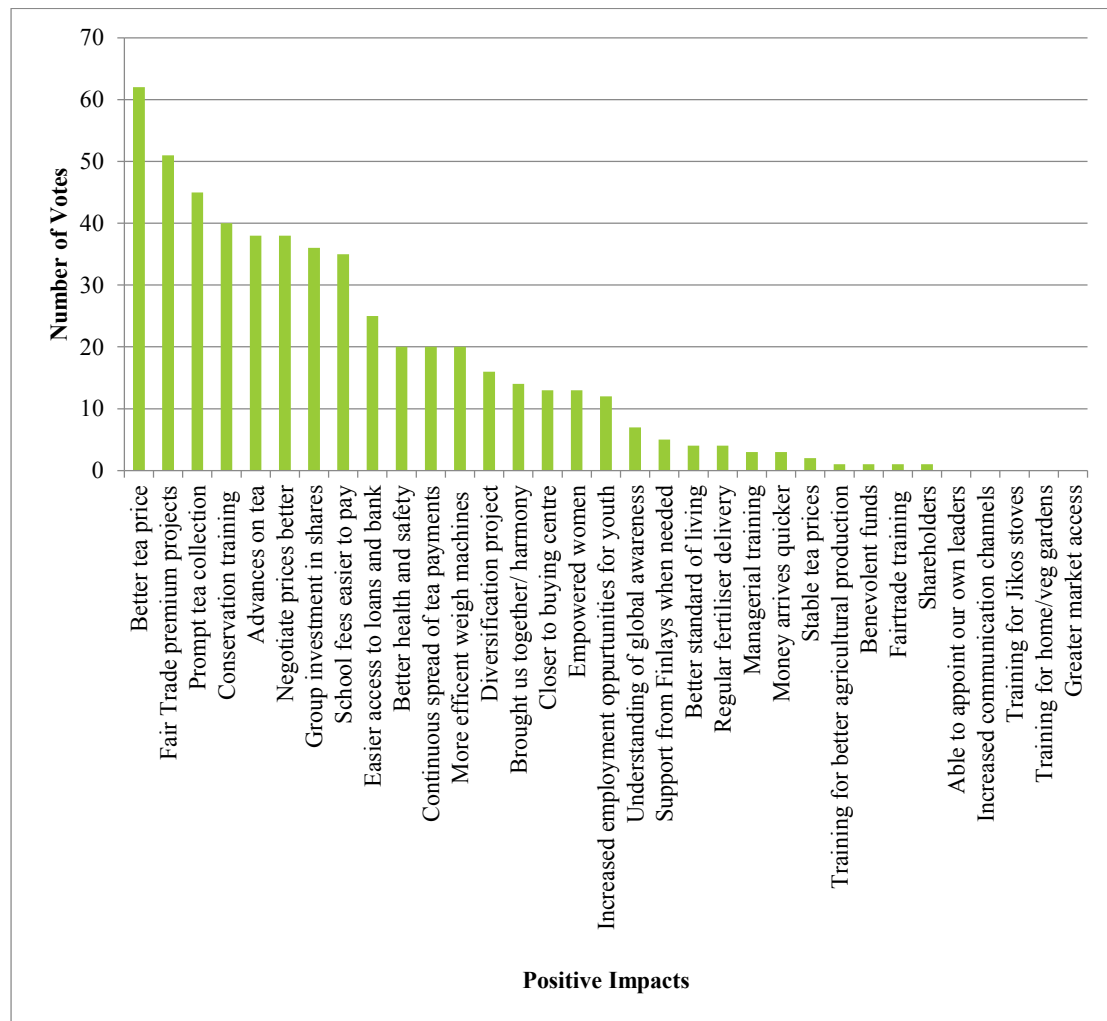


Figure 6.2 All positive impacts participants mentioned

It is important to note that although the voting was an important part of the FGD and for the quantitative results gained, it also acted as a way for the participants to discuss the opinions that emerged. For instance part way through an FGD it was noted by the interpreter and researcher that there was little said by the women amongst the group other than to agree with what had already been said. The interpreter used coaxing techniques aimed at the women to

express their opinion. A critical point from one particular woman was that she has found that the project has empowered women. Although this particular point drew fourteen votes, analysis was not solely conducted by number of votes. It is encouraging to learn that women have felt empowered on the project as an overall generalisation women are rarely owners of the land and are seen as the home makers. The empowerment of women is from rules laid out by the project and Finlays. It is now seen that around 30% of members are women, therefore for women to become members of the project and the enforcement of equality in the committees of the cooperative has had an impact on the way the women feel.

It was observed that covering the cost of sending children to school was and still is a struggle. With families that I spoke to, who on average had five children with the most being thirteen children in a family, the cost of sending all their children to school was expensive. The nature of payment Finlays makes to the farmers for their tea is a monthly current market price which means that households have been better able to save and plan expenditures. Where it was said previously money came in erratically and bonuses were expected yearly it was difficult to plan ahead. The participants are grateful for this and school fees are less of a burden.

It was surprising to learn at every single focus group how important prompt tea collection was to the farmers. The pluckers on some occasions were made to wait on up to three days for the tea to be collected at their buying station, meaning sleeping overnight and by this time tea quality was reduced. The project has meant that farmers have reduced waiting time for collection and there is trust between smallholders and Finlays as the services provided have been reliable.

The Challenges and Disadvantages of the Project

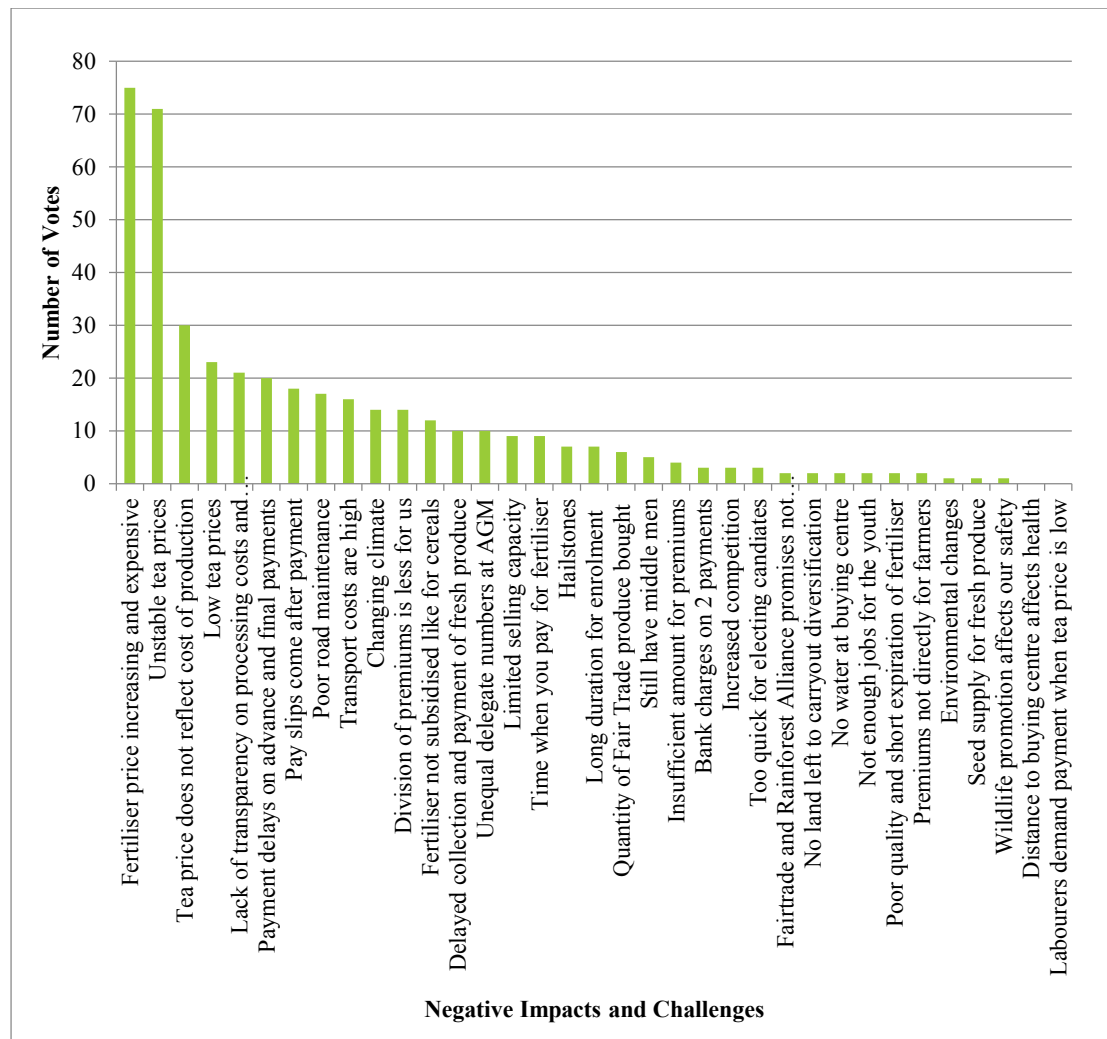


Figure 6.3 All negative impacts and challenges participants mentioned

The negative aspects or the project tended to be expanded to the challenges the smallholders face rather than just those related to the project. This may have been attributed to miscommunication by the interpreter or that once discussions were under way, they inevitably lead to the hardships they face in the tea producing industry.

It was observed that most votes were for the increasing price of fertiliser. The current situation of fertiliser, is that Finlays buys it in bulk from pre-orders the farmers' request. The main complaint which arose on numerous occasions was that the price of fertiliser is growing and in some cases they compared to the price of fertiliser at KTDA being cheaper and of better quality.

The following highest votes were for the unstable price of tea. Although this looks like it contrasts one of the positive impacts 'better tea prices' it was revealed that farmers received the market

price which fluctuates. In some conversations this was compared with the KTDA who pay a set price each month and make up the difference through a yearly bonus to meet fluctuations.

There are two tables that have been constructed from the FGD's, table 6.1 comprises of the economic elements with vote number next to it and table 6.2 comprises of the non-economic elements which have been categorised a step further by the relevant themes that arose.

The Non-economic Interests

Of interest in alternative economies and the double movement is the return of social and cultural interests.

Table 6.2 Non-economic interests of the participants

	Positives	Negatives
Environmental	Conservation training	33
		Changing climate 14
		Hailstones 7
Social	Brought us together	14
	Empowered women	13
	Increased communication channels	0
Political	Global awareness	7
	Able to appoint our own leaders	0
		Unequal delegate numbers at AGM 10
		Long duration for enrolment 7
		Too quick for electing candidates 3
Health and wellbeing	Better health and safety	27
	Support from Finlays when needed	5
	Better standard of living	4
	Training for Jikos	0
	Training for home/veg gardens	0
		No water at buying centre 2
	Wildlife promotion affects our safety 1	
	Distance to buying centre affects health 0	

The countermovement that is linked to the de-commodification process tends to focus on where the placement of society and economy lie. The focus groups established whether the project enhanced aspects of economy or society. It was found that although non-economic factors did not win against economic factors in terms of voting numbers, they still do matter in this society.

In essence, what was found was that the members are affected by economic factors in theory the most but that other non-economic were also of importance to them too. It is only upon more research and fieldwork that a better understanding of the link between culture and economy can become known

6.5. Questioning the Models

It is important to be critical in research and questioning the use of models and theories highlights the notion that ‘**not** one size fits all’. Namely, Polanyi’s theories of the market and the models of alternative economies are just theories and predictions that do not take in the context and history of the project. In reality the project and the Kenyan economy is much more complex and dynamic and models do not inherently pick up on this.

Using the model in figure 5.1 which is derived from Polanyi’s work, it is expected that de-commodification will take place, to embed social and cultural values in economy and for the decrease in control markets play in society. In reality and in the case of the Kibagenge project the situation is more complex than the parameters of the model allow. The following section questions the model with reality in modern history.

Of late, the so called intervention to control free market liberalism, to many has not been successful, as it is just interpreted as neoliberalism, of what some see as merely a temporary setback to laissez-faire capitalism. Some argue the case that neoliberalism is anti-interventionist as commitment is made for individual freedom as well as commitment to the free market, effectively combining elements of a market economy with elements of a market society. These are seen in policies that seek to privatise, deregulate, de-unionise, and remove barriers to trade and financial flows but are controlled by central global administrations.

In recent history developmentalism has given way to globalisation. In which Harvey (2005) posits globalisation as a “political project to re-establish the conditions of capital accumulation and to restore power to economic elites” (p.19). Referring to Kenya and the context of the case study it is possible to see that globalisation and development impact the lives of the

smallholders. It was clear in many cases that households solely relied on tea to provide all of their income. Many participants said they had no more room left on the land to grow food for themselves or to diversify their crops. Not only this, the auction houses facilitate the anonymity of producers and so sale of production is purely based on quality and price and small-producers find it hard to compete in the market against large established larger farms.

The story of the Kibagenge project along with some photos are printed on the product itself (see figure 6.4). It acts as a marketing mechanism and can be perceived as commodification of the producers' experiences just to sell the product. In a sense, an imaginary relationships is constructed by Fairtrade and the Cooperative with the consumer. It is possible for the consumer to visualise and empathise with the producer and make a purchasing decision on more than just price, by paying extra for a moral sense of justice for the product. Indeed it questions the nature of commodification in moral economies, as suggested by Polanyi de-commodification is supposed to occur to counteract the consequences of the market economy (Goodman, 2004).



Figure 6.4 The Cooperative 99 blend tea with pictures and a story of the project

Source: Cooperative Group <http://www.co-operative.coop/2012/fairtrade/a-perfect-blend/kibagenge-tea/>

The fair trade movement originally began to challenge the effects of markets. The very notion of a moral economy reveals the extent to which fair trade has come and is now seen as in but against the market. Fair trade is an intervention in the market to distort effects of capitalism

and the commonly used phrase of fair trade 'trade not aid' reveals that a market economy approach is used to improve livelihoods. As Watson (2006) points out "Fair trade networks continue to be located within, and to rely upon, the institutions of the market economy." (p.438).

The proliferation of standardisation schemes to promote a better level of social and environmental standards have also expanded capitalist markets. Some authors question whether fair trade actually entrenches and neo-colonial and capitalist structures that produce and maintain producers' impoverishment. Officially colonialism in Kenya ended in 1962, however postcolonial theorist Robert Young (2001), reveals that post colonialism remains in a continued economic hegemony which ultimately rely on former masters and not only this the former masters resume a manner that is considered colonialist (Hussey & Curnow, 2013). Adding to this Susanne Freidberg's (2003b) paper, on non-traditional food commodities in the form of fair trade Africa can be related to the project and the diversification scheme that is introducing fresh vegetable crop for export. One of the aims of the Kibagenge project was to introduce a diversification scheme that is designed to create alternative streams of income from solely tea growing. As with Freidberg's (2003b) paper it talks of the same types of crops which are high-value. It was decided that fresh produce such as French green beans, sweet peas and mange tout were to be grown. In the aims it is said that these horticultural products are to be grown for export and also for the local market. This will reduce reliance reduce farmers vulnerability, however, evidence from my fieldwork in Kenya questioned whether the members consumed the produce they grew. On one particular occasion I was told that the produce they have managed to grow is purely for the income it will create, they had not even tasted the produce and further to this had no desire to. This surprising revelation reveals the importance that has been placed on capital creation which outweighed potentially subsistent crops that would improve nutrients in the diet and overall health.

Relaying the argument of Watson (2006), fair trade networks cannot be said to correspond to reciprocation or redistribution. Considering that power relations between producer and consumer is not equal to be deemed reciprocal and fair trade lacks the central authority to be

deemed redistributive as choice is based on consumer choice and not a formal social obligation. His argument concludes that fair trade is based upon exchange relations.

By way of reiterating this argument using the case study exchange relations are present but that is not to say that fair trade does attempt to redistribute power. It was revealed that each society had invested a certain portion of Fairtrade Premium money into buying tents and chairs for use by their members. Recapping here that premiums are made from the sale of their tea and are to be used for the greater good of the community, there is no doubt that these items bought by the premiums are useful for community functions. However they are lent to the community for a fee, per tent or per chair, hence it is not free after all. Using Polanyi's ideas of a market society it relates well with the aims of the cooperative, however the elements of reciprocity and redistribution are tainted by the outstanding needs of the market, ultimately the cooperative operates in a market economy and the needs of the market dominate the system.

Market liberalism requires full cooperation to a self-regulating market, essentially everything is commodified. Indeed it has been written that fair trade (just one example of an alternative economy) challenges commodification in its efforts to bring together producers and consumers by promoting 'ethical consumerism' (Fridell, 2007). The theory relies on civil society resistance against commodification of fictitious commodities. This becomes clear by comparing consumers purchasing conventional commodities, whom make the purchase based on individual needs. Counter to this, it is said that by knowingly purchasing an ethical product the consumer is relating directly with the producer on the basis of providing social justice. As such ethical consumers have attempted to de-commodify goods through the capitalist market (ibid). Therefore, using the market to oppose and de-commodify injustices in the market disregards the social relations in which it occurs. The double movement means protective counter-movements will emerge against laissez-fair market economics that oppose dis-embedded economics. Hence looking at the principles of fair trade in the market economy it aims to re-embed social relations for small scale producers. Yet fair trade is considered an alternative economic geography, as we know some forms of alternative oppose the mainstream

of capitalism, referring here to Jonas's (2010) model of 'alternative-opposite'. There are attempts in fair trade to contradict the injustices in a capitalist system but it falls short of rebalancing social structure. As we know from Polanyi's literature social structures are important for the sustainability of the economy and are key for the transformation of society in the double movement. Polanyi's hypothesis in the double movement is to build social protection because fictitious commodities are still exchanged, therefore the ideals of fair trade are being scrutinised on the basis that social relations are adjusted in line with the market.

The concept of alternative when defined as the opposite to mainstream, seems to clash with Polanyi's concept of a liberalised market. The self-regulating market requires no interference in 'the markets' and little governance. Alternative economic spaces are purposely set up to interfere with market failures, thereby attempting to redistribute power. One such market failure is the consideration of inequality between producers and consumer in the market place. Fair trade is an example of an alternative economy in which the consumer will pay more for a product to ensure the producer receives a fairer price. It is a concept driven through the spaces of the market to correct imperfections that are not always visible.

7. Conclusion

Polanyi's work does not make clear what might count as an alternative to globalism, but this research has attempted to explore whether alternative economic spaces could be part of a process to re-embed the economy.

So what does this research tell us about the usefulness of Polanyi's work as a paradigm within which to study alternative economic space? Put simply, it is not equipped to deal with the complexities of their touch down within local contexts and complexities inherent within a concept such as 'alternative'. Whilst it may be useful from an analytical perspective to be able to deduce patterns in historical events, it is difficult to fully comprehend the double movement in the current society. With many alternative institutions straddling the line between society and economy it would be unfair to deduce them to failure based on not fully conforming to Polanyi's model.

In order to answer the original question Polanyi's model was broken down into two main topics. Firstly, the notion of commodification was used, one of Polanyi's key topics from the book *The Great Transformation*. This is that the transformation of a market society to a market economy requires that all aspects of industry are commodified, not only that of goods but also land, labour and money. This concept was related to Kenya and the transformations that took place in the colonial period. To do this, an overview of the economy in pre-colonial times was described to highlight Kenya as a market society. Then, the journey of the Kenyan economy from a market society to becoming a market economy through commodification of all aspects of industry is recognised. This dissertation established that during the colonial period the introduction of new policies to increase productivity and, finally, was a major role in commodification.

The second key topic is the countermovement and this is linked to the de-commodification process. The counter movement which this dissertation linked to models of alterity due to their similar nature was described. Following this the focus groups held with members of the Fintea Union established whether the project enhanced aspects of a market economy or market society. In essence, what was

found was that the members are affected by economic factors in theory the most but that other non-economic were also of importance to them too.

Overall, the research found that in Kenya, in accordance with Polanyi's theory, the now dis-embedded economy has had great impacts on society. The lead up to the separation of society and economy culminated in two violent and deadly disruption from civilian groups to each other and the government.

The research has shown that the Kibagenge Project, through the mechanism of Fair Trade is identifiable with the model 'alternative-additional'. This is because the project works with the market place in order to achieve greater sales of tea. The research highlighted some aspects which were favourable in double movement and others which were not as favourable. Evidence has been presented to suggest that alternative economic spaces are merely an extension in the market economy. The case study highlights that although the aims of the project are alternative and strive for a moral economy, in fact it still operates in a market economy. To clarify this is not to say that the project is of poor quality, but that it did not sit comfortably with being a completely alternative project (in the sense that it opposes all aspects of the mainstream).

During the research it was pleasant to see the strong social bonds in the community. This was especially evident in an unfortunately sad situation in which the Fintea President had just passed away and the true sadness everyone felt for losing an iconic pillar of the community. This leads me to the notion that societal values are part of the Fintea Union and community welfare was of highest importance. Therefore what can be said overall is that throughout the history of the Kenyan economy, a number of transformations have indeed taken place in accordance with Polanyi's model. It can be deduced that on the local level the economy is like a pendulum, in effect swinging between aspects of a market society and a market economy.

Alternative economic geography has been critiqued in many ways. Throughout the process of researching alternatives, the researcher found the prospects and margins in current society for alterity disappointingly slim. It was hoped at the beginning of the research to discover a thriving alternative economy that does not seek the same ideals embedded in neoliberal agendas.

Recommendations for Further Research

It became clear in the fields work that there was limited time to carryout the requirements of the research. Of interest in the future in terms of the project is the relations between society and economy. It was not clear the extent the project members rely on their social institutions and so a future study recommendation would be to use participatory research methods and observations from working in the community to understand social networks and how much people rely on social relations in the tea industry.

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9. Appendices

I. The Fintea Premiums from 2012

Premium received details

Total premium Received up to May 2013	25,440,519.30
Less 10% for Joint projects -Fintea	2,544,051.93
Total for distribution to the Cooperative projects	22,896,467.37

Premium distribution

Cooperative	Quota for Cooperatives
Ainamoi	1,602,752.72
Kokchaik	9,158,586.95
Chepcheb	4,121,364.13
Chesetekaa	2,976,540.76
Kapkap	5,037,222.82
Total	22,896,467.37

Fintea Union Tea Value Chain

Source: Yegon, 2014

II. Gibson-Grahams (1996) table of where alternatives are in the economy

Transactions	Labour	Enterprise
Market	Paid	Capitalist
Alternative Market	Alternative Paid	Alternative Capitalist
Non-Market	Unpaid	Non-Capitalist

III. The tea value chain for small-scale farmers in Kenya



IV. The Focus Group Protocol used by the facilitator

Focus Group Protocol

Pre Focus Group Messages

1. Research Ethics

A. Participation is voluntary

Each participant needs to agree to participate at their own free will.

To join the focus group is voluntary and there are no consequences for refusing to take part or refusing to answer certain questions.

B. Confidentiality

Personal information will be kept confidential

Only the researcher will know names of those who attended the focus group

No information will be reported publicly to identify the participants in the study

C. Data Responsibility

Kirri Hendriksen, a master's student at the University of Edinburgh, will carry out the research personally. An accomplished female facilitator who is a native speaker will interpret and run the group interviews. The facilitator employed by the researcher will have no direct attachment to Finlays or the FRICH project and will be accompanied by the researcher in the interviews.

The original recorded data will be the property of the researcher and the University of Edinburgh. It will be stored for no longer than is totally necessary for transcribing and processing the interview material. It will then be disposed of using the correct channels of disposal.

You will receive no payment for your participation. The data will not be used by any member of the project team for commercial purposes. Therefore you should not expect any royalties or payments from the research project in the future.

2. Purpose of the Research

This research is to investigate the effects of the FRICH Kibagenge Project, the researcher would like to find out how or if your life has changed as a result of being involved in the project and to discover what you would like to see in the future.

Focus Group Outline

Section 1: Assessing the project impacts

Opening Question:

1. Where do you live and how far away is that from the weigh station?

Introductory Questions:

2. What or who persuaded you to join the project?

3. When you hear the term fair trade what comes to mind?
4. What are your impressions of the success of the project?

Transition Questions:

Positive Impacts of the Project

5. What benefits have you felt from being part of a cooperative?
6. What benefits have occurred in your working life/ on the farm from joining the project?
7. What benefits have occurred in your home and family life from joining the project?

The note taker will be writing a list of positive changes the participants have mentioned, and a picture will be drawn to represent each point. These pictures will be placed around the room for participants to decide the most significant changes. The participants will be given a sticky dot to place next to the picture to reveal their decision.

Negative Impacts of the Project

8. What drawbacks or downfalls have you felt from being part of a cooperative?
9. What drawbacks or downfalls have occurred in your working life/ on the farm from joining the project?
10. What drawbacks or downfalls have occurred in your home and family life from joining the project?

The note taker will be writing a list of negative changes the participants have mentioned, and a picture will be drawn to represent each point. These pictures will be placed around the room for participants to decide the most significant changes. The participants will be given a sticky dot to place next to the picture to reveal their decision.

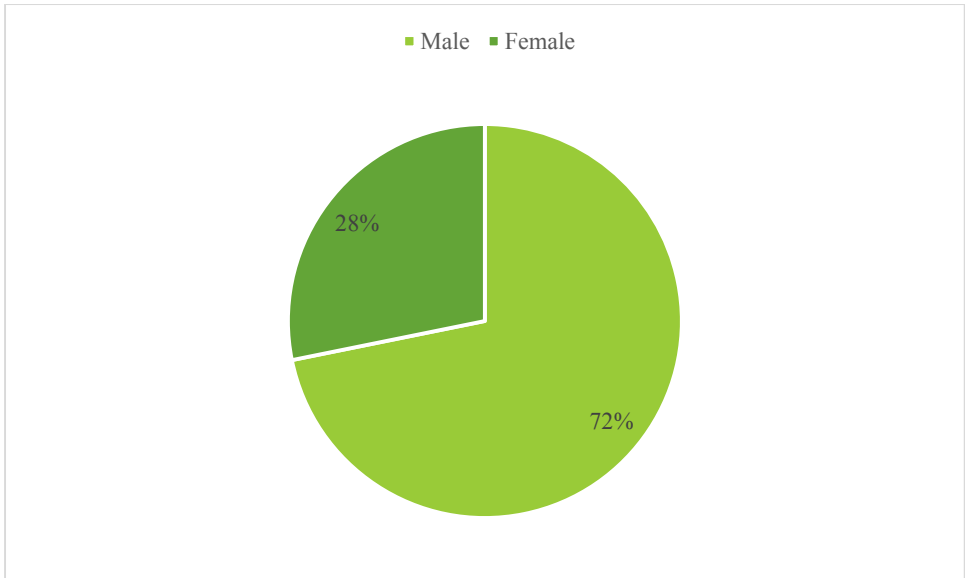
Section 2: Possibilities for future outlooks

11. If you were in charge, what would you have done differently?
12. What has been your greatest disappointment in the project?
13. Where do you see yourself and your family in 10 years time in terms of making an income?
14. What would you like to see happen in the future?

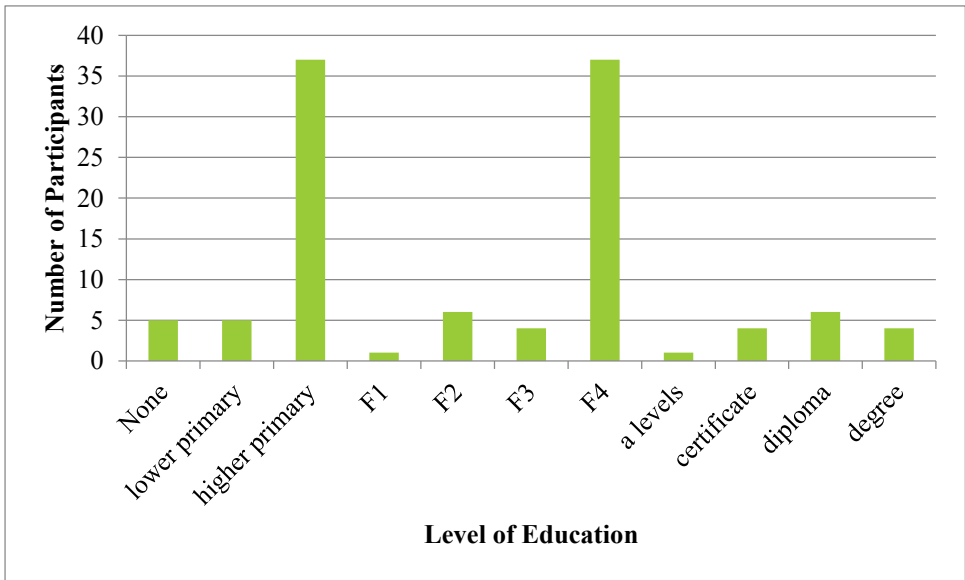
V. Socio-economic Background of Participants

The total amount of data on participants at FGD's is 122, this works out to an average of 13.22 participants per FGD. The minimum amount of participants was 7 and the maximum was 22 at the FGD's.

Gender

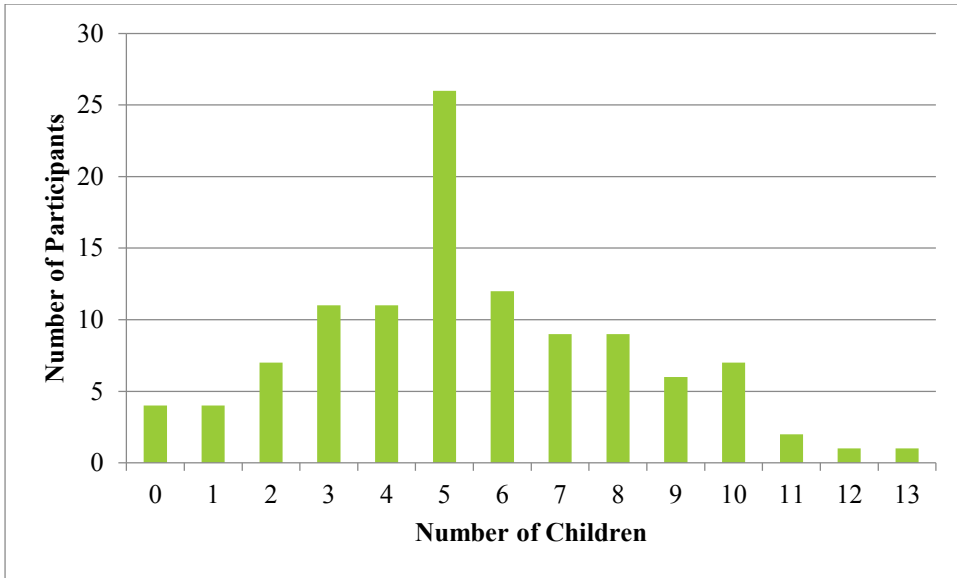


Education Level



Number of Children

In the FGD's most participants had children with the most one person had was 13 children and on average 5



Age of Participants

In the FGD's the age of participants ranged from 26 to 82 years old

