

Kim Fellner, *Wrestling with Starbucks: Conscience, Capital, Cappuccino*

(Rutgers University Press, 2008)

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Oddly, one of the drawbacks of this book is its open-mindedness. That this can be excessive is made clear in Michael Frayn's wonderful description of a man with an open mind:

It was open at the front, and it was open at the back. Opinions, beliefs, philosophies entered, sojourned briefly, and were pushed out at the other end by the press of incoming convictions and systems ... He was a profoundly modest man, and in his modesty he knew that since he had evidently been wrong so often in the past, he was in no position now to cast stones at any idea, however wretched, or to refuse to take it in and give it shelter. His intelligence, unhampered by any critical processes, was quick and agile ...²

While Kim Fellner's intention is to investigate Starbucks from the broadly anti-globalisation perspective of an old-time unionist, the problem she runs into is that Starbucks seems to come out pretty well on all fronts. The author grapples with her problem very honestly: Starbucks is unambiguously a 'good' employer, in terms of the wages and benefits it offers its employees, so why is it pilloried by the Left? She is very clear that Starbucks' corporate culture is deliberately employee-friendly, offering health benefits and superior terms to its employees, many of whom are essentially casual. She documents how Starbucks has launched programs to increase returns to its coffee-growers and notes that, by triggering the entire gourmet coffee boom in the U.S., it has initiated what is probably the greatest source of benefit to poor coffee farmers in recent decades. She even tracks a recent run-in between Starbucks and Ethiopia over a trade-marking dispute and makes it clear that Starbucks was far from the evil party in this dispute that it was portrayed to be by Oxfam and by the makers of the documentary *Black Gold*. It was interesting to read that it is estimated that, in Ethiopia, approximately 25 per cent of the per-pound payment received for coffee exports makes its way back to farmers, in contrast to, for example, 95 per

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² *The Tin Men*, Collins, 1965.

cent in Brazil (p.181). Increasing the payment to Ethiopia through trademark payments might do very little for coffee farmers and a lot for corrupt officials.

However, Ms Fellner clearly feels pressure to convict Starbucks of *something* and she ends up giving shelter to some pretty wretched ideas in the endeavour to do so.

In particular, the author is quite blinkered about the nature of trade unions, maintaining a naïve perspective on their operations and motivations. While she is appropriately cynical about the social conscience of Starbucks' management, all such cynicism disappears in the discussion of organised labour (and I should note the irritating use throughout of the word 'organise' as a synonym for the activities of unionists. But I suppose that labour can be organised in the same way that crime can be and, as a description of successive Teamster heads, for example, from Jimmy Hoffa onwards, maybe it's not such a bad term). But in this book every labour leader is driven solely by concern for the well-being of their members or, in some devout cases, for the global proletariat: naked protectionist devices such as labour standards are justified in terms of helping foreign workers (although how this is achieved by putting them out of work is, as always, not explained.)

Another wretched idea at which deserved stones remain uncast is the 'Small is Beautiful' shibboleth. It leads to statements like this: 'and does bigness preclude goodness? There are no easy answers' (p.10) when, in fact, there is an easy answer: no. Similarly, the author recounts an interview with the owner of a small coffee shop: 'my firm belief is that every business should be owner-owned [*sic!*] and operated and that the government should be supporting and subsidizing businesses to do that' (p.125) but fails to comment on this unmitigated and self-interested nonsense. The tremendous recent success of Vietnam as a coffee producer is assailed as a, 'disaster for small farmers' (p.54). Well, not, presumably, for small farmers in Vietnam. And how does this asymmetry sit with the hopelessly naïve workers-of-the-world unionist rhetoric cited so approvingly: 'we need to work towards a culture where you are as sensitive to those far away whom you do not know as you are to the person working next to you' (p.161)? Finally, the knee jerking in opposition to enterprise size must surely bang into the other knee jerking in opposition to middlemen: 'each transaction takes a little cut out of the per-pound price. The fewer transactions made, the more money the farmer keeps ...' (p.58). This is not only poor economics but it does seem to suggest (wrongly) that consolidation — that is, larger-sized enterprises — should be favoured.

One curious thing about this book is that the answers to many of the author's questions are contained in the book already, but she fails to make the necessary links, or place sufficient stress on some of the facts she uncovers. An example: in a number of places we are confronted with the evils of the 'value chain' — a

common lament amongst proponents of ‘fair trade’. This is the observation that, of the price of coffee sold to a consumer, a farmer might receive only a tiny fraction — less than half than one per cent in some studies. But this is explained directly in an interview in the book (p.181) where it is estimated that the 23,000 specialty coffee outlets in the U.S. — one-third of which are Starbucks — have invested something over US\$9 billion in their operations. That is, the value chain is exactly that: a reflection of the value added at each step of the processing. This sort of ‘disconnect’ is a consequence of the book’s rather scattergun approach. It is very much a product of its time — it could have emerged directly from the swamps of the blogosphere, that low-cost market for the unsolicited opinions of the informed and uninformed alike — and, as such, would seem an unlikely book for modern (as in pre-postmodern) academics who still believe that some perspectives (scientific) should, in fact, be ‘privileged’ over others (anecdotal).

But in the welter of sound bites and interviews that are reported here, the author really makes very little effort to weigh up and assess the conflicting perspectives and arguments. This is particularly curious given that the sole justification I can think of for this book is as the record of one casual observer’s view of the specialty coffee market; accordingly, the author surely has a licence to draw inferences and conclusions rather than just presenting the ‘facts’. This is not a book written by someone from the coffee industry or a specialist sectoral analyst so it is not the book to read if you wish to discover the way the world coffee market works. Nor is it a careful study of the management strategy and practices of Starbucks. Rather, we are given a lot of information about the author’s background to explain the evolution of her politics so that we can see ‘where she is coming from’ and the book then lays out her personal reflections on Starbucks. This background includes family history, where Mom’s third-degree price discrimination (charging wealthy women more than poor women) is hailed as a ‘Robin Hood approach to dress-making’ (p.207) and as the origin, along with Karl Marx, of our author’s strong social conscience.

For me, the most interesting and valuable part of this book came in the explicit discussion in Chapter 11 of the ‘counterculture’ and why it is unhappy with Starbucks. In particular, there are a number of insights into what might be called the political economy of protests: when are confrontation and direct action useful to a protest organisation’s goals? While there is a great irony in all of this — captured perfectly in the satire at <http://www.urbanreflex.com/monopoly.html> — it is nevertheless interesting to read an explicit discussion of what is called ‘target selection’: ‘historically, unions often tried to raise the bar by first negotiating with a better employer, using the new gains as a standard for subsequent negotiations. But ... when it came to companies in the global economy, placing the highest demands on those who already did the most threatened to put them at a competitive disadvantage, especially if their less

decent competitors were left unchallenged” (p.231). Unfortunately, once again the author is ‘open-minded’ on this, concluding only that, ‘it does raise questions about where and how we expend our energies and whom we choose to pillory’ (p.235). Well, yes, but it’d be nice to have some answers, or even the expression of clear opinions, too.

The author almost seems to recognise the vagueness that the book generally presents when, four pages from the end, she starts a section with, “so, what do you *really* think about Starbucks?” my friends [and, she might add, my readers] ask’ (p.240). Her answer is that, ‘Starbucks is the Bill Clinton of corporations’. Now, this has to be seen through the author’s eyes, of course: to many on the left Clinton represented a great but flawed hope — ‘endearing and exasperating ... wants to be good and do good ... very smart ... but occasionally ... does something dumb that damages its reputation and belies its espoused values’ (p.240). This is an untimely analogy that was doubtless written before Hillary Clinton’s campaign revealed so much more of Bill Clinton’s character. Nevertheless, it does sum up the essentially non-committal position of the whole book pretty succinctly.

I wanted to dislike this book before I had read the first page. The twee subtitle, the author’s self-declared background as a ‘longtime progressive organizer and communicator’ and the notion that something as essentially trivial as Starbucks should lead to any wrestling with one’s conscience — all these had me expecting the worst. In the end, however, I admired the author’s endearing honesty but was exasperated by her lack of commitment. While it was generally pretty smart about matters, occasionally it embraced dumb ideas and poor economics that damaged its credibility. The author did not appear to have read her own manuscript, posing questions anew that she’d already answered. All up, it’s the ... the ... *something* of books — I’m sure there’s a perfect metaphor for this somewhere.