

Ikegami, Koichi, , Mr, Acad, Social Science, Japan & **Uyama, M**, Acad., Japan, Features and challenges of Fair Trade Movement in Japan

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1. Introduction

In the Northern Countries, FT Movement has been popular since the 1990s. Cooperatives in the UK have dealt with variety of FT commodities for some decades, and organic banana has reached almost 80 % in the banana market of Switzerland. However, FT Movement in Japan has been relatively weak. Why can't FT Movement get strong to the same extent of the other Northern countries? This fact may be related to the history of the FT Movement in Japan and buying consciousness of consumers.

This study aims at examining the features of Fair Trade Movement (FT Movement) in Japan and analyzing the reasons why FT Movement has been weak until these days in Japan. Of course, we sometimes hear the word of 'Fair Trade' since 2002 even in Japan. Those who know about FT, young generation in particular, are increasing, because medias such as newspaper and TV have sometimes reported some FT organizations (FTOs) or people involved in FT Movement. Some high schools are taking FT as teaching topics in the special course, which a teacher can design without direction. A FT festival can attract more people than before, and FT shops or natural foods shops selling some FT goods can be found easily in Japan.

However, few people understand the meaning and the purpose of FT. Some people are considering FT shops ethnic shops because main goods sold in the FT shops are clothing, crafts and folkcrafts. Or other people are regarding FT shops as natural foods shops with FT coffee or FT curry. In addition, the extent of understanding about FT is different by the local situation.

Therefore, the study team organized by K.Ikegami conducted a research about buying behavior of consumers and understanding about FT in some cites in Japan and in French, using the same questionnaire, with a collaboration of Fair Trade Student Network in Japan and Prof. Amamiya of Renne University in 2005 and 2006. This kind of comparative research may be the first one in the international community. At least this research is the first that has ever been done in Japan. This paper partially uses the result of this research.

2. The Current Situation of FT Movement in Japan

Currently, FT shops or Third World shops, which are raising flags saying that daily shopping can contribute to international cooperation, are easily found anywhere in the big cities, even in Japan. The website of 'Developing World' had linked with about those of one hundred and fifty shops and NGOs including online-shops in 2003¹. In 2006, Fair Trade Company (People Tree), one of the oldest FTOs, provided their FT commodities to the 172 shops². According to Fair Trade Company, the number of FT shops had reached to more than five hundreds all over Japan.

Although a lot of shops are selling FT commodities, their FT commodities are mostly folk crafts, sundries, stationeries, clothing, interior adornments, and so on, while people can find few kinds of FT foods even in such FT shops. Some FT shops have grown during boom years of ethnic commodities so rapidly that their sales reach to hundreds millions yen. However, it is necessary for FT shops to prepare 'smart outwards of shops and mail catalogues like fashionable magazines' and to 'have producers make commodities to be accepted in Japanese market'³.

¹ K. Ikegami, A Comparative Study on Economic Development and Regional Impacts through an Alternative Trade of Agricultural and Fishery Products, A Research Report Submitted to Ministry of Education, Culture, Sports, Science and Technology in 2003, p.16

² Website of 'People Tree' (<http://www.peopletree.co.jp/shop.html>)

³ Website of Asahi.com (<http://www.asahi.com/shopping/>)

Most consumers buying in such smart and fashionable FT shops do not seem to hold imagination about how the international trade should be done and how people in the Southern countries are living even when they are in the FT shops, because they regard their shopping behavior as common but fashionable one. If this is true, there is not clear difference between trade in fashionable FT shops and trade in conventional shops. We can say that fashionable FT shops may adopt 'Fair Trade' as a differentiated strategy.

This fact reflects that FTOs cannot provide variable kinds of FT commodities. In general, FT commodities are concentrated in textiles and crafts, clothing and accessories in particular. It is very difficult for Japanese consumers to find both fresh and processed foods sold in the FT sector, excluding coffee, tea and dry fruits. In general, business scale of Japanese FT shops and FTOs is quite small and then they do not dare to owe to risk of loss in the unsold case, because fresh food is perishable and even processed food easily change in quality. In addition, FT shops do not prefer to deal in foods, because its unit price is lower than that of clothings.

Table 1 and Table 2 show the FT commodities in two catalogues for mail order by categories. Fair Trade Company and Nepali Bazarro issue these catalogues. They are well-known FTOs and the amount of their sales may be ranked at the top level in Japan. Fair Trade Company is a business body of Global Village, of which mission is to advocate the significances of FT Movement, to conduct a campaign for promotion of FT Movements, and to educate people. Fair Trade Company uses a logo or a brand of 'People Tree'. Nepali Bazarro is a FTO which concentrate their activities on Nepal, because it had initially started as an aid group for development assistance for Nepal.

Table 1 Categories of Commodities in a Fair Trade Company's Catalogue for Mail Order

Category of commodities		Pages	% of Total Pages	Items	% of Total Nos of Items
Fashion	hand knit	6	8.3	23	4.6
	hand works	8	11.1	39	7.8
	chic & basic	4	5.6	28	5.6
	office casual	4	5.6	16	3.2
	organic cotton	4	5.6	56	11.1
	ethnic	10	13.9	31	6.2
	unisex	2	2.8	8	1.6
	bed room	2	2.8	24	4.8
	accessories	6	8.3	30	6.0
	kids & babies	4	5.6	75	14.9
Living	interior(flower vases)	2	2.8	11	2.2
	cards & letters	6	8.3	47	9.3
	gifts	4	5.6	46	9.1
	living room	4	5.6	15	3.0
	kitchen	4	5.6	25	5.0
	fair trade foods	2	2.8	29	5.8
	Total	72	100.0	503	100.0

Source) 'People Tree Spring & Summer 2006', issued by Fair Trade Company

Note1) Items are measured according to item numbets.

2) Special selections for this issue are excluded.

3) Categories of commodities correspond with that of Catalogue.

Even large FTOs such as Fair Trade Company and Nepali Bazarro provide relatively the limited kinds of FT commodities. According to Table 1 and Table 2, percentages of textiles including organic cottons, kids and babies, and ethic clothes reaches to more than 50 % in Fair Trade Company and 48 % in Nepali Bazarro, while foods are around just 5 % in both FTOs. The percentage of crafts and accessories are the secondly largest.

FT foods dealt in are coffee, tea and herb tea, cocoa powder and chocolate, salt, sugar, spices, jam, honey, cookie and dry fruits only.

Table 2 Categories of Commodities in a Nepali Bazar's Catalogue for Mail Order

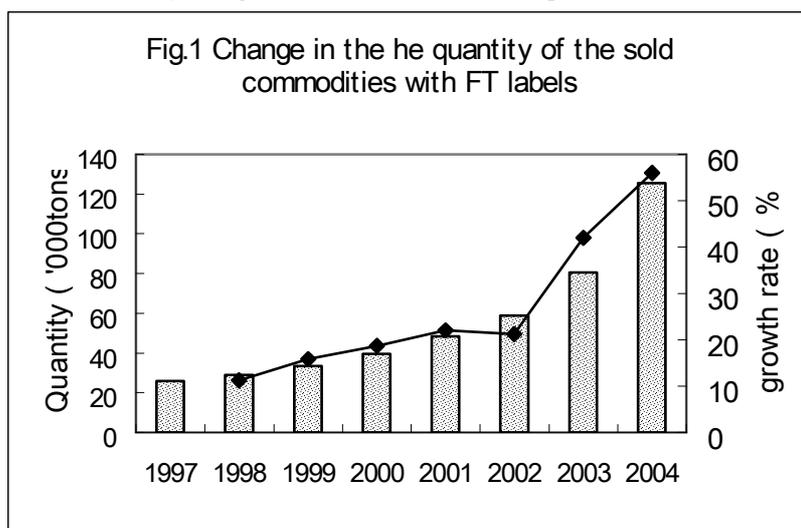
Category of commodities	Pages	% of Total Pages	Items	% of Total Nos of Items
clothing				
crafts				
foods				
dishes, potteries, & coasters	52	53.6	93	31.0
textiles, curtains, & sundries	10	10.3	43	14.3
accessories	11	11.3	16	5.3
henna	7	7.2	49	16.3
interior decoration	10	10.3	51	17.0
	2	2.1	23	7.7
	2	2.1	2	0.7
	3	3.1	23	7.7
Total	97	100.0	300	100.0

Source) 'Verda Summer 2006 ' Vol.15, issued by Nepali Bazar

Note1) Items are measured according to item numbets.

2) Clothing includes bags, hats, and belts.

3) Categories of commodities correspond with that of Catalogue.



Source) FLO-I, <http://www.fairtrade.net/sites/impact/facts.html>

In Europe, there are more varieties of FT commodities certified under Fairtrade Labeling Organization-International (FLO). In particular, it is very easy to find fresh bananas, other fresh fruits, fresh vegetables, fruit juices, herbs and spices, nuts and oil seeds, rice and so on in common super markets or consumers' cooperatives. An abundance of FT commodities can be considered to contribute to FT market expansion and increasing in the sales of FT commodities. As is shown in Fig. 1, the quantity of the sold commodities with FT labels exceeded 120,000 tones in 2004, while it was approximately 40,000 tones in 2000. The growth rate went up rapidly around in 2002. Although it was 20 % in 2002, it recorded 42 % in 2003 and 56 % in 2004.

The leading countries are Switzerland and the United Kingdom. The quantity of the sold FT commodities in both countries added up to a little less than 46,000 tones in 2003. The Netherlands and Germany

ranked in the second largest group, ranging from 4000 tones up to 6000 tones. The next group contained the United States, France, Finland, Belgium, Austria, and Italy, ranging from 2,000 tones up to 4,000 tones.

On the while, in Japan, the quantity of the sold commodities with FT labels was only 38 tones in 2003. One reason of poor sales like this is that the kind of FT commodities is very few and consumers are restricted a chance to find varieties of FT commodities, as mentioned already. The second reason is that few consumers recognize what FT is and the shopping behavior of Japanese consumers is different from in Europe, as will be analyzed later. The third one is the difference of stance on the FT labeling and certification system among FTOs in Japan and in Europe.

Before talking about the last point, it is necessary to explain the distribution structure of FT commodities in Japan, because stance on FT label depends on the type of FTOs, which reflects the distributing channels. Furthermore, different positions by FTOs come from the origins and initial purposes of them.

Fig.2 shows the distribution structure of FT commodities in Japan. As is shown in this figure, FTOs play a role to link producers in the South with consumers in the North. Their fundamental functions are buying products from producers and distributing them to consumers. Some FTOs provide FT commodities to FT shops. FTOs are wholesalers in this case. Other FTOs sell FT commodities directly to consumers, some of whom have memberships of FTOs. Ordinary consumers can buy FT commodities using a catalogue

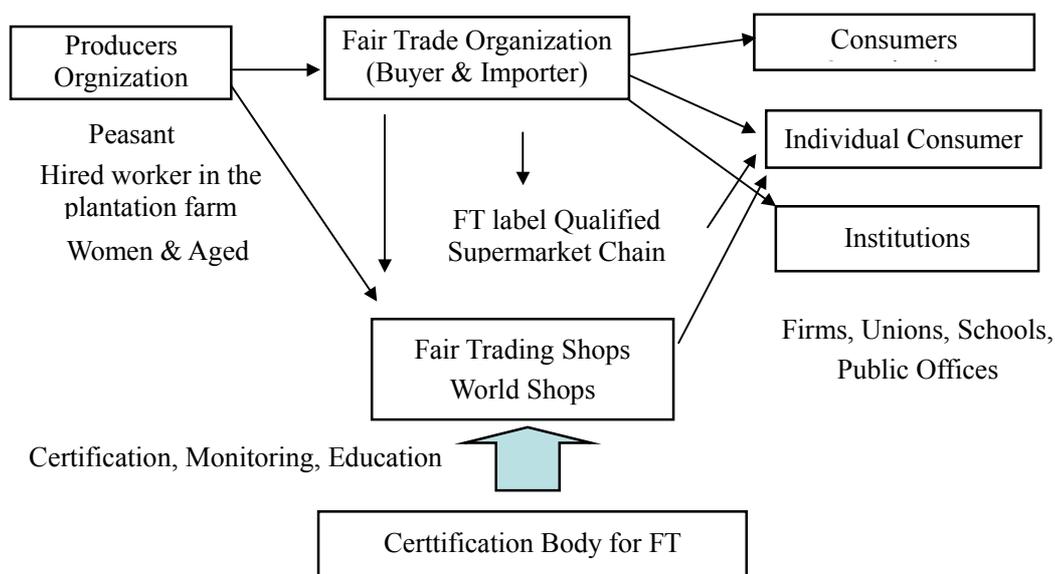


Fig.2 The distribution structure of FT commodities in Japan

magazine for mailing order or through websites of FTOs. It was impossible to find FT commodities in the supermarkets before AEon Company.⁴ started dealing in FT coffee with a FLO label, explained later.

FLO labels are used in quite restricted distribution channels. They are merchandising stores and supermarkets under AEon chain, Starbucks Coffee stores, and a few FT shops. On the while, some FTOs such as Fair Trading Company and Nepali Bazarado adopt the labeling system certified by IFAT (International Fair Trade Association⁵), as is shown in Fig.3. Other FTOs do not adopt any kind of labeling system.

Different usage of FT label is accorded with difference of distribution channel. From the viewpoint of position on FT labeling system, the Japanese FTOs are categorized into two types. The first one is an FTO

⁴ AEon is one of the largest and the most well-known supermarkets chain in Japan.

⁵ IFAT was formerly named itself as International Federation of Alternative Trade.

which accept the meaning of FT labeling and certification system for mainstreaming FT commodities in the usual market. The other is an FTO which emphasizes on direct assistance or cooperation with marginalized people in the South. The former type can be called the ‘label adopting FTO’, and the latter is the ‘close contact oriented FTO’.



Fig.3 Two kinds of label

In addition, the ‘label adopting FTO’ is subdivided into two types; ‘FLO label adopting FTO’ and ‘IFTA label adopting FTO’. Every commodity that ‘FLO label adopting FTO’ deals in is certificated and labeled one by one. Thus, any dealer can sell even one item of FT commodities with FLO label, as FT coffee in AEon Company, if they pay the required labeling fee. The ‘IFTA label adopting FTO’ means that IFAT qualified an organization concerned to be appropriate to the name of fair trading. In brief, the ‘FLO label adopting FTO’ has to pay additional fee for new FT commodities, and the ‘IFTA label adopting FTO’ can insist that all of their commodities are traded fairly. However, ‘IFTA label adopting FTO’ has to bear costs to monitor whether their commodities are suitable for ‘fairness’ or not.

On the while, the ‘close contact oriented FTO’ comes from aid groups. They are namely Alter Trade Japan (Negros Campaign), Shaplaneer⁶, Grass Roots and so on. This type of FTOs insist on close contact with producers and emphasize on the importance of direct face-to-face relationships. If the function of FT labels is to prove that its attached commodities are traded fairly, direct relationship can do that function better. Accordingly, they do not recognize the necessity of FT labels.

In brief, there are three types of FTOs, namely the ‘close contact oriented FTO’, ‘FLO label adopting FTO’ and ‘IFTA label adopting FTO’. Thus, FT commodities are dealt in under these different systems. In a supermarket chain of AEon Company, people can find FT coffee from Thailand, Ethiopia and Indonesia with the FLO label⁷. However, there are no FT commodities in any other supermarkets and distributors. Fair Trading Company sells their FT commodities with the IFTA label at their own shops and mail order. Some of them are sold with the FLO label. Fait Trading Company is one of the most successful FTOs, and there are many challenges for other FTOs to continue and promote their business. In Japan, the ‘close contact oriented FTO’ is the mainstream in number. Although its philosophy is high, most of them are small-scale in size and the amounts of sales is not enough to sustain the improved living of more marginalized people.

⁶ It means ‘Citizens’ Committee in Japan for Overseas Support’.

⁷ In a case of Starbucks, it is often criticized because the percentage of FT coffee is very small and its FT coffee conceals the fact that they are selling ‘unfair’ coffee. It is also necessary to observe if AEon is willing to continue and expand the principles of FT Movement into every activity.

3. History of FT Movement in Japan

It is difficult to determine the beginning of FT Movement in Japan, because the concept of 'Fair Trade' is varying among FTOs and researchers as well. Some FTOs use a term of 'alternative trade', people's trade, grassroots' trade, and community trade. Thus, it is proper not to use the same word of 'Fair Trade'. Such a difference comes from the origin of FTOS themselves.

Table 3 shows some major events of FT Movement in Japan. We can divide its process into three phases. The first phase is the period of focusing on international cooperation in the 1970s and 1980s. The second is the period of introducing the concept of fair trading in the 1990s. And the third is the period of expansion and networking of FT Movement since 2000.

As in this table, FTOs in Japan initiated as aid groups, most of which had directly assisted the marginalized societies in the southern countries before getting down to fair trading. They have been making a lot of actions for global cooperation in variable area for some decades, and, therefore, fair trading was only one measure for them. Although Alter Trade Japan started to export some products from the marginalized people in the early stage, other aid groups remained in their assistance activities. It was not until the 2000s that Shapla Neer, a typical aid group got involved in FT Movement, while it has had more than 30 years of experience for working together with marginal people in Bangladesh.

Table 1 Major Events of the fair trade movement in Japan

Year	Events
1968	<i>UNCTAD2 declared "Not aid, but trade".</i>
1972	<i>Help Bangradish Community</i> (a private development assistance organization) was set up.
1986	<i>Japan Committee on Negros Campaign</i> was set up.
1986	<i>Alter Trade Company(ATC)</i> was set up in Negros.
1987	<i>JCNC</i> imported fair trade sugar from <i>ATC</i> (Beginning of "People's Trade").
1989	<i>Alter Trade Japan</i> was set up and imported fair trade bananas and sugar.
1991	<i>Global Village</i> was set up.
1992	<i>Nepali Bazar</i> started its business.
1993	<i>Transfair Japan(TFJ)</i> was set up.
1995	Small shops and NGOs gathered round to set up <i>Grassroots</i> . <i>Fair Trade Company</i> was formed as a selling section of <i>Gloval Village</i> .
2000	The first event of 'Fair Trade Frontier' was held in Tokyo. A program about fair trading was televised for the first time in Japan.
2003	<i>The Japanese Center for Fair Trade</i> was set up. <i>Fair Trade Student Network(FTSN)</i> initiated its activities.
2004	<i>AEon Company</i> started to deal in FT coffee from Thailand and Ethiopia. <i>Fair Trade Hyougo Network</i> was set up. <i>TFJ</i> chnaged its name to <i>Fairtrade Label Japan</i> .
2005	<i>FTSN Kansai</i> and <i>FTSN Kyushu</i> were set up.

Notes: 1) Italic letters show the name of fair trade organizations.

2) Fair trade importers: ATJ, Nepali Bazar, Fair Trade Company

Advocacy organization fo fair trade: Global Village

Labeling organization on fair trade commodities: TFJ (Fairtrade Label Japan)

Development assistance: Help Bangradish Community (present Shapla Neer), Japan Committee on Negros Campaign

On the whole, in the second phase, a new type of FTO appeared which started their business seeking for equal partnership through international trade between consumers in Japan and producers in the Southern countries. In 1991, Global Village was set up as the first FTO, and in 1992 Nepali Bazar started its business. In addition, small shops and NGOs gathered round to promote FT Movement and set up Grassroots as a sort of umbrella organization in 1995. Further, in 1995, Global Village formed Fair Trading Company as a selling body, using a brand of People Tree. At the beginning, this type of FTO did not accept the certification and labeling systems. They had just introduced a word of 'Fair Trade'. However, it is worthy noting that Transfair Japan was founded as a Japanese certification body affiliated with FLO in the second phase.

In the third phase, the major FTOs recognized it is necessary to tie-up each other so as to promote fair trading. Accordingly, FTOs inclined to advocacy, including FT commodities fairs, symposia, forums and discourses on the meaning of fair trading, fashion shows of FT clothing, and so on. However, a unified umbrella organization of FTOS has not been established yet, while young generation such as university students has expanded a networking like Fair Trade Student Network. The most prominent is that AEon Company has joined into the FT sector as the first distributor in the general merchandize stores industry in 2004.

An eye of business is required for FTOs to continue their activities as well as to support producers. However, the economic performance is not always enough to achieve their ends. In fact, economic sustainability in most FTOs is supported by the low wage and hard-works.

Another feature is that Japanese FTOs seldom buy and sell agricultural products, as mentioned already. In general, agricultural products are major income source for the Southern people, and they are willing to sell their products to FTOs, if price is fairer than in local traders. On the contrary, most Japanese FTOs do not have an ability to deal in agricultural products without storable ones. In this regard, Alter Trade Japan is a unique FTO, because it has been dealing in not only fresh agricultural products such as banana but also 'eco-shrimp'. ATJ is a typical 'close contact oriented FTO'. Therefore, it is useful for understanding the root of such type of FTO to look back at the development process of ATJ.

ATJ is a pioneer of alternative trade in Japan. A campaign for relief in the Negros Island in the Philippines had led to involvement in FT Movement. In the Negros, quite a few number of landowner possessed a large part of the lands and ran the plantation farms of sugarcane. The Negros people managed their life by working in the sugar factories or in the plantation farm at low wage. Sugar had been exported as an international commodity. Monoculture depending on just one product for export is very vulnerable against the fluctuation of international price. In fact, the international price of sugar dropped drastically in the beginning of the 1980s, and it gave a severe impact on the plantation farms and sugar factories. As a result, a lot of people in the Negros lost their jobs. Owing to monoculture in land use and concentrated land ownership, they had no means to feed themselves so that they could not help without suffering from hunger.

In 1986, the Japan Committee for Negros Campaign (JCNC) was set up for supporting the Negros people. In the next year, JCNC imported brown sugar directly from the Negros for the purpose of assisting the economic independence beyond emergency aids such as foods and clothes. At the same time, Alter Trade Company was founded for distributing the products in the Negros. It was the first organization for fair trading in Japan⁸. ATC aimed to take back the means of distribution to the hands of farmers from the view that poverty came from the fact that a few rich people possessed not only lands and capitals but also distribution ways like a truck and farmers had to sell at unreasonably low price.

In 1988, a preliminary organization was set up to import organic bananas, which many members of JCNC wanted to consume. In the next year, this organization imported organic bananas in advance for trials in cooperation with a federation of consumers' cooperatives, namely Green Coop. A full-dress import was followed after some defects were removed in the same year. This task was carried on ATJ's shoulder. In 1990, ATJ started its business for importing a large quantity of bananas from the Negros, named

⁸ JCNC did not use a word of alternative trade or fair trade but people's trade.

‘Balangon’, in cooperation with some consumers’ cooperatives and some distribution bodies.

However, there occurred some troubles in the Negros, such as damage by typhoon or diseases caused by continuous cropping of banana. Reflection on such troubles has lead ATJ and the Negros people into the recognition that it is important to organize a integrative plan towards self-reliance of the Negros people themselves and to change monoculture economy depending on only banana and farming system. This is the just new stage of alternative world that asks again how the way of production and consumption should be done from the trade for self-reliable and sustainable society based on the equal partnership between the Negros and Japan. ATJ also expanded its business area to the import of ‘eco-shrimp’ by traditional and exclusive aquaculture from Indonesia in 1992 and the import of organic coffee from Ecuador in 1993.

The above explanation may make us consider that ATJ’s business expand in due course. However, the representative director of ATJ talked about the ten year’s activity as follows, ‘Even if we practice alternative economic activities, they are evaluated by the real results. The more eagerly we are seeking for an alternative world, the stronger ability is required to overcome actual economic conditions’⁹. From his experience, he has realized that the idea of fair trade itself does not necessarily assure sustainable movement. ATJ has a relatively long history and abundant know-how on trade and direct cooperation in the FT sector in Japan. Nevertheless, even ATJ is facing a heavy burden on how we can develop an alternative world, with taking economic viewpoints into the consideration.

4. Consumer’s Purchase Behavior and Thoughts on Fair Trade

The current performance of fair-trading in Japan has not been enough in comparison with in Europe. The way of purchase and thoughts of consumers may affect the poor performance. On the while, the concept of Social Responsibility like SRI (Social Responsible Investment) and SRB (Social Responsible Buying) has diffused into a variety of sectors. Such SRB can change people’s awareness so that a society may be more sustainable and fairer to all the people in the world. Thus, it is necessary to analyze how consumers purchase daily necessities and what factors influence consumer’s daily purchase behavior.

The research team organized by Ikegami conducted a comparative survey using questionnaire sheets between in Japan and in France in 2005. The total response of the overall survey was 978, which were composed of 119 from France and 859 from Japan. In Japan, 121 were in coop members, and 738 were in other group members (hereafter described as others). More precisely group from random sampling is included in this others.

Fig.4 indicates differences in the frequency of buying fresh food. As is shown in this figure, responses of ‘once a month’ are quite larger in France than in Japan, while ‘every day’ is smaller in France than in Japan. This is a major difference. For coffee or tea, most typical FT commodities in Japan, ‘supermarket’ has the highest percentage in

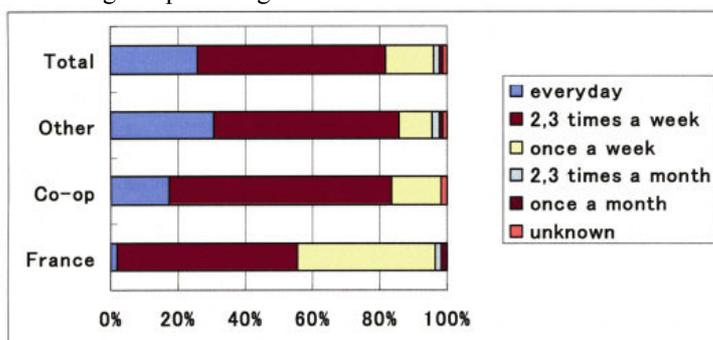


Fig.4 How many times do you buy fresh foods for daily consumption?

⁹ C.Itoh, K.Okamoto, and et al, 1999, From the kitchen in the borderless time, invisible framework; globalization, ATJ, Tokyo, Japan, p.6 (in Japanese).

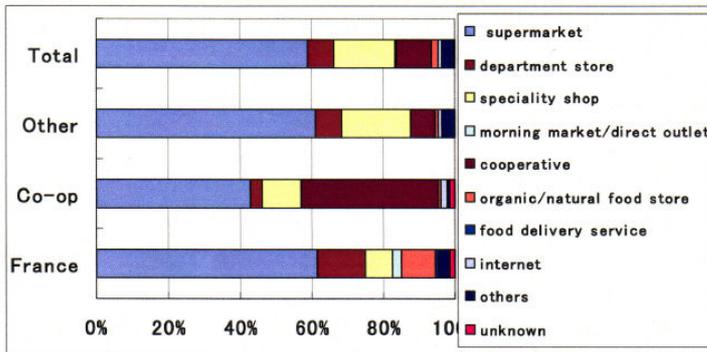


Fig.5 How do you buy foodstuffs? -Cofee/tea-

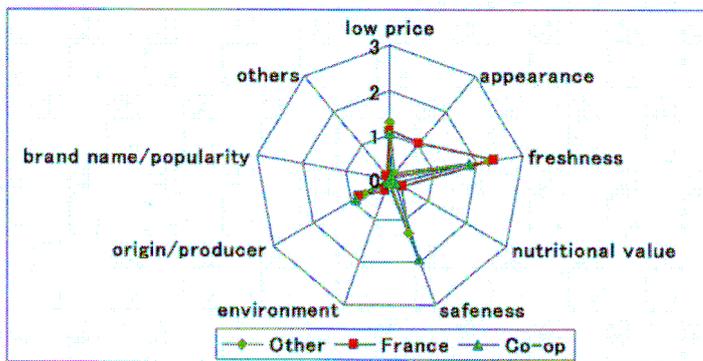


Fig.6 What factors do you consider important in buying foodstuffs? -Vegetables-

each response group except Co-op, as is shown in Fig.5. However, specialty shop or department store steadily increases in each group. And it is worth noting that ‘organic or natural food store’ reaches about 10 % in France.

Fig.6 shows what factors are considered important in buying vegetables. The score in this laser-chart is calculated in the following way; if all the response marks 3 point in ‘low price’, the score of ‘lower price’ gets 3 point. It is so-called weighted means in the group. For vegetables, ‘freshness’ is high score in all the groups, and ‘safeness’ is high score in Japan but in France ‘safeness’ is zero point, while ‘appearance’ is more than 1 point in France. As far as ‘low price’ is concerned, each group shows the similar tendency. The results of fruits, seafood, meat, sea foods and dairy products show the nearly similar tendency. Thus, figures about these foodstuffs are omitted.

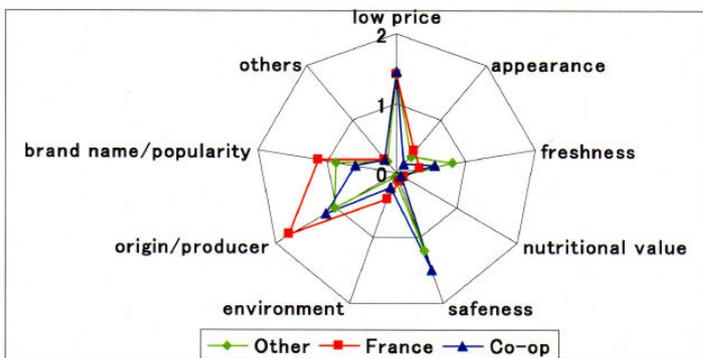


Fig.7 What factors do you consider important in buying foodstuffs? -Coffee/tea-

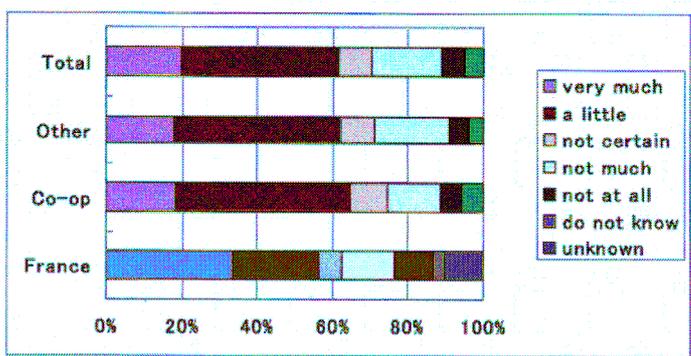


Fig.8 When buying local products, are you consciously aware of the place of the origin?

Fig.7 indicates the result about coffee or tea and the shape of it is fairly different from other laser-charts. The score sharply increase in ‘origin or producer’ and ‘brand name or popularity’. Especially, the both score in France reach high level. Such an attitude may be related with Fig.8, which shows the result on whether consumers are consciously aware of the place of origin or not in buying local products. Although consumers in France are not likely to differentiate between local and imported products¹⁰, they are concerned with where local products come from in case that they buy local products.

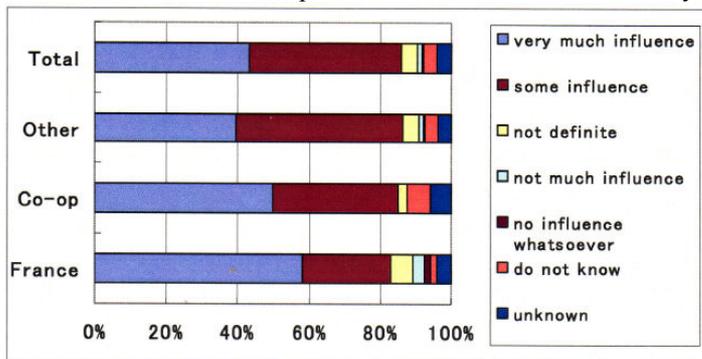


Fig.9 Do you think the buying standards of consumers could influence the manufactures’ method of production?

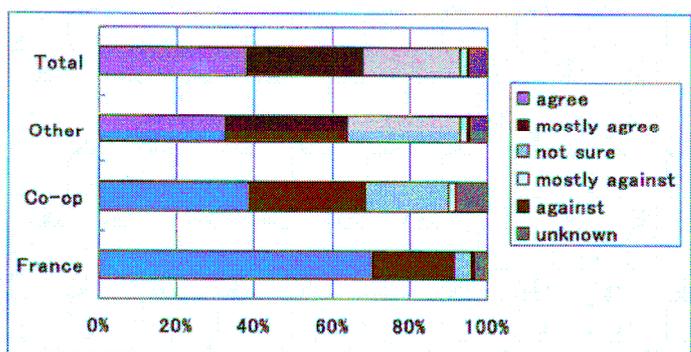


Fig.10 Do you agree with ‘responsible consumption’ or the ‘social responsibility of consumers’?

Fig. 9 indicates whether consumers think or not that their buying behavior could influence the manufactures’ way of production. In France, the nearly 60 % of responses are ‘influence very much’, while it is less in Japan. Although Japanese consumers are feeling hopeless about changing decision making in manufacturers, French consumers seem to believe in their influential power.

¹⁰ According to our research, only about 10 % of consumers in France ‘always buy local products’, while Japanese consumers prefer to buy local products.

This difference may reflect consumer's consciousness about 'responsible consumption' or SRB. We questioned if consumers agree with 'responsible consumption' or the 'social responsibility of consumers'. Fig.10 shows differences in answers concerning 'responsible consumption'. As is shown in Fig.10, agreement with SRB is sharply larger in France than in Japan. Approximately 70 % of consumers in France agree with SRB, and if we add answers of 'mostly agree', more than 90 % of consumers approve the thought of SRB. On the contrary, in Japan, the SRB concept is affirmatively supported only by less than 40 % of consumers. The SRB is not in common yet in Japan.

Fair-trading means to buy commodities at a fair price from the consumer's side. To buy at a fair price is a sort of SRB, because fair price contains reproduction of producer's life, economic justice, gender equity, hidden costs for environmental conservation and so on. From this context, FT Movement has the same root as the SRB. As mentioned already, the SRB is known little in Japan and accordingly ordinary consumers are likely to consider FT Movement is long way from their daily life. In fact, most of Japanese consumers have never heard even a word of 'fair trade', as is shown in Fig.11. On the contrary, more than 90 % of French consumers know 'fair trade' well or have ever heard about it.

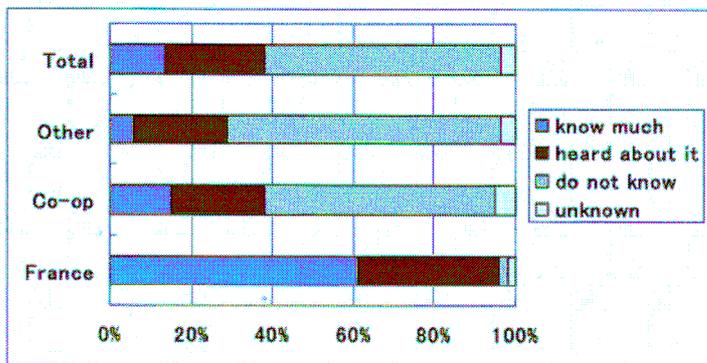


Fig. 11 Do you know the word of 'fair trade'?

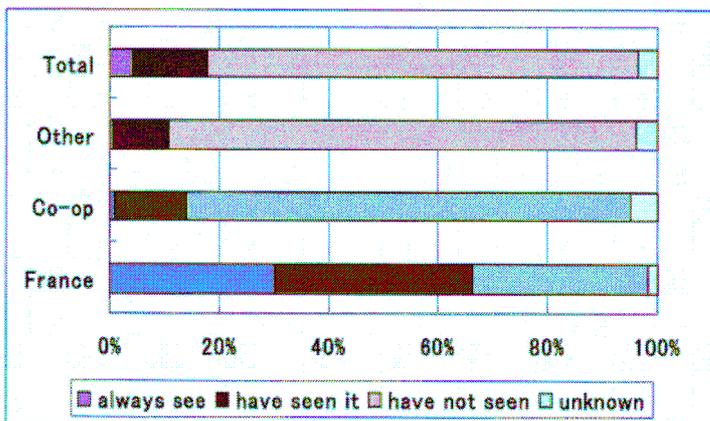


Fig.12 Have you seen the mark on fair trade products?

Fig.12 and Fig.13 indicate the result of question concerning FT label. According to Fig.12, those who 'always see' and 'have seen it' are more in France than in Japan. The percentage of 'always see' in Japan is almost negligible, while it reach nearly 30 % in France. And the answers on the meaning of FT label in Fig.13 are similar to those of Fig.12.

We analyzed the relationship between consumer's purchase behavior and recognition about SRB, using an ordered probit model. However, we like to omit the process of estimation and to explain only the result here, the details of which will be published in another paper.

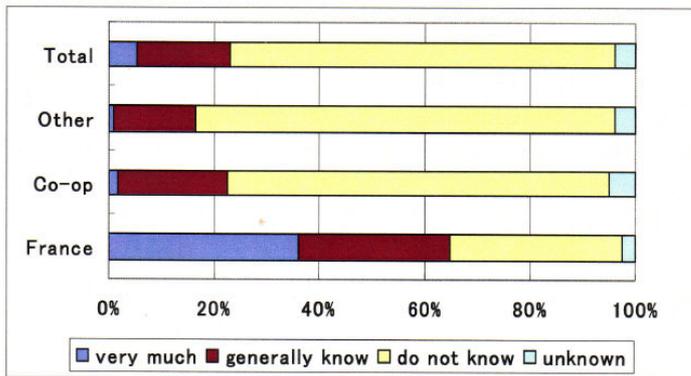


Fig.13 Do you know the meaning of the FT mark?

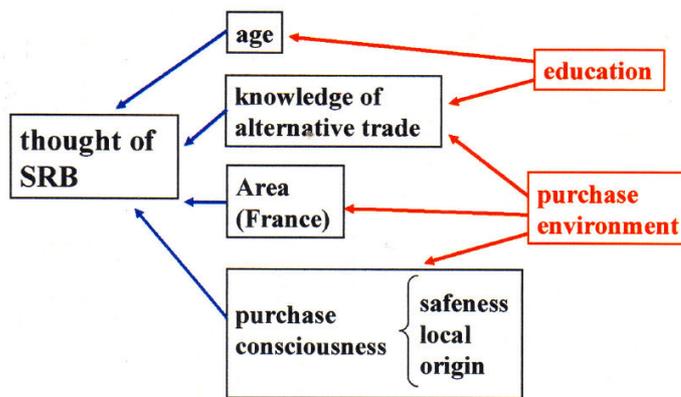


Fig.14 Deciding factors for the thought of the SRB

Fig.14 shows the deciding factors for the thought of the SRB. There are four group factors in this flow diagram. Roughly speaking, four group factors are categorized as age, knowledge on fair-trading, area, and purchase consciousness such as safeness, locality and origin. In the list, there is no factor that relates directly to the purchase behaviors.

Statistically, purchase behaviors and the thought of the SRB are independent. What influences four group dependent factors? A hypothesis is that two factors of education and purchase environment are crucial to the thought of the SRB. Education influences variables such as age or knowledge of fair-trading. Purchase environment influences variables such as knowledge of fair-trading, area, or purchase consciousness. Consequently, it is necessary to pay attention to two factors of education and purchase environment in order to consider the potential to spread the thought of the SRB and FT Movement.

5. Conclusion

This study examined the features of FT Movement in Japan and analyzed why it has remained weak.

Some features of FT Movement in Japan are illustrated as follows.

(1) Although the number of FT shops, including a shop partially dealing in FT commodities, is increasing rapidly, most of them are small-scale in size and amounts. In general, FT commodities are sold with a variety of general commodities or through an attractive catalogue for mail order, and consumers are likely to regard FT commodities as so-called Ethic goods.

(2) The items of FT commodities are concentrated on crafts and clothes. Agricultural commodities are limited such as coffee, tea, chocolate and dried fruits. The FTO's ability is not enough for selling fresh products.

(3) AEon Company, a supermarket chain, has just started to sell some kinds of FT coffee with a FLO label

as well as Starbucks. But its chained store is located only in big cities. Accordingly, it is very difficult to see such brand of FT coffee.

(4) Japan has only short experiences of FT Movement. Originally, the aid organizations initiated FT Movement in Japan. The word of fair-trading was introduced in the 1990s and it is not in the 21st century that mass media paid attention to FT Movement and young generation got interested in it.

(5) Majority of consumers does not know the idea of fair-trading. Few people in Japan recognize FT labels of both FLO and IFTA in comparison with in France. In addition, Japanese consumers know about Social Responsible Buying (SRB) little and are not willing to agree the idea of SRB at moment according to our research.

These features mentioned above may be related with why FT Movement in Japan has been weak. The reasons are summarized as follows.

(1) Lack of common understanding about fair-trading among FTOs. FTOs are categorized into three types, the 'close contact oriented FTO', 'FLO label adopting FTO' and 'IFTA label adopting FTO'. The latter two categories can be characterized to accept certification and labeling system and to address market mechanism. Each type has different position on fair-trading basically from historical backgrounds. Furthermore, we should take a note that there is no powerful umbrella organization to coordinate a variety of FTOs.

(2) No reliable research on marketability of FT commodities with sufficient sample size. The study team organized by Ikegami conducted a research concerning consumers' consciousness of purchase behavior including FT commodities. However, a research for FTOs and FT shop was not completed because of some difficulties. We will try to conduct it near future again.

Finally, we have a new issue worthy to be discussed. Some corporations are interested in fair-trading because of introduction of the concept of Corporation Social Responsibility (CSR). This is a touchstone for verifying abilities of FTOs against powerful demands of such corporations.