

A Matter of Good Taste?
Quality and the Construction of
Standards for Chocolate
Products in the European Union

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Une question
de bon goût?
Qualité et définition des
normes chocolat dans
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Résumé – L'harmonisation des normes sur le chocolat entre pays de l'Union européenne est devenue problématique avec l'accession du Danemark, de l'Irlande et du Royaume-Uni. Les chocolatiers de ces trois pays étaient en effet autorisés à remplacer une partie du beurre de cacao par d'autres matières grasses végétales, connues sous le nom d'équivalents de beurre de cacao (EBCs), ce qui n'est pas le cas dans les anciens pays membres.

Les différences de réglementation constituent un véritable obstacle pour le bon fonctionnement du marché commun. Elle ne découlent pas seulement de problèmes techniques mais également de différences d'environnement économique et social qui se situent au niveau : i) des traditions de consommation et des conceptions de la qualité, ii) des structures de marché et des rapports de force entre les différents acteurs des filières nationales.

Dans cet article, l'auteur examine le positionnement qualité des différents acteurs de la filière, depuis les producteurs de matières premières jusqu'au consommateur. Il observe de quelle façon les différentes conceptions de la qualité sont avancées, contestées et reformulées, et montre que la norme résulte d'un processus de transformation d'un ensemble complexe de points de vue sur la qualité. La norme peut être considérée comme la formalisation, sous forme de règles ou de dispositifs réglementaires, d'un compromis provisoire, souvent asymétrique, entre les différents acteurs sociaux.

Summary – Efforts to harmonise the different national regulations on production and consumption of chocolate in the EU have run into problems since the early 1970s when new member states (Denmark, Ireland and the UK) joined the original six EEC members. In the new member states, manufacturers of chocolate products were allowed to replace some of the cocoa butter with other vegetable fats, known as cocoa butter equivalents (CBEs). In the original member states, however, chocolate manufacturers were not allowed to add CBE to their products.

This difference in national food regulations within the EU obviously raises a problem for the establishment of a common market. The problem is not just technical as the difference is socially and commercially constructed by being embedded in : 1) particular national conceptions about quality and chocolate consumption traditions, and 2) particular industrial structures, i.e. variations in the relative power of the different actors within the national chocolate industries.

The present paper examines different actor perspectives on quality. The actors involved are embedded in different segments of the chocolate chain, ranging from consumers to producers of basic raw materials. By examining how – and by whom – the different conceptions of quality are introduced, contested and reconfigured, the paper shows how a complex set of views on quality are transformed into standards. Standards are considered as the formalisation into rules and regulatory structures of a temporary compromise – as asymmetrical as it may be – between social actors.

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IN the European Union (EU), the content and meaning of chocolate vary with geography. In some member countries, a bar of chocolate consists of cocoa mass, cocoa butter and sugar, sometimes blended with milk powder (milk chocolate). These substances are also used as basic ingredients in the other countries but some of the cocoa butter is replaced with a cheaper blend of other vegetable fats (cocoa butter alternatives, CBAs) resulting in chocolate with different physical properties.

Currently, the group of CBAs includes a number of different fats with different physical and chemical properties that are used in the production of various types of chocolate. Cocoa butter equivalent (CBE), introduced in the 1960s, is by far the most adaptable to the manufacturing of regular chocolate products. Some of the CBEs serve to alter the physical properties of cocoa butter, for instance by increasing chocolate hardness at higher temperatures (AO, 1991). CBEs can be obtained by blending other sorts of vegetable oil, for instance palm oil, illipe fat (from the illipe nut) and shea fat (from the shea nut). These are all vegetable oils from oil seeds growing in the tropics. Mixed appropriately, they match certain of the physical and chemical properties of cocoa butter. Palm oil is produced and traded in large volumes on the world market but the other fats are not world market traded commodities; they originate from trees growing wild in the Sahel region (shea nut) and tropical areas in Asia and Latin America (illipe nut).

THE EUROPEAN 'CHOCOLATE WAR'

Differences between chocolate types in the European countries result from different national traditions in the way chocolate is produced and consumed: for instance by being mostly consumed on special occasions, in various desserts or as a quick snack. But these national traditions are not based solely on different national tastes and eating habits. The differences are also socially and commercially constructed, as the use of non-cocoa fat in chocolate production is allowed in some countries and not in others. Moreover, in those countries where its use in the manufacturing process is prohibited, non-cocoa fat containing products cannot be marketed as chocolate.

This diversity in food legislation poses a problem in harmonising rules on food production and marketing as part of the creation of a common market in the EU ⁽¹⁾. The European Commission intensified har-

⁽¹⁾ The chocolate issue dates back to 1973 when the UK, Ireland and Denmark entered the European Union (then the European Economic Community). In these countries it was allowed to replace 5% of the cocoa butter and to market the finished product as chocolate while this was prohibited in the old member states

monisation efforts after the Edinburgh Agreement was adopted in 1992, and a draft revision of the directive was forwarded to the European Parliament in 1996. According to the revised directive, production and marketing of chocolate products with a CBE content of up to 5% should be legal in all member countries (EU Commission, 1996). In the meantime new members had joined the EU, and some of them (Sweden, Finland and Austria) had no restrictions on the use of CBEs. The chocolate issue therefore divided the member countries into two almost equal groups, thus seriously blocking the harmonisation needed for the creation of the common market.

The new directive materialised a complex set of conflicting views related to the creation of the common market and started a public debate of such intensity in the mid-1990s that observers referred to it as 'the European Chocolate War' (EFTA/NEWS, 1997). The debate consisted of a sometimes very confused exchange of views in which many arguments just bypassed those of opponents, reflecting contrasting sets of rationale. Among advocates of CBE use, the most important actors were the majority of the European confectionery industry (associated in CAOBISCO), the advanced oleochemical companies producing CBEs, and the European Commission. Opponents included the traditional cocoa butter producers in the EU, cocoa exporting countries, and a number of consumer organisations and development NGOs⁽²⁾.

QUALITY CONCEPTIONS AND REGIMES

The 'Chocolate War' offers an opportunity to examine the arguments in terms of different actor perspectives on quality. The actors involved are embedded in different segments of the chain, ranging from consumers to producers of basic raw materials. By examining how – and by whom – the different conceptions of quality are introduced, contested and reconfigured, we may better understand the shift from a complex set of views on quality to the establishment of standards. In this respect, standards are to be considered as the formalisation as rules and regula-

(Italy, France, Germany, Belgium, the Netherlands, and Luxembourg). The EU Directive 73/241/EEC established the right of producers in the new member countries to continue the production and marketing of chocolate products containing CBEs. However, the ban on CBE-use in chocolate in the old member countries was maintained. After an unsuccessful attempt to introduce common rules for chocolate production in 1986, when the member states formally agreed to establish the common market, the issue disappeared from the public debate for almost a decade.

⁽²⁾ Protagonists speak about 'adding' or 'supplementing' CBEs while opponents prefer to speak about 'replacing' cocoa butter. In the present paper, both expressions are used interchangeably and without any underlying value considerations.

tory structures of a temporary compromise – as asymmetrical as it may be – between social actors.

Given the linkage between the segments, the chain makes up a whole in which different views on quality are confronted. This is most conspicuous at the interface between each pair of segments directly connected through commodity and financial flows. These are the immediate battlegrounds for conflicting conceptions about quality. In situations with asymmetrical relationships, the actors with the most power dictate a hierarchy of quality conceptions. Stronger and more powerful actors farther away in the commodity chain may also have the power to influence or determine the prevailing meaning of quality. The notion is contested over time and is sometimes replaced by a conception previously held or recently defined by (new) actors in other segments.

This approach is theoretically grounded in the part of the French conventions theory that deals with primary commodities in a *filière* or commodity chain perspective (see Raikes *et al.*, 2000). According to this approach, exchange of goods within the chain takes place under different regimes, each being characterised by the dominance of certain quality criteria over others. It is the establishment of prevailing quality criteria and corresponding formal standards that enables actors to trade in large volumes and without tangible exchange in time and space. These criteria are socially constructed, and can be contested, as the actors involved in the exchange will be aware of their advantage in promoting specific quality criteria. A change in relative strength will affect the set of prevailing quality criteria and possibly lead to a new regime.

Four analytically separable regimes are proposed under the French conventions theory: market-based regime (quality is equal to price), industrial-based regime (quality is embodied in standard grades), 'domestic'-based regime (quality is embodied in the identity of the product, *e.g.* location of production, brand name), and civic-based regime (quality is embodied in the societal impact of the product). The commodity chain is considered all the more coherent as one of these regimes dominates all markets within the chain. Most chains, however, consist of several regimes.

The aim of this paper is to examine a chain made up of different regimes. Furthermore, one of the 'interfaces' does not clearly fall under the listed regimes as it encompasses one group of actors that do not depend fully on the inherent market logic, namely the local collectors of shea nuts in West Africa. It is argued that partial chain coherence can be negotiated, constructed and possibly maintained by compromise solutions in the form of accepted standards that specify conditions for transactions. In transactions between segments where standards are not easily constructed, new actors are mobilised in order to secure quality and the needed volumes of raw materials. Public donor agencies and development NGOs will presumably come to play an increasingly important

role in North-South commercial transactions that involve these local collectors/producers.

The paper is structured according to the segments that make up the commodity chain (Gereffi, 1994 and 1999)⁽³⁾. The 'chocolate chain' is not an unambiguous category as it consists of many filaments, each of which is based on a particular material flow. Four segments are discussed, namely the (female) shea nut collectors (including the (male) traders) in the Sahel, the CBA-manufacturers, the chocolate producers, and various stakeholders in the EU consumer market, *e.g.* consumer organisations, governments and development NGOs. Hence, actors and quality conceptions related to cultivation, processing and sale of cocoa (or other chocolate ingredients) are not included.

Quality conceptions within the four segments are reviewed and the standards that dominate the commodity exchange between each pair of inter-linked segments are examined. These sections map out the complexity underlying the 'Chocolate War', a jumble of ethical, commercial and political views and agendas, which form a glaring contrast to the simple 'solution' of the issue in the new directive for use of cocoa butter alternatives in the EU. In conclusion it is argued that the chain lacks formal standards only in the transactions among shea nut collectors, traders and CBE-manufacturers. One way to increase quality without introducing formal standards is to involve development aid donors and NGOs in various income generating projects.

WHAT IS QUALITY? THE SHEA NUT COLLECTORS' AND TRADERS' PERSPECTIVES

Shea nut trees grow in dense stands in the southernmost part of the Sahel and the adjacent Sudan and Guinea savannahs in West and Central Africa (von Maydell, 1986). Shea nuts are found in plum-size green fruits with a fleshy pericarp tasting of figs. The kernel is covered by a shell inside the fruit. Before processing, the shell is removed by boiling what is left after the removal of the pericarp, followed by sun drying and cracking (de-shelling); in some areas kiln-drying is used, but this requires a relatively large volume of nuts and firewood. The kernels are sun-dried once

⁽³⁾ The paper is inspired by discussions among members of the research programme on 'Globalization and Economic Restructuring in Africa' based at the Centre for Development Research (CDR) in Copenhagen. The programme examines the impact of globalisation on Africa with a focus on selected commodities (coffee, cocoa, cotton, fresh vegetables, and clothing). One of the main theoretical ambitions is to incorporate issues of quality and regulation into the global commodity chain approach.

more to reduce the water content and after two days crushed before yet another boiling. The fat is skimmed off from the top of the boiler and purified in a process known as '*barratage manuel*', a demanding manual process comprising the successive washing-out of impurities with clean water until the brown substance turns yellowish or white. Shea nut butter is used as a frying medium or added to various sorts of porridge. Alternatively, shea nut butter is made into soap by adding wood or plant ash to the boiling mixture of fat and water (UNIFEM, 1997). Shea butter has traditionally been used in human diet and, transported by slave traders from interior to coastal areas (Park, 2000), has played an important historical role in intra-regional trade in West Africa.

Access to shea trees is regulated by local custom. For instance, in eastern Burkina Faso, each household usually collects nuts from trees on their own fields and sometimes from trees in the bush area controlled by the village. In some places nuts may be collected from the neighbour's trees if they are lying on the ground and not picked up. Shea nuts are stored at the household level and processed during the year after harvest (May-September, depending on location). Shea nuts are sometimes sold at local markets if cash is needed or if the nuts are in excess of household consumption. Shea nut butter is also sold at local markets in different volumes ranging from pots to small lumps formed by hand (see for instance Fold and Reenberg, 1999).

Throughout the Sahel, rural women control the organisation of labour (sometimes organised in co-operatives) for the collecting and processing of shea nuts at the household level (UNIFEM, 1997; Bekure *et al.*, 1997). Women also manage petty trading in kernels and shea nut butter, and control income from these activities. This additional income is considered very important for the purchase of basic household goods (food, clothes, domestic utensils, etc.). Besides, managing income from shea nuts also serves to consolidate the position of women among household members in polygamous societies.

At wholesale level, however, kernel trading is primarily controlled by male merchants and this dichotomy in terms of gender positions in the marketing of shea nuts is reflected in the incorporation of the different gender groups in the world market. While male merchants and middlemen are linked to the export sector, women are more engaged in the supply systems centring on local markets. However, women are related to the world market via sales of kernels to middlemen and merchants who link up with foreign customers.

There are no formal standards governing the exchange of goods between shea nut collectors, exporters and CBE-manufacturers. As mentioned above, shea nut butter is an essential ingredient in the production of CBEs and there are no substitutes. Hence, the provision of shea nuts is crucial, implying that a system of strict quality measures and price discounts is unsustainable in a situation characterised by limited supplies.

Thus, the purchasing price is the decisive factor for shea nuts to be marketed in sufficient quantities, and the 'waste' (*i.e.* the inapplicable or missing content of fatty acids) is factored into the offer price. In order to ensure quality (in the sense of availability and usability, *i.e.* nuts free of mould, smoke damage, etc.), CBE-manufacturers develop dense and personalised networks of local buyers and merchants so that crude quality requirements can be disseminated through these channels.

From the onset of shea nut exports from the Sahel, the level of purchasing prices has been continuously contested. Industrial processors have been unwilling to increase prices to a level ensuring the marketing of steady and increasing volumes of shea nuts. Prices have rarely been competitive compared to prices (and labour inputs) of other cash crops and to the domestic use value of shea nuts. This was the case in the early part of the century when shea nuts were used in the production of ordinary consumer goods (*e.g.* soap) and it is still a salient feature in the more recent use in CBE production. It seems that demand for CBEs has been insufficient to command higher prices for shea nuts. The existence of some kind of monopsonistic agreement between the major CBE manufacturers (a maximum purchasing price) cannot be precluded, though; evidence points to the temporary existence of such an agreement in Burkina Faso (Conti, 1979).

The general supply system has changed during the last decade with the implementation of structural adjustment programmes in the exporting countries. Deregulation and gradual privatisation of previous state marketing boards in both Francophone and Anglophone countries since the late 1980s and early 1990s have created greater room for manoeuvre for private, local as well as foreign, agents. Real 'market prices' should in principle have a better chance to reach the collectors/producers directly and stimulate an increase in volumes delivered to the market. However, it seems that deregulation has affected the quality (in the above rudimentary sense) of the marketed shea nuts. None of the countries in the region have effectively maintained state institutions to regulate shea nut exports and private traders are free to purchase and sell kernels at the most favourable prices. Quality requirements are no longer implemented and private traders are not capable or motivated to replace the former state institutions: as all shea nuts can be sold locally at the going prices offered by the CBE manufacturers, there are no incentives for the local traders to introduce a system of quality-based differential purchase prices.

This has mobilised new actors, *e.g.* various Northern development NGOs, to enter in the mediation of material flows from peasants to (agro-industrial) capital. The case of shea nut trade and exports from Burkina Faso is an illustrative example.

In 1996, an international aid programme (Projet Filière Karité - PFK) was launched and funded for a two-year period by CIDA (the

Canadian International Development Agency) and implemented by the Centre Canadien d'Études et Coopération Internationale (CECI), a Canadian NGO (CECI/ACDI, 1996). A set of major bottlenecks to the improvement of the material flow and organisation of the chain were identified and the project tried to reduce the impact of these bottlenecks. At the national and local levels, this involved finding ways to improve the quality of kernels and butter, develop new and adequate packaging materials, and organise the actors in some kind of trade association. At the international level it involved setting up an institutional mechanism able to monitor and possibly predict short- and long-term variation in world market prices for shea nuts (Sawadogo, 1998). The programme was formally terminated in August 1998 but the institutional experience and the results from the study form part of a broader programme on other agro-food complexes, including the shea nut complex, which was implemented in early 1999.

In this case an NGO has taken over the task of reducing transaction costs involved in raw material provision to the CBE-manufacturers in developed countries. Other NGO programmes deal with the introduction of hand presses to rural women's groups in order to ease the heavy work load involved in simple manual processing. Hence, donor-funded activities further upstream in the chain seem to be necessary to re-establish and maintain the quality previously ensured by state institutions.

In effect, the local production, trade and consumption of shea nuts and shea nut butter is of secondary importance to the programme. The primary and more or less exclusive objective for increasing organisational efficiency and capacity of the complex is to increase the volume and quality of exports, not to secure and improve local supply. This bias is a consequence of the policy framework of structural adjustment, *i.e.* liberalisation, privatisation and export orientation.

WHAT IS QUALITY? THE CBE MANUFACTURERS' PERSPECTIVES

The small group of CBE manufacturers includes technologically very advanced companies in an industry marked by high barriers to entry. Worldwide, four companies only share the market for CBEs, namely Karlshamns (Sweden), Århus Olie (Denmark), Fuji (Japan) and Unilever (UK/Netherlands) via the company Loders Croklaan. Industry sources, however, indicate that intra-industry competition is stiff and reference is made to the secrecy that surrounds all activities from purchasing of raw materials to domesticated fat-splitting technology. Each company put an emphasis on continued improvements in quality, both in products (in this case CBEs for the chocolate and confectionery industry) and process-

ing technology. In general, little is known about the characteristics of the strategies and practice in the industry and the technology is highly protected due to its captive nature and technological rents.

In this segment of the chain, requirements for adequate quality of the raw material are increasing even though the advanced technology may compensate for impurities or other defects in the raw materials. It is notable that at least one of the companies (Århus Olie) has recently begun to purchase shea nuts directly from producers in West Africa. Previously, until the mid-1980s, shea nuts were bought through merchants based in larger cities in the exporting Sahel countries. The company was willing to pay an extra margin instead of involving its own resources in the purchasing operations for shea nuts. However, as margins of other company operations are presently being squeezed, sensitivity to delayed deliveries has increased.

Hence, the organisation of supplies has been optimised accordingly. Instead of relying solely on city-based merchants, the company set up affiliates in both Ghana and Côte d'Ivoire in order to support a net of locally-based merchants in the exporting countries. By 'moving the money into the bush' and dealing directly with the local traders, the company expects to increase the quality and regularity of deliveries through a system of bonuses paid to suppliers. In addition, with the development of new packaging techniques and materials, shea nut butter is now also purchased from local traders. It is now possible to collect, accumulate and transport shea butter to the local affiliates in Accra and Abidjan, where both nuts and butter are stored before container shipment to the factory in Aarhus. The storing operations and facilities in the West African ports allow the purchase of raw materials to be spread over the year and freight costs to be reduced. Furthermore, provisioning of butter instead of nuts releases milling capacity at the factory in Aarhus, thereby increasing processing flexibility in the high-cost plant.

It would seem that similar buying systems are being practised by all four major players in the industry. There is no 'world market' as such for shea nut products and prices are not quoted at any spot or futures market. Thus, it is to some extent surprising that both shea nuts and shea nut butter are listed among the oil seeds and oils/fats in the FOSFA (Federation of Oils and Fats Associations) contract system⁽⁴⁾. However,

⁽⁴⁾ FOSFA International is constituted by members such as raw material producers, final goods manufacturers, traders, industry associations, etc. The Federation operates a scheme whereby approved laboratories can test and certify shipments of oil seeds and oils according to contract specifications drawn up within the FOSFA system (ITC, 1990). The system assists the buyers and sellers in agreeing on the conditions and price of deliveries and in principle provides the parties involved with an accurate, authoritative and up-to-date analysis.

according to industry sources, the FOSFA contracts for shea nut products only act as a kind of umbrella because the specifications are too broad to be used in price negotiations - and because procuring shea nuts is a problem altogether.

Hence, for the CBE producers, quality is directly linked to the material properties of the shea nut, *i.e.* the specific composition of fatty acids and moisture content. Beyond these basics, quality is strongly related to the purchasing price, taking for granted that quality (in the sense of usability) is above a certain level. Advanced technology enables CBE manufacturers to clean out most impurities caused by improper or sloppy post-harvest treatment by the collectors/processors. Recent initiatives to improve supply channels serve primarily to stabilise supplies (in terms of both volume and annual frequency) as well as obtaining shea nuts and butter of better quality (*i.e.* higher content of usable fatty acids).

WHAT IS QUALITY? THE CHOCOLATE MANUFACTURERS' PERSPECTIVES

Exchanges between the CBE manufacturers and chocolate manufacturers are governed by standards that are strictly based on technical specifications and the agents involved in the transaction have a shared conception about quality. CBEs are mass produced in batches with standard specifications and they are also produced for individual customers demanding CBEs with particular attributes suitable for specific purposes, *e.g.* a characteristic coating or filling.

For chocolate manufacturers, the use of CBEs involves a number of straightforward technical benefits which improve the final product by making the production process easier to control and product specifications more stable from batch to batch⁽⁵⁾. Use of CBE serves to compensate for differences in the quality of cocoa beans from shipment to shipment. Hence, CBE acts as a buffer which reduces variation in the final products resulting from variation in the raw materials. This is not to be confused with price differentials related to different countries of origin and caused by differences in the natural conditions and procedures of harvesting, fermenting, storing, transport, etc. For instance, the present

⁽⁵⁾ Chocolate manufacturers in the EU are currently divided on the question of permissibility and benefits of using CBEs in chocolate production. The largest companies (in terms of volume produced), however, tend to support the CAO-BISCO standpoint.

price differential between cocoa beans from Ghana and Côte d'Ivoire is about 40-60£ per ton in favour of the former.

Besides, there are other technical reasons for which many chocolate manufacturers prefer to replace cocoa butter (Brun, 1998). These relate to the attributes and appearance of the final product. First, chocolate products without CBE easily develop a whitish or greyish discoloration (bloom) due to variation in humidity or temperature during storage or transport. Second, after some time the product will lose some of its gloss and CBE serves to maintain a shiny surface. Third, by adding CBE, it is possible to design a product with a melting curve that suits the desired type of product consumption. Normally, at least as regards chocolate bars, manufacturers want to find a melting point which is suitably high so that consumers avoid getting greasy fingers and suitably low, so that the chocolate will melt pleasantly in the mouth without too much chewing. Fourth, manufacturers would like the product to have an attractive 'snap', *i.e.* an easy way of breaking that ensures a clear fracture without crumbling.

The improved attributes and appearances expand the shelf life of CBE-containing products. Longer shelf life is an important asset in the competition between manufacturers to gain the favour of retailers. Moreover, CBEs also increase the possibilities for launching the production of new products and thereby expanding the product range. A wider product range is a necessity to change consumption patterns by increasing the 'absolute' market for chocolate products instead of 'zero-sum' capturing shares on existing markets.

However, CBEs do not enjoy a high status among chocolate manufacturers for technical reasons only. The price difference between cocoa butter and CBEs is substantial, the former being up to five times more expensive, depending on the quality of the cocoa beans and the CBE considered. Thus, on top of their technical advantages, CBEs allow the manufacturers to cut production costs. This has been considered by 'cocoa-protagonists' as one of the major reasons why chocolate manufacturers pushed for a general approval of CBEs.

Hence, for the chocolate producers, quality relates to the specificity of the properties of the CBA considered. On the one hand, some CBAs are used in industrial foods where chocolate takes up a subordinate role in the overall visual and taste sensation. These products are not to be perceived as chocolate *per se* but as confectionery products in which the price of the CBAs is the primary competitive edge. CBEs, on the other hand, are used in the manufacturing of regular chocolate products. Hence, the ability of CBEs to secure a constant taste and appearance of the final product is of primary importance while price, although a competitive parameter as well, is of secondary importance. Moreover, an important quality aspect is the increased possibility for innovating new branded products. This may lead them to require custom tailored supplies from the CBE-manufacturers.

WHAT IS QUALITY? THE PERSPECTIVES OF THE CONSUMER SPOKESPERSON

Owing to the long period that elapsed between the proposal of the EU Commission (1996) and the subsequent 1997 debate in the European Parliament (*i.e.* almost a year), the different issues and arguments had circulated among interested stakeholders and in the media. The debate in the European Parliament on the use of CBEs was highly indicative of the different meanings of chocolate rooted in culture and dietary traditions, although it revealed more than just views on taste and timely occasions for consumption. The debate also included issues on environmental, developmental and socially acceptable ways of production and trade. An examination of the somewhat confused sets of arguments voiced in this forum shows the views of various stakeholders: clearly these do not include only the arguments of consumer groups but also those of actors directly involved in the chocolate industry. This section is based on the different arguments, in the heated parliamentary debate, which serve to illuminate the most important of these perspectives ⁽⁶⁾.

As a starting point it is reasonable to note that in the EU there seems to be no disagreement as to whether chocolate is a food. This may sound a platitude, but given the socio-culturally-determined status of food it is not obvious. The domain of food is culturally delimited in the sense that what is generally accepted as edible differs widely between cultures and represents only a fraction of what is potentially edible (James, 1990). What determines the inclusion or exclusion of a particular item is related to its connotations in the social organisation of a specific society. For instance, dog meat is considered edible in some societies and inedible ('man's best friend') in others. Even though chocolate is considered edible by all in the EU, chocolate is not referred to the core of the food category by everybody. James (1990) argues that chocolate should be viewed as an intermediate between the food and non-food categories this being the reason why nutritional campaigns on health issues related to chocolate consumption are largely without effect. In fact, chocolate – in its many forms – is deeply integrated in a number of social interactions and has many meanings which cannot be removed or replaced by other types of food/non-food: gift, reward, comfort, etc.

Health issues have not been particularly prominent in the debate. Consumption of chocolate in itself has not been questioned and, as shown below, plain consumption is sometimes considered as a beneficent act, which stimulates development in the Third World. This runs coun-

⁽⁶⁾ A transcript (in Danish) of the debate is available in 'Europa-Parlamentets forhandlinger', 22.10.97.

ter to the ambitions of national health services that try to reduce the general level of fat and sugar consumption in EU-countries. What has been questioned, however, is the effect of CBEs on human health. This is a rather peculiar concern as the group of cocoa butter alternatives consists of different mixtures of other edible vegetable fats and only limited scientific evidence has so far been published on the deleterious effect of CBEs on human health ⁽⁷⁾.

Another issue relates to questions of how and when chocolate is eaten. These issues are clearly culturally differentiated and there are large variations among EU-countries. If one considers that chocolate constitutes an element in the diet, the function of chocolate spans from a quick energy booster over the taking of an after-dinner chocolate delicacy (together with coffee) to regular chocolate-based desserts. For some, eating chocolate requires a certain ambience or atmosphere while for others chocolate or chocolate products are more like a snack, that can be taken anywhere, at any time.

It is, however, difficult to say whether the habitual way of consuming chocolate reflects differences in socio-cultural norms between societies or different consumption patterns across societies structured by age or class. It seems reasonable to suggest that with the globalisation of brand names focussing on youth, speed, action, affluence, etc., various types of chocolate-coated bars are increasingly integrated as quick energy boosters into the diet of some groups (youngsters, professionals, etc.). Likewise, dark and rich chocolate disguised in various fancy desserts enjoyed in circumstances of sophisticated ambience is a symbol of luxury, while eating cheap CBA-chocolate products with a high content of sugar and milk powder (possibly formed and wrapped like well-known cartoon figures) represents a lack of quality sense – and of money.

Other issues have something to do with the way in which the product has been produced, a kind of consumer ethics closely related to developmental and environmental issues. This is not exclusively of interest for supporters of so-called 'Fair Trade' organisations but includes different NGOs and consumer organisations in the EU. A case in point is the fiery discussion between NGOs with activities in different geographical locations. NGOs with activities in major cocoa-producing countries in

⁽⁷⁾ Nutritional research is subject to advanced forms of manipulation and twisting of results by vested commercial interests. Some years ago, the effects of palm oil on human health were severely questioned in the US, but the campaigns against 'tropical fats' have declined during the 1990s. This campaign was closely related to the loss of market shares by US produced soya oil, especially in South Asia where exports of cheap palm oil from Malaysia made inroads into large and previously secure markets in India, Bangladesh and Pakistan (see Fold, 2000). But the negative reputation of palm oil has not played any role in the 'chocolate war'.

West Africa joined forces with the Governments of these countries and stressed the serious effects of decreasing cocoa exports both for the national economy and for the individual smallholder. On the other hand, NGOs with interests in the Sahel countries stressed the importance of shea nut exports both for the national economies and for rural women in these countries. Thus, some NGOs ended up arguing which group most needed support, the (male) cocoa producing smallholders in Ghana or the (female) collectors in Burkina Faso.

The environmental issue was also present in the debate in support of the cocoa-producing smallholders against large-scale agricultural production of alternative oil crops in industrialised countries. It was argued that smallholders, due to lack of resources, use far less chemicals (fertilisers, pesticides, etc.) during the cultivation process and that as a result negative global environmental effects are far smaller than those coming from industrialised agriculture. This issue was linked to concerns about possible future replacement of tropical fats with enzymatically modified oils from temperate countries. Use of temperate oils would remove the insecurity and variability usually attaching to supplies from developing countries, and cut costs even further. The result, however, would be the closing of the export niche for shea nut products combined with a decrease in cocoa exports.

An interesting variant within this group of ethical and political issues was based on the image of American transnational companies defeating the small to medium European chocolate producers who privilege quality over price and product standardisation. During the 1990s, a number of former European companies have been taken over by some of the large American companies. The most notable example is Philip Morris, which entered the EU-market by acquiring large companies in Switzerland and Scandinavia. The trend towards increased concentration also involves acquisition of small- and medium-sized companies by some of the large transnational companies with home-base in European countries, such as Nestlé and Cadbury (Boyle and Hilliam, 1993). All these companies, as well as many other European companies in Northern Europe, use CBEs in some of their products.

Hence, whereas there seems to be a fairly homogeneous conception of quality within the other segments mentioned so far, quality for EU-market stakeholders refers to a diverse set of cultural and ideological preferences. This includes purpose, ways and occasions for consumption, with political and ethical considerations – such as impact on development and environment – being increasingly involved. These issues are, however, only important for some sections of the segment, but considered irrelevant or neglected by others. This fragmentation is linked to new categories of social stratification and works across nationalities; it is a sign of an emerging globalisation of the ‘political consumer’ (Whatmore and Thorne, 1997).

FROM COMPETING CONCEPTIONS OF QUALITY TO FORMAL STANDARDS ON THE EU MARKET

How has 'the Chocolate War' affected the way in which quality notions are being maintained, contested and reformulated through new types of formal standardisation for chocolate products in the EU: What is the present framework for the common regulation of chocolate products in Europe?⁽⁸⁾

In 1997 the Commission's proposal was discussed in the European Parliament which returned it to the Commission with a number of proposed amendments. These have been considered and further negotiated between the Commission and individual member states. In the process, the official views of the member states moved closer: the French Government, previously opposing harmonisation on this issue, gradually changed its position while Italy, Germany, and Spain changed their views fairly early in the negotiating process. As a result, the Commission came up with a revised proposal on the basis of which the Council of Ministers agreed to a Common Position in late 1999. The compromise was sent to the European Parliament for the second reading and adopted in June 2000. It is expected that the new directive will come into force in 2003 within which period member states are required to adjust their national food legislation accordingly.

According to the compromise, all member states must accept production and marketing of chocolate with a CBE content of up to 5%, although the agreement includes a passage on the carrying out of an impact evaluation of the new rules within a period of five years following implementation. The main supplements to the proposal aim to take into account concerns about controllability and labelling of the CBE content.

According to directive, CBEs must be produced on the basis of six specified (tropical) oil seeds, including illipe and shea nuts. The list is drawn up on the basis of the oil seeds currently used by CBE manufacturers. The purpose of the positive list is to exclude the use of any enzymatically modified (temperate) vegetable oils from CBE production in order to protect the market niche presently dominated by developing countries. According to the chocolate industry, use of enzymatically modified oils is not profitable in the present state of technology, although an innovative breakthrough would significantly reduce existing uncertainty connected with supplies of raw materials. It is, however, most likely that the list will be considered as a technical barrier to trade within the framework of the WTO.

As concerns the ability to control the CBE content, the EU-financed Joint Research Center (located in Ispra, Italy) now claims to have de-

⁽⁸⁾ This section is based on information from the Danish Ministry of Food and Agriculture and Eagle (2000).

veloped an analytical method capable of determining the CBE content at a level of uncertainty of about 1-1,5 %, which is a major improvement in accuracy compared to previously used methods. Anyway, most existing procedures are based on spot tests of invoices and stocks, and the national authorities usually refrain from analytical controls unless a particular manufacturer is under suspicion. The use of CBEs in fillings poses a particular problem since it is not subject to any restrictions. CBEs (and other vegetable fats) have a stabilising effect on fillings in chocolate products, but after some time the fatty acids migrate from the fillings into the chocolate coatings. Therefore it is almost impossible to determine the original source of CBEs in the coating, which makes the usefulness of the improved analytical control method highly questionable.

Rules have also been laid down concerning the marking and labelling of chocolate products with CBE content. A uniform formulation declaring 'Contains vegetable fats other than cocoa butter' has to be placed in the same visual field, but clearly separated from the trade description (the latter not to be confused with the brand name). The letters should be in bold and just as big as the letters in the trade description. Furthermore, the CBE content must be mentioned in the list of ingredients. Presumably, these labelling rules will open up for a variety of possibilities to nullify the effects. For instance, branded products can avoid any trade description at all and just add the CBEs to the list of ingredients. Other products may duplicate the trade description and place a version in small letters near the list of ingredients, etc.

Crystallisation into new, common standards is remarkable in two ways. First, because the notion of quality now embodies a concern for a specific group of exporters, both in terms of individual collectors/processors of the selected oil seeds and exporting countries. Second, because the socio-cultural question of taste ('what is real chocolate?') has been boiled down to the issue of the location on the wrapping of a sentence with a fairly limited and neutral content. Irrespective of positions regarding the use of CBEs, a continuation of the debate within this discursive framework is bound to raise questions about the earnestness of the debaters. A complex and intangible question has been reduced to an almost ridiculous banality. 'The market forces' will take over and allocate resources according to demand, *i.e.* decide the product range according to consumer preferences.

CONCLUSION

This paper has shown that conceptions about quality differ among the four segments of the commodity chain ranging from the shea nut collectors to the European consumers. The reason for these different

conceptualisations of quality in each segment is partly due to the different nature of the product in the specific segment of the chain: the transformation from a simple raw material (shea nut) to a valuable intermediate good then to a mass consumer good in which the original substance is mixed with other processed – but ‘pure’ – raw materials (primarily sugar, cocoa mass and cocoa butter). In this perspective, the material flow within the chain embodies different goods and, therefore, different conceptions of quality.

Following conceptualisations from conventions theory, the intra-industry exchange between CBE and chocolate manufacturers falls strictly under the industrial-based regime while the exchange between consumers and the chocolate industry is of a more complex nature: obviously price plays a role, but ‘domestic’-based factors (such as brand names) are also important. As demonstrated in this paper, however, concerns over effects on ‘distant strangers’ (in the form of African collectors/producers) seem to gain growing influence on the new set of regulatory supplements. These civic-based concerns have in effect limited the list of applicable raw materials for use in the CBE-industry to six tropical oil seeds that – at least in the medium term – block the use of technologically advanced (temperate) substitutes.

The ‘regime’ governing the exchange between collectors/processors in the Sahel and CBE-manufacturers represents an interesting problem. This exchange bears the characteristics of a market-based regime, although there is as yet no established world market for shea nuts. The industrial buyers are reluctant to offer a price level that potentially could increase supplies. However, even a price increase may not expand supplies substantially due to the nature of the crop, *i.e.* shea nuts, which originate from a wild growing tree of unknown abundance and yield fluctuations. Moreover, prospects of a future commercial cultivation of shea trees are low because of the long payback horizon and competition from collectors.

In the future, these barriers for the construction of formal standards will most likely result in increased involvement by Northern donors and Development NGOs. Supplies could be expanded by offering services that help collectors to better preserve volume and oil content of shea nuts. Likewise, advice about new processing methods and packaging techniques open up possibilities for export of shea nut butter, a product until now solely reserved for local markets. Development NGOs fit into the role as providers of these services, taking up a central position between collectors in remote rural areas, (agro-)industrial capital and concerned (chocolate-eating) stakeholders in industrialised countries. Whether or not this is to the benefit of the former group remains an open question. In the case of shea nuts, a deeper penetration of world market relations in local supply systems may result in a shift towards increased exports to the detriment of local food security.

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