

The Handbook of Research on Fair Trade
 Laura Raynolds and Elizabeth Bennett, Editors
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III.8	The US Market and Fair Trade Certified	US market, Fair Trade USA, mainstreaming, Fair Trade Campaigns, plantations, standards	April Linton* Fair Labor Association (US) Claudia Rosty Colorado State University, Department of Sociology (US)
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HANDBOOK FACTS

Number of chapters: 30

Number of authors (including co-editors): 43

Institutional affiliations: 10 countries: Belgium, Canada, Denmark, France, Italy, Japan, Mexico, Switzerland, the United States, and the United Kingdom, and one researcher working globally

Length: around 210,000 words, including tables (300 words each) and figures (500 words each)

I. INTRODUCTION: FAIR TRADE

I.1 Introduction to Research on Fair Trade

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Keywords: Fair trade, Fairtrade, voluntary certification, ethical trade, sustainability, development

Abstract: This chapter assesses the field of fair trade studies, synthesizes the Handbook's major contributions and identifies critical unanswered questions. We introduce and outline the nature of fair trade as concept and grounded practice, explaining rising popular and academic interest in this domain. The chapter explains the volume's organizing framework and the focus of its four thematic sections: (1) Introduction to Fair Trade, (2) The Fair Trade Movement, (3) The Business of Fair Trade, and (4) Fair Trade and International Development. We identify the major concerns and on-going debates in each of these four areas as well as key cross-cutting issues. Guiding readers to chapters of special interest, we summarize the central theoretical and empirical contributions and conclusions of each of the Handbook's 30 chapters and explain how they advance our understanding of fair trade. We close by highlighting major questions for further research.

Laura T. Raynolds is the co-founder and co-director of the Center for Fair and Alternative Trade (CFAT), and Professor of Sociology at Colorado State University. She is co-editor and a lead author of the seminal book, *Fair Trade: The Challenges of Transforming Globalization*, (Routledge 2007), which provides one of the few comprehensive edited collections in the field and was recognized by the publisher as the top selling book in its category. Raynolds is the author of over 37 articles and book chapters as well as numerous reports and popular press pieces on fair trade and related themes, including nine that have been cited over 75 times. Her fair trade articles in *World Development*, *Sociologia Ruralis*, *Journal of Rural Studies*, and *Agriculture and Human Values* are identified as being amongst the most downloaded and cited articles in these journals. Raynolds is an active participant in national and international conferences as an organizer and presenter and is in high demand as a reviewer of fair trade related journal articles and books. Raynolds holds a PhD in Development Sociology from Cornell University.

Elizabeth A. Bennett is an Assistant Professor of International Affairs at Lewis & Clark College in Portland, Oregon and a Research Associate at the Center for Fair and Alternative Trade at Colorado State University. Her research centers on issues of inequality in sustainable development, global governance, social enterprise, ethical certifications, and civic engagement. Her current agenda examines the factors that facilitate or impede North-South power sharing in voluntary standards setting organizations, and focuses on an in-depth historical study of Fairtrade International. Elizabeth is co-author of *The Civic Imagination: Making A Difference in American Political Life*, a political ethnography of civic engagement in America (2014). She has also written chapters for edited volumes on social enterprise and fair trade and published in the peer reviewed journals *The American Journal of Sociology*, *Globalizations*, and *The Journal for International Policy Studies*. Elizabeth holds a MALD in political economy and international development at The Fletcher School at Tufts University (2008) and an AM and PhD in Political Science from Brown University (2014). Please find additional information at www.ElizabethAnneBennett.com.

I.2 Fair Trade: Movement and Markets

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Keywords: conventions, commodification, mainstreaming, certification, small farmers, plantations

Summary: Raynolds and Greenfield analyze the historical and empirical parameters of fair trade, outlining the nature of dominant institutions, market relations, commodity networks, and production conditions. They demonstrate how fair trade social movement efforts to promote alternative relational and civic values are repeatedly challenged, but not subsumed, by dominant market forces seeking to advance conventional commercial and industrial interests.

Abstract: This chapter analyzes the fair trade movement and market, focusing on the complex and contested nature of fair trade institutions, market relations, commodity networks, and production conditions. Our analysis shows how in each of these arenas social movement efforts to promote alternative relational and civic values are repeatedly challenged, but not subsumed, by dominant market forces seeking to advance conventional commercial and industrial interests. We identify major empirical patterns and key tensions in the 1) shifting ideas, practices and institutions associated with fair trade's recent growth; 2) growing distribution and consumption of largely certified products in mainstream markets; 3) decommodification and simultaneous recommodification of a growing array of fair trade products; and 4) production and export of fair trade products from certified cooperatives and increasingly from large hired labor enterprises. As we conclude, fair trade illuminates the promise and pitfalls in socially regulating global markets, as movement efforts move from social critique to socio-economic construction.

Laura T. Raynolds is the co-founder and co-director of the Center for Fair and Alternative Trade (CFAT), and Professor of Sociology at Colorado State University. She is co-editor and a lead author of the seminal book, *Fair Trade: The Challenges of Transforming Globalization*, (Routledge 2007), which provides one of the few comprehensive edited collections in the field and was recognized by the publisher as the top selling book in its category. Raynolds is the author of over 37 articles and book chapters as well as numerous reports and popular press pieces on fair trade and related themes, including nine that have been cited over 75 times. Her fair trade articles in *World Development*, *Sociologia Ruralis*, *Journal of Rural Studies*, and *Agriculture and Human Values* are identified as being amongst the most downloaded and cited articles in these journals. Raynolds is an active participant in national and international conferences as an organizer and presenter and is in high demand as a reviewer of fair trade related journal articles and books. Raynolds holds a PhD in Development Sociology from Cornell University.

Nicholas Greenfield is a UK and South African national with a MA in Critical Global Politics from the University of Exeter. His MA thesis analyses to what extent the Fair Trade movement can defetishize the commodity, drawing on the case of gold. Nick is a Sociology PhD student at Colorado State University working with the Center for Fair & Alternative Trade. He is studying Fair Trade, social and environmental justice movements, and how reciprocity is formed in global trade.

II. THE FAIR TRADE MOVEMENT

II.1 The Meaning of Fair Trade

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Keywords: Fairness, Equality, World Trade Organization (WTO), Trade

Summary: Suranovic illustrates several of the distinct ways in which fairness is defined and applied in general trade discussions. He also highlights the conditions under which fair trade labeled products are both consistent and inconsistent with basic fairness principles.

Abstract: Although many people are generally supportive of fair trade policies, it is not always clear what it means for a policy or action to be deemed fair or unfair. This chapter illustrates several of the distinct ways in which fairness is defined and applied in trade discussions. In many instances fairness relates to an insistence on equality of some form. Equality may apply to actions, such as equal policy treatment across different groups of people, or it may apply to outcomes as when looking at income differentials across countries. However, fairness may also apply to keeping promises, as when countries expect others to live up to their WTO commitments. The chapter will devote considerable attention to the way fairness is applied in the Fair Trade product movement. Equality plays a major role especially with respect to the distribution of the sales revenue to workers across the supply chain. Information asymmetries may also enable some members in the supply chain to exploit others along the chain. The chapter highlights the conditions under which fair trade labeled products are both consistent and inconsistent with basic fairness principles.

Steven Suranovic received a Ph.D. in economics from Cornell University. He is currently an Associate Professor of Economics and International Affairs at the George Washington University and the current Director of the International Trade and Investment Policy M.A. program at the Elliott School of International Affairs. In Fall 2002, he taught at Sichuan University in Chengdu, China, as a visiting Fulbright lecturer and since 2009 he has taught summer study abroad classes for GW students at Fudan University in Shanghai. He has published in numerous academic journals, including the *Journal of International Economics*, the *Canadian Journal of Economics*, *World Economy*, and the *Journal of Health Economics*. His books include: *A Moderate Compromise: Policy Choice in an Era of Globalization*, Palgrave-Macmillan, 2011, offering a critique of current methods of policy evaluation and choice and suggests a simple, principled, and moderate alternative, and *International Economics: Theory and Policy*, Flat World Knowledge, 2010, an international economics textbook. His diverse research interests include international trade policy analysis, fairness in international trade, and the behavioral economics of cigarette addiction and dieting. His most recent research evaluates unfair trade policies with China, and examines the world's addiction to fossil fuels and the implications for global climate change.

II.2 Corporate Accountability, Fair Trade and Multi-Stakeholder Regulation

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Keywords: corporate accountability, corporate social responsibility, business regulation, fair trade, multi-stakeholder initiatives, governance.

Summary: Utting examines the significant changes in norms and procedures that have characterized new forms of multi-stakeholder regulation of business and fair trade. Referring to the cases of the United Nations Global Compact, the Roundtable on Responsible Palm Oil and Fairtrade International, he highlights the importance of political economy variables associated with contestation, power relations and participation for understanding such changes and their implications for corporate accountability and fair trade.

Abstract: One of the most significant developments in regulation in recent years relates to the rise of civil society organizations or multi-stakeholder entities that are assuming direct responsibility for business and supply chain regulation through various standard-setting, reporting and certification initiatives. There are significant variations, however, in normative, procedural and strategic approaches both between different initiatives and within initiatives through time. Such variations are often explained with reference to technical, organizational and institutional factors. Downplayed, if not ignored, are political economy explanations, including conflicting interests, insider and outsider contestation, coalitions and alliances, the balance or reconfiguration of forces within governance structures, and broader structural opportunities and constraints. This chapter applies this type of analysis to examine three schemes associated with efforts to promote corporate accountability and Fair trade. They include the United Nations Global Compact, the Roundtable on Responsible Palm Oil and Fairtrade International. The political economy elements that are identified go some way to understanding differences and variations in approach and the broader question of whether such initiatives can effectively enhance the environmental, social and governance dimensions of business performance and fair trade.

Peter Utting is Deputy Director, United Nations Research Institute for Social Development (UNRISD). He currently specializes in research on corporate social responsibility, social dimensions of green economy, and social and solidarity economy. With a doctorate degree in sociology and working at the interface of various disciplines, he has authored or edited 19 books and more than 40 journal articles and chapters. Recent co-edited books include *Social and Solidarity Economy: Beyond the Fringe* (Zed, forthcoming); *Business Regulation and Non-State Actors: Whose Standards? Whose Development?* (Routledge, 2012) and *Corporate Social Responsibility and Regulatory Governance* (Palgrave Macmillan, 2010).

II.3 The Politics of Fairtrade International Governance

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Keywords: Multi-stakeholder governance, power, organizational structure, representation, participation

Summary: Bennett draws on archival documents and interviews to describe the role of producers in Fairtrade labeling governance from 1988 to 2014, describing how producers (as a singular group) have been included or excluded in different periods of time, and the extent to which included producers have reflected the general population of producers. She shows why formal inclusion (as opposed to informal consultation) is necessary for bringing producer voices to high level decision making; argues that today's governance bodies are the most inclusive and representative in Fairtrade labeling's history; and highlights key governance challenges for this system.

Abstract: This chapter examines the balance of power between producers and other stakeholders in Fairtrade International's governance structure. It draws on archival documents and interviews to describe how producers (as a singular group) have been included or excluded from the membership assembly and board of directors from 1988 to 2014. In times when producers were included, it also examines the extent to which producer representatives reflected the diversity of the broader producer population, in terms of product, region and type of producer organization. Bennett draws on insights from political economy and the literature on private authority in international affairs, to argue that voluntary standards-setting organizations are not neutral entities but political realms in which actors' interests and power dynamics are key determinants in shaping outcomes. She also draws on fair trade studies show that informal avenues of inclusion (such as inviting producers to be 'observers' or 'consulting' with producer groups) have historically not allowed producers to exert enough influence to impact Fairtrade policy outcomes. Thus producer participation requires formal representation and voting power in highest decision-making bodies. Today, producers have an unprecedented number of representatives in Fairtrade governance, and these representatives are more reflective of the diversities among producers than ever before. Yet several variables have yet to determine how this arrangement will succeed in delivering fair trade benefits to producers. The chapter closes with a discussion of those determinants, arguing that much is at stake.

Elizabeth A. Bennett is an Assistant Professor of International Affairs at Lewis & Clark College in Portland, Oregon and a Research Associate at the Center for Fair and Alternative Trade at Colorado State University. Her research centers on issues of inequality in sustainable development, global governance, social enterprise, ethical certifications, and civic engagement. Her current agenda examines the factors that facilitate or impede North-South power sharing in voluntary standards setting organizations, and focuses on an in-depth historical study of Fairtrade International. Elizabeth is co-author of *The Civic Imagination: Making A Difference in American Political Life*, a political ethnography of civic engagement in America (2014). She has also written chapters for edited volumes on social enterprise and fair trade and published in the peer reviewed journals *The American Journal of Sociology*, *Globalizations*, and *The Journal for International Policy Studies*. Elizabeth holds a MALD in political economy and international development at The Fletcher School at Tufts University (2008) and an AM and PhD in Political Science from Brown University (2014). Please find additional information at www.ElizabethAnneBennett.com.

II.5 Global Labor Politics and Fair Trade

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Keywords: fair trade, Fairtrade International, global labor politics, global unions, global labor standards, global social regulation

Summary: Stevis uses the revision of the Fairtrade International's Hired Labor Standard to explore the relations between Fairtrade International and global unions. He finds that the two movements have initiated a profound discussion and suggests ways in which this discussion can mature into global social dialogue and transnational industrial relations.

Abstract: This chapter argues that FI and global unions have furthered their engagement as a result of this process that led to the revision of the Hired Labor Standards but that their relationship has not yet reached the level of global social dialogue and institutionalized industrial relations. Significant foundations have been built but important challenges need to be met. In the first part I outline the process that has led to its most recent revision and the scope of the Standard. In the second part I discuss global labor's engagement with FI. In the subsequent three parts I discuss, respectively, three core issues – international labor standards, employee organizations and the challenge of regulating the whole production network – issues which are at the heart of the discussions between unions and FI. I close with some suggestions for deepening this engagement in the direction of social dialogue and 'mature industrial relations'.

Dimitris Stevis is professor of International Politics at Colorado State University. His research interests revolve around the social regulation of the world political economy, with particular attention to labor and environmental regulation. Over the years he has examined labor rules in global and regional economic agreements, a topic that he is now exploring with respect to the trade and investment negotiations between the USA and the EU. During the last several years he has published on the formation and implementation of global framework agreements, both individually and as part of a multinational project situated at the Free University Berlin. He is currently studying union environmentalism and the efforts of unions and environmentalists to find common ground globally and in the USA.

II.7. Fairtrade Certification, Conventions and Labor

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Keywords: Fairtrade, large scale agriculture, convention theory, trade unions

Summary: Employing a convention theory lens Fairtrade certified flower farms in Ecuador and Kenya, Lone Riisgaard argues that Fairtrade in the implementation of its standards incorporate more a liberal perceptions of civic rights than solidarity (which is aimed at greater equality). At the same time, it is argued, that for labor management systems in large scale agriculture, the stabilization of an industrial convention is a precondition for civic elements to be stabilized, providing there is political pressure for this. Such a stabilization (along with pressure for the civic inflection) is potentially promoted by Fairtrade thought its focus on stabilizing the contractual relations between buyer and producer.

Abstract: Most studies confirm that Fairtrade has brought positive impacts to workers, their households and local communities. Nevertheless, employing a Convention Theory lens helps us uncover and understand some of the limitations to impacts obtained due to the prevalence of particular conventions and the naturalisation of specific understandings of what constitutes Fairtrade values. Looking at empirical studies of Fairtrade certified flower farms in Ecuador and Kenya this paper argues, that Fairtrade incorporates more a liberal perception of civic rights than a solidarity perspective which is aimed at greater equality. This is illustrated empirically by the lack of enforcement of the fundamental rights of 'Freedom of association' particularly in Ecuador. However, Fairtrade is found to promote the stabilisation of an industrial convention of production and labour management on plantations along with pressure for civic conventions. Since the prior stabilization of an industrial convention is a precondition for civic elements to be stabilized Fairtrade with its focus on stabilising the contractual relations between buyer and producer—unique amongst sustainability standards—can thus be argued to help addresses the key precondition for a serious stabilisation of a civic 'style' labour convention.

Lone Riisgaard, PhD, is an assistant professor at the Department of Society and Globalization at Roskilde University, Denmark. She has carried out extensive research on multi-stakeholder initiatives in the cut-flower industry and has for many years been involved in research related to the governance of agricultural value chains, regulation through private sustainability standards and the regulation and agency of labor in agricultural value chains.

II.8. Connections in Fair Trade Food Networks

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Keywords: Connections, knowledges, practices, tactics, market-making, wine

Summary: Goodman and Herman combine a brief history of fair trade marketing with a contemporary case study of Fairtrade wine in South Africa to highlight the tactical practices used to grow and maintain ethical commodity networks. They argue that analysing the ways in which knowledge connections and disconnections are used is key to understanding and enhancing the sustainability of fair trade networks.

Abstract: We often speak of fair trade networks but how often do we consider how the connections that shape these work and are practised especially in contemporary markets? This chapter explores the changing nature of the connective practices and relationalities of fair trade as it has mainstreamed and moved into new markets. Tracing the marketing practices of fair trade—via its initial fostering of direct relations of care between consumers and producers through the growing ‘virtualisation’ of producers to the rise of co-branding through the corporate-citizen—we uncover the shifting and tactical deployment of the connective ‘pedagogical transparencies’ of fair trade networks. This strategic use of knowledge is not confined to the consumer side of the network and, through a case study of the South African wine industry, we highlight how multiple ethics are used tactically to ensure continual brand appeal throughout the shifting and numerous needs of the network. By tracing these strategies we uncover the politicized, tactical means by which fair trade is made known and made knowable through the market-making practices of its (dis)connections. And, although we are concerned with the growing conventionalisation of fair trade, and the pedagogical and political implications this normalisation has, we conclude that the tactical ways in which knowledge (dis)connections are practised remain essential to fair trade’s sustainability as a marketized force for development.

Mike Goodman is a Professor of Geography (Environment and Development) at the University of Reading, UK where he is chair of the Human Environments Research Group. He holds a PhD in Environmental Studies from UC Santa Cruz where he focused on the early discourses and materialities of fair trade’s mainstreaming. His work on the corporatization of fair trade has been published in *Geoforum*, *Transactions* and in a co-authored book entitled *Alternative Food Networks* (Routledge, 2012). Other work has engaged with the wider ‘celebritisation’ and shifting cultural politics of consumption, environment and development—of which fair trade plays a key role—in the context of food, climate change and new forms of transnational market and charity-led development. Recent publications include two co-authored books: *Food Transgressions: Making Sense of Contemporary Food Politics* (Ashgate 2014) and *Consuming Space: Placing Consumption in Perspective* (Ashgate 2010). He is also editor of two book series: one on critical food politics and another on contemporary food studies. Forthcoming publications will appear in *Geoforum*, *Food, Culture and Society*, and *Environmental Communications*. He is currently working on a textbook on the geographies of food.

Agatha Herman is a Lecturer in Human Geography and Leverhulme Early Career Fellow at the University of Reading, UK. Her research interests focus on questions of ethics, justice and resilience within food production systems, particularly analysing their impact on the everyday spaces, practices and livelihoods of producers. Her work on the power relations and tactical discourses of Fairtrade has been published in *Environment and Planning A*, the *Journal of Environmental Policy and Planning* and *Geoforum*. She is currently working on a Leverhulme Trust funded project that is investigating the power of Fairtrade to promote resilient and ethical development within and beyond its producer communities.

II.9. Consumer Politics, Political Consumption, and Fair Trade

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Keywords: political consumption, ethical consumption, consumer behavior, boycott, boycott, morality

Summary: Brown situates the research on fair trade consumption in the United States within the broader field of ethical consumption. Brown argues that the growth of fair trade has been aided by an ethical turn in markets where social responsibility has become a desirable product attribute.

Abstract: It seems as if Americans are shopping for more causes today than at any point in the nation's history. Consumer boycotts also seem to be at an all-time high. This chapter briefly sketches the history of political consumption (both boycotts and boycotts) in the United States and puts a focus on the "free produce" movement in the United States. This first American "boycott" confronted many of the same types of tensions currently found within the fair trade market. Whereas other scholars have shown the great efforts of farmers, ethical entrepreneurs, and consumer activists to grow fair trade sales, the author argues that the rapid growth of the fair trade is also the result of a broader "ethical turn" in markets. In this ethical turn, companies are making both superficial and genuine attempts to promote the sustainable attributes of their products. This change in markets helped raise awareness among Americans about how they can express their political ideals through shopping. The chapter then examines the social, psychological, and economic forces that are helping and hindering further growth of fair trade in the United States. Whereas we have a growing body of research looking at the development of certification standards, consumer attitudes, and market growth, we have much less research looking at how consumers make sense of certifications or how they understand what fair trade means. The conclusion raises a number of research questions that could be used to study consumer culture from a more grounded, ethnographic approach. This research can help explain further limits and possibilities of the fair trade market.

Keith Brown is an Assistant Professor of Sociology at Saint Joseph's University. His research and teaching interests include fair trade, ethical consumption, globalization, culture, identity formation, and ethnographic methods. His book is entitled *Buying into Fair Trade: Culture, Morality and Consumption* (NYU Press, 2013). The book examines what it means to be an ethical consumer, how individuals became a part of the fair trade movement, and how consumers make sense of the contradictions involved in the search for status while shopping for a cause. *Buying into Fair Trade* also discusses the limits and possibilities involved in trying to change the world through shopping. Keith's research and writings have appeared in *Sociological Forum*, *Contexts*, *Qualitative Sociology*, *Sociological Inquiry*, *Social Forces*, *Contemporary Sociology*, the *Journal of Disability Policy Studies*, and the *Analyses of Social Issues and Public Policy*.

II.10. Domestic Fair Trade

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Keywords: agriculture, certification, farm labor, standards, United States

Summary: Brown and Getz examine the proliferation of certification initiatives aimed at promoting fair trade within the United States. They argue that efforts to “bring fair trade home” can only be understood within the particular context of US agricultural development, in particular the legacies of agrarianism in shaping farm policy and the central role of politically marginalized immigrant workers in valorizing the agricultural landscape.

Abstract: While the success of international fair trade and growing attention to labor relations in United States agriculture have prompted calls to “bring fair trade home”, and the concomitant proliferation of domestic initiatives, progress has been slow. Social certification of US agricultural production remains limited. This disconnect between mounting public interest, on the one hand, and the failure of these initiatives to take hold, on the other, underscores a set of tensions and challenges facing proponents of domestic fair trade. In this chapter, we consider the dynamics underpinning this emergent movement and consider how international fair trade might translate within the US context. We argue that this intersection has produced challenges and tensions that both resonate with, and differ from, the international experience. We explore the ways in which fair trade’s voluntarist market-based approach and concomitant debates over its appropriate beneficiaries (e.g., small farmers versus large-scale operations and workers) intersect with the legacies of agrarianism and agricultural exceptionalism in shaping US agriculture, food policy and politics. In particular, we highlight the role of immigrant workers in valorizing the US agricultural landscape across virtually all production scales and contexts and the character of United States-based alternative food activism, which has largely accepted dualistic framings of the marginalized small farmer versus industrial agribusiness interests.

Sandy Brown’s work attempts to bridge some of the many divides between agricultural production, activism, and academia. Broadly focused on the political economy and governance of agrifood systems within the United States and Latin America, she has conducted research on fair trade certification in the banana sector, labor regulation in organic agriculture, and the politics of pesticide regulation in California’s strawberry industry. She received her PhD in Geography at the University of California, Berkeley and is currently Assistant Professor and Faculty Director of the Public Affairs Program at the University of San Francisco and a Research Associate affiliated with the University of California, Santa Cruz.

Christy Getz, is an Associate Cooperative Extension Specialist in UC Berkeley’s Department of Environmental Science, Policy and Management. Trained as sociologist, she conducts applied research and outreach that promote socially-just food systems in California. Currently, her programs focus on: social justice and labor in food systems; challenges and opportunities facing immigrant and refugee farmers; urban agriculture; and community food security. Getz is chair of the California Communities and Food Systems Program Team of the UC Division of Agriculture and Natural Resources.

II.11. Fair Trade Places

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Keywords: Fair Trade Towns, Fair Trade Nation, place, trade justice, campaigning, democratization

Summary: Smith argues that fair trade places have provided stakeholders in consumer countries with a new arena within which to contest the legitimate purpose and nature of the wider movement. However, this democratisation naturally remains subject to wider power dynamics, about which researchers and practitioners should remain reflexive in understanding the continuing development of the global movement.

Abstract: The chapter introduces the development of fair trade places, such as towns, schools and nations, in both discourse and practice. The central analytical focus concerns the contested nature of what constitutes appropriate and legitimate fair trade practices, both within fair trade places and the wider governance to which these relate. The account begins by outlining the development of fair trade towns as a campaign activity in the small UK town of Garstang and describes the development and adoption of the emerging concept by the United Kingdom's Fairtrade Foundation as a specific promotional tool for Fairtrade certified goods. However, an examination of localised actions, the subsequent emergence of Wales and Scotland as Fair Trade Nations, and the development of the fair trade towns in other countries, demonstrate how interpretation has been opened up. Ultimately, it is concluded that while fair trade places have promoted the democratic construction and reconstruction of the fair trade movement, outcomes remain embedded in power relationships; the understanding of which will be important for both research and practice around the future of fair trade.

Alastair M. Smith is a Research Fellow at the School of Planning and Geography, Cardiff University, and specialises in international development and planning. Alastair has a largely interdisciplinary academic background, represented by a First Class Honours undergraduate degree in History and Politics (University of York, UK), an MPhil in International Development Studies (University of Oxford) and a PhD in Geography and Planning (Cardiff University). This career has been strongly focused in on interest in the role of international trade in promoting socio-economic development in line with social justice aspirations. Alastair's PhD was concerned with the integration of fair trade governance into public procurement led supply chains and focused on issues of conceptual interpretation. Alastair has complimented this academic research and teaching, previously working in microbusiness development in Latin America and continues to engage with practitioners through consultancy projects for national and international NGOs. Alastair is the Founding Director of a knowledge exchange network focused on fair trade, Fairness UK; is the Chair of the Fair Trade Cardiff steering group (the world's first Fair Trade city); and a member of the Board of Directors of Fair Trade Wales (administering campaigns in the world's first Fair Trade country).

III. THE BUSINESS OF FAIR TRADE

III.I Cooperatives, Corporations and Fair Trade

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Keywords: cooperatives, fair trade, development, non-state regulation

Summary: Reed provides an analytic model to explain the dynamics of how cooperatives and corporations both cooperate and compete within the Fairtrade market. The model indicates how cooperative-led value chains embody Fairtrade principles and contribute to an endogenous model of development, while corporate-dominated value chains promote a corporate-led model of growth that may contribute to poverty alleviation.

Abstract: Co-operatives and corporations are arguably the two most important types of firms involved in Fairtrade, with each contributing to its 'success' in different ways. Co-operatives provide a form of organization that facilitates participation, learning and capacity building among small producers. Corporations control access to markets and have been responsible for the tremendous expansion in the sales of certified Fairtrade products. The two types of organizations, however, are very different—with respect to their purposes, their values, their logic and their governance. As a result they co-exist in a very uneasy tension within Fairtrade. At issue in this tension are two points: (1) the trade-off between rapidly growing the Fairtrade market versus the pursuit of a slower rate of growth that conforms more closely with Fairtrade principles and; (2) who gets to decide on the trade off between these two paths. This paper focuses on the former question by examining the dynamics of cooperation and competition among and between cooperative and corporate actors as they are embodied in different forms of value chains. In doing so, it indicates how cooperative dominated value chains align more closely with an endogenous form of development, which corporate dominated chains support a corporate-led growth model.

Darryl Reed teaches in the Business & Society program at York University in Toronto. His research interests include business ethics, development ethics, corporate social responsibility, international regulation, etc. His primary research focus, however, is on the social economy in the context of development, with a special emphasis on co-operatives and fair trade movements. He currently serves as the president of the Canadian Association for Studies in Co-operation.

III.2 Fair Trade and Social Enterprise

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Keywords: Social enterprise, social entrepreneurship, fair trade organization, social innovation, Europe

Summary: Huybrechts suggests that the notion of ‘social enterprise’ is useful to capture the DNA of organizations focused on fair trade and to locate them within a broader organizational taxonomy.

Abstract: The chapter “Fair Trade and Social Enterprise” aims to examine the organizations having fair trade at the core of their activities, using the concept of social enterprise. The chapter starts with a short review of the social enterprise concept, including its different definitions and its connections with related notions (such as social innovation and social entrepreneurship). The chapter then examines the historical evolution and current landscape of fair trade organizations (including both so-called “ATO” and newcomer businesses with a central focus on fair trade) across the world and more particularly in Europe, based on a study of 57 such organizations in four countries. Fair trade organizations are then positioned with regard to the social enterprise concept, using five key dimensions: 1) combination of commercial activity and social purpose; 2) diversity of organizational vehicles; 3) multi-stakeholder governance models; 4) resource plurality; and 5) societal change. This chapter aims to bring two contributions for fair trade research and practice. First, it is suggested that the social enterprise approach is particularly useful as an analytical tool enabling researchers and other stakeholders to capture the evolution and diversification of organizational models in fair trade. Second, the use of a broader organizational approach that is not specific to the sole fair trade sector allows for connections with similar organizations in other sectors and brings a shift from considering mainly what the organizations do (fair trade in this case) towards also addressing what they are (innovative social enterprise models combining market dynamics with social purpose).

Benjamin Huybrechts is an Assistant Professor at HEC Management School, University of Liege (Belgium). He is the holder of the SRIW-Sowecsom Chair in Social Enterprise Management. Dr. Huybrechts is a member of the Centre for Social Economy (directed by Prof. Jacques Defourny) and belongs to several academic networks. He holds a PhD in Economics and Management (University of Liege) and has been on a post-doctoral research stay at the Skoll Centre for Social Entrepreneurship, Saïd Business School (University of Oxford). Besides several book chapters and a book on Fair Trade Social Enterprises (Routledge, 2012), he has published articles in several journals such as the Journal of Business Ethics (co-editing a special issue on Fair Trade), the Annals of Public and Co-operative Economics and the Social Enterprise Journal. His research topics include social enterprise and institutional theory, social innovation, hybrid organizational models, institutional logics, governance, and institutionalization processes. In the context of the Master’s program in Social Enterprise Management at HEC Management School, Dr. Huybrechts teaches classes on social innovation and social enterprise governance, as well as a doctoral seminar in social entrepreneurship.

III.3 Local fair trade organizations and institutional logics

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Key words: Allpa; Artisan, Handicraft, Institutional logics, Mainstreaming, Peru

Summary: McConway and Moore use the case of Allpa in Peru to demonstrate how a local fair trade organization can respond successfully to the competing institutional logics to which it is subject. They demonstrate that institutional logics is an important lens through which to understand and develop fair trade both in theory and practice.

Abstract: We identify the competing “institutional logics” that impact on a Local Fair Trade Organization and explore the organizational responses in order to better understand how it manages these logics. We do so through a case study of Allpa, a Peruvian fair trade organization. We find that Allpa has adopted various mechanisms to handle the complexities of the different organizational logics it is subject to, and has created an identity that, while needing to be continually adaptive, largely resolves the tensions that the different logics present. The study contributes to our understanding of fair trade in two ways. First, it helps fair trade practitioners to better understand the complexity of the institutional environment that they encounter in working with fair trade and mainstream markets and local producers, and how their organizations may successfully respond to such complexity. Second, it extends our knowledge in fair trade research by exploring mainstreaming from a different theoretical perspective. We demonstrate that institutional logics offers an important analytical tool for understanding and developing fair trade both in theory and in practice.

Manush McConway is a PhD candidate in fair trade at Durham University, UK. She is a Durham University MBA graduate with over a decade of experience in managing small and medium size businesses. Prior to her doctoral research, Manush was a director of a management consultancy specialising in enterprise training and development. She has a particular interest in business enterprises that contribute to the alleviation of poverty and the subject of leadership.

Geoff Moore is Professor of Business Ethics at Durham University Business School, UK. He is the author of several papers on fair trade, and has had a long-standing practical engagement including being a non-executive director on the Boards of Gateway World Shop, Shared Interest and Traidcraft. He has published extensively on the application of virtue ethics to business organisations.

III.4 Fair Trade and Mainstreaming

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Keywords: Certification, Conventionalization, France, Market intermediation, Market devices, Standards

Summary: Ronan Le Velly argues that even if there are many empirical reasons to link in the single word ‘mainstreaming’ the growth of the sales and the ‘conventionalization’ of fair trade, it is necessary to deepen the analysis. Starting from the observation of the ‘socio-technical agencements’ that constitute and shape different fair trade initiatives, he describes the transformations that lie behind the growth of sales and explains how these reconfigurations facilitate or endanger the realization of fair trade’s various objectives.

Abstract: The expansion of fair trade sales beyond the radical venues where the movement was born has generated much debate frequently associated with the term ‘mainstreaming’. But, as is common with catchwords, the mainstreaming of fair trade is rarely—if ever—precisely defined. In the introduction of the chapter, the author shows that this lack of precision is problematic. It tends to confound in one term the aims, the means and the consequences. It also tends to suggest a binary and deterministic thinking which identifies only two scenarios, an ‘alternative but small’ path and a ‘big but conventionalized’ path.

To examine the dynamics of mainstreaming, the author mobilizes a theoretical framework drawn from two groups of sociological works: the study of what Michel Callon calls the ‘socio-technical agencements’ that constitute and shape the concrete markets, and the research on the level of (dis)embeddedness of markets inspired by Karl Polanyi.

The first section of the chapter focuses focus on the professionalization of the principal French alternative trade organization (ATO), the Artisans du Monde network, which occurred in the 1990s and 2000s. The modifications of the socio-technical agencements of this network (i.e., formalization of the procedures of selection of producers’ organizations, centralization of the import stage, modernization of stores) have produced contrasting effects (i.e., growth in sales, loss of personal contact, higher dependence on market remuneration). The second section is dedicated to the socio-technical agencements of the Fairtrade system. Its aim is to stress one organizational feature of the Fairtrade system: the delegation of business activities. The author argues that the market devices that have rendered possible this delegation, particularly the standards and the label, have also engendered significant modifications that are the source of a relative disembeddedness of fair trade (i.e., competition increasingly based on prices, purchasing strategies increasingly motivated by market considerations rather than development objectives). Finally, the third section presents some of the recent studies that show how some fair trade organizations resist this tendency toward conventionalization without losing sight of the objective of increased sales.

The argument running through these three sections is that the mainstreaming of fair trade is not a movement where growth inevitably implies degradation. Even if there are many specific instances where these two tendencies are observed together, this finding is not enough to fully understand the dynamics of mainstreaming. The research must detail the reconfigurations of the socio-technical agencements that render possible the growth of fair trade and explain how these reconfigurations facilitate or endanger the realization of its various objectives (inclusion of ‘small producers’, payment of a ‘fair price’, etc.).

Ronan Le Velly is assistant professor in economic sociology in Montpellier SupAgro (France) and member of the Joint Research Unit Innovation and Development in Agriculture and the Agri-Food Sector. His works focus on the organization of the various supply chains that are established between the producers and the consumers of fair trade. He is also interested in local and short food supply chains, especially those that are built to offer quality food to schools. His research aims to better know the functioning and impacts of alternative agri-food systems and to contribute to the sociological understanding of markets. Ronan Le Velly has published numerous articles on these topics, notably in the *Revue Française de Sociologie*, *Sociologie du Travail* and *Sociologia Ruralis*. He is the author of the book *Sociologie du marché* (Paris, La découverte, 2012).

III.5 Fair Trade Certification, Performance and Practice

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Keywords: certification, standards, cooperatives, Latin America, Mexico, Nicaragua,

Summary: Mutersbaugh and Wilson argue that the embrace of an ISO-style approach to certification has contributed to oft-noted problems within the fair trade movement. Difficulties that may be attributed in part to the ISO approach include a lack of producer participation in standards-making, network democracy, cost burdens, and leader burnout.

Abstract: Over the past thirty years, the fair trade movement has increasingly embraced certification as means to further consumer acceptance of ethically-traded goods. However, in recent years fair trade advocates, academics, retailers and development practitioners have questioned the efficacy and politics of existing Fair Trade certification regime(s) in translating the noble goals of the movement into the challenging terrain of the marketplace. In this chapter we attempt to bring historical and conceptual perspective to the evolution of product certification as a distinctive political-economic form through a critical look at the growing “industrial complex” behind the Fair Trade Certified label. To begin we theorize the political economy of certification within the context of widespread efforts to clean up global supply chains in response to concerns about social, economic and environmental injustice and efforts to foster corporate social responsibility. Second we locate the Fair Trade Certified label within the orbit of various buyer-driven certification regimes that have emerged across industrial sectors from foods and fibers to forests and fashions. Third, we discuss four broad historical trends and debates associated with the development of what we call the certified-industrial-complex in the Fair Trade movement: a) solidarization, b) standardization, c) marketization, and d) harmonization. We conclude by arguing that in recent years the harmonization of Fair Trade certification with other industrial and quality standards has become the driving force behind market growth. However, this process of industrial harmonization has also led to a disembedding of the processes of solidarization that once gave Fair Trade its unique stamp. In response to this disembedding, we now witness a new trend of balkanization that may hinder the long-term stability of Fair Trade networks. Nevertheless, this process of balkanization may lead to a rethinking of the role and form of the certified-industrial-complex and also open up new doors for producer-driven models of verification and marketing that may enhance democracy and transparency at the core the Fair Trade movement.

Bradley Wilson is an assistant professor of geography at West Virginia University. For the past ten years he has been engaged in ethnographic research on the Fair Trade coffee campaign in the United States and Nicaragua. His work on Fair Trade coffee and certified product networks has appeared in journals such as *Geoforum*, *Antipode*, *Applied Geography* and *Human Organization*. His current research explores changing perspectives on the politics and practice of local and global solidarity among consumers, farmers through a case study of the development of the Fair Trade coffee network in post-revolutionary Nicaragua.

Tad Mutersbaugh is a professor of geography at the University of Kentucky. He has been studying the social, political, and gender impacts of certification on fairtrade and organic producers in Oaxaca and other areas of Mexico for fifteen years. He has published sixteen articles and book chapters on the political economy and lived experience of certification. His current research examines the relationship between certified fairtrade-organic production and the feminization of farming in Oaxacan indigenous communities.

III.6 Retailers, Corporate Ethics and Fair Trade

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Key words: grocery retailers, supermarkets, Fairtrade, corporate responsibility, corporate sustainability, mainstreaming

Summary: Hughes demonstrates the evolving pathways of mainstreaming Fairtrade through corporate grocery retail channels. The UK supermarket sector, the sustainability strategies of the leading ten global retailers and the emerging markets for Fairtrade in the global South are evaluated in turn to illustrate the pros and cons of corporate mainstreaming.

Abstract: This chapter situates the development of fair trade business models and product ranges in the context of retail corporations. It provides an overview of how fair trade has fitted into, and evolved through, retailers' changing strategies of corporate social responsibility over the past two decades or so. In so doing, the significance of corporate retail channels as increasingly important routes to consumer markets for fair trade goods is highlighted as part of the intensely debated process of the mainstreaming of the movement. This part of the chapter therefore complements chapters on 'Fair Trade Consumption and Demand' and 'Mainstreaming and Fairwashing' by providing a focus on the role of retailers in these spheres. Tensions are highlighted between the advantages for the fair trade movement of expanding markets through corporate retail channels and the disadvantages associated with diluting the movement's more radical energies. The chapter will show through examples how retailers' involvement in fair trade has developed as part of their competitive, consumer-facing branding strategies, and it will evaluate the implications of these strategies for the management of responsibility in retailers' global supply networks. Variation between retail companies associated with different corporate structures and cultures will be acknowledged. Such corporate engagement in fair trade on the part of North American and Western European retailers will be highlighted first, followed by a focus on the more recent trends of fair trade market growth in the global South and the role played by retailers (some transnational corporations and others domestic) in this process. It is suggested that the latter trend, in particular, represents a development worthy of future critical research, as fair trade markets are growing rapidly in countries like Mexico, Brazil and South Africa. Different perspectives from economic sociology, management and economic geography will be evaluated throughout, not only in terms of their contribution to critical analysis of current research on retailing and fair trade, but also in terms of their capacity to gain critical purchase on emerging trends.

Alex Hughes is Reader in Economic Geography at Newcastle University in the UK. Her research interests lie in the fields of ethical and fair trade, corporate responsibility, retailing and global commodity chains. She has published more than 20 journal papers and book chapters on the themes of corporate ethical trading approaches and their impacts on supply networks. She is co-editor (with Suzanne Reimer) of *Geographies of Commodity Chains* (Routledge, 2004) and with Jane Pollard and Cheryl McEwan of *Postcolonial Economies* (Zed Books, 2011). Her research has been funded by the UK's Economic and Social Research Council, The Leverhulme Trust, British Academy and the Nuffield Foundation, including projects on UK-US contrasts in corporate ethical trading approaches, the knowledge economy surrounding practices of ethical auditing in supply chains, the effects of global economic recession on corporate ethical trading, the impacts of labour codes on Kenyan cut flower production, the interplay of social and environmental standards in the case of sustainable wildflower harvesting in South Africa, and the introduction of ethical trading standards into the UK's public sector.

III.7 Fairtrade International and the European Market

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Keywords: Fairtrade International, European market, consumption, global value chains, credibility, retailers

Summary: Focusing on Italy, France, Switzerland and United Kingdom, Doherty, Bezençon and Balineau show that the contribution of Fairtrade International to the development of the European fair trade market has been paradoxical, and depend crucially on strategy adopted by retailers and how value chains are structured.

Abstract: This chapter studies the contribution of Fairtrade International to the development of European fair trade markets. It begins with a brief introduction which recalls the history of the Fairtrade International label, dating back to 1988 with the creation of the Dutch non-profit organization Max Havelaar and up to 2012, with the split between Fairtrade International and Fairtrade USA. The chapter then studies the contribution of the label, its creation and subsequent changes, on the development of European markets for both fair trade and Fairtrade products. The first part argues that the key characteristics of Fairtrade International development, namely harmonization, standardization, third-party certification and mainstreaming, had a paradoxical double-impact on European markets. Indeed, skepticism about the ability of the Fairtrade system to achieve fair trade objectives has increased hand in hand with Fairtrade sales and popularity. As shown by European consumers' surveys, doubts about the effectiveness of the Fairtrade system and principles and tensions it generated even threaten the credibility of the whole fair trade movement. However European markets exhibit sharp differences in terms of national levels of fair trade products consumption. In a second part, the chapter thus concentrates on the market for fair trade products at the national level. It describes their value chains, from retailers to consumers, building on four case studies: Italy, France, Switzerland and the United Kingdom. By comparing and contrasting the development of fair trade markets in these four European countries, the chapter aims to identify the main reasons for Fairtrade expansion or stagnation. The chapter concludes that the structure of national value chains is essential to explain how a homogenous model for Fairtrade International has impacted European markets.

Professor Bob Doherty (formerly of LJMU and Liverpool Hope University) is Chair of Marketing and Director of Faculty at The York Management School, University of York. Bob specialises on the marketing aspects of fair trade social enterprises. He is an Honorary Research Fellow at the Third Sector Research Centre at the University of Birmingham. Bob has also been editor in chief for 8-years of the Social Enterprise Journal (published by Emerald Publishers). Prior to moving into academia Bob spent five years as Head of Marketing at the Fairtrade social enterprise, Divine Chocolate. Bob currently is the Chair of the Liverpool Fairtrade Steering Committee. Bob has published on fair trade in Journal of Business Ethics, Business History Journal and Journal of Strategic Marketing.

Valéry Bezençon is Chair of Marketing at the University of Neuchâtel in Switzerland. He focuses his research on social marketing and sustainable products' marketing. He has studied Fair Trade from a consumer behaviour and marketing perspective, and published his work on Fair Trade in the Journal of Business Ethics, European Journal of Marketing, Psychology & Marketing and Sustainable Development. He founded and manages the Fair Trade Institute, a network that promotes information exchange within the scientific community and transfer to practitioners. The network includes more than 600 registered academics and experts in Fair Trade, coming from 80 different countries.

Gaëlle Balineau is an economist, research coordinator at the French Agency for Development (*Agence Française de Développement*, AFD). She holds a Phd in development economics from the Centre for Studies and Research on International Development (CERDI, Clermont-Ferrand, France). Her research interests include development and agricultural economics (innovation and adoption pathways, certification schemes, and aid-for-trade programs), economics of standards, value chains analysis and responsible consumption. Before she joined the AFD in 2014, she worked for the World Bank and international agro-food companies, mainly on agricultural sustainability and impact evaluation programs. Fair trade was the subject of her PhD thesis and she has

published on this theme in *Journal of Business Ethics and World Development*. From May 2013 to May 2014, she chaired Fairness Fr, the French-speaking branch of Fairness, an international network bringing together academics working on subjects associated with fair and ethical trade.

III.8 The US Market and Fair Trade Certified

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Keywords: US market, Fair Trade USA, mainstreaming, Fair Trade Campaigns, plantations, standards

Summary: Drawing on existing scholarship and interviews with fair trade and labor rights advocates, Linton and Rosty argue that the best strategies for growing fair trade in the US are (1) engaging with consumers as groups, not as individuals; and (2) messaging fair trade in a way that connects it to larger agendas that groups identify with.

Abstract: Large-scale fair trade initiatives in the United States are younger than their European counterparts, and sometimes employ different strategies. Drawing on recent scholarship and interviews with stakeholders in the fair trade and workers' rights movements, this chapter summarizes the history of fair trade in the US, discusses characteristics that make this market unique and how campaigns respond to them and considers current controversies around endeavors to 'mainstream' fair trade. What do the differences between US and other markets mean for those who are attempting to grow demand for fair trade in the US? Could fair trade scale up to supply US markets without diluting its core standards? To address these questions we draw on recent scholarship and interviews with advocates working to promote fair trade and workers' rights in US communities, schools and businesses. We argue that the best strategies for growing fair trade in the US are (1) engaging with consumers as groups, not as individuals; and (2) messaging fair trade in a way that connects it to larger agendas that groups identify with, such as social justice or sustainability.

April Linton holds a Ph.D. in sociology from the University of Washington. She is the author of *Fair Trade From the Ground Up: New Markets for Social Justice* (University of Washington Press 2012) and numerous articles about Fair Trade from producer, consumer, and activist perspectives. She is co-editor of *The Global Governance of Food* (Routledge 2009). Linton has served on the national steering committee for Fair Trade Campaigns. In 2012 and 2013 she worked for the Fair Labor Association.

Claudia Rosty is an advanced Ph.D. student in Sociology at Colorado State University and a research assistant at the Center for Fair and Alternative Trade. She has been awarded an Inter-American Foundation Fellowship to conduct her dissertation research on "Fair Trade Certified Coffee Estates: Can Fair Trade Promote Workers' Empowerment and Gender Equity in Brazilian Coffee Plantations?" Claudia's research interests include globalization, development, gender and social movements.

IV. FAIR TRADE AND INTERNATIONAL DEVELOPMENT

IV.1 Fair Trade, Peace and Development in Conflict Zones

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Keywords: peacebuilding, conflict sensitivity, post conflict, development, historic peace churches, liberation theology

Summary: Davenport and Low re-interpret the emergence and evolution of the fair trade movement through the lens of business and peace as a response to conflict situations, rather than through the lenses of international development and globalization. They argue recent efforts targeting products from conflict and post conflict zones, such as coffee from the Democratic Republic of the Congo and olive oil from Palestine, mark the re-emergence of an *intentional* focus on peacebuilding as a principle outcome of the movement's activities rather than a by-product.

Abstract: In this chapter, we propose to do three things. First, we re-interpret the emergence and evolution of the fair trade movement through the lens of business and peace, which argues that ethical business behavior can contribute to peace. Fair trade has traditionally been analyzed through the lenses of international development and globalization. Fridell (2007) says '[f]rom a theoretical perspective, the origins of the [fair trade] network's development vision lie in the structuralist, dependency and world systems theories....' Raynolds and Long (2007) suggest that 'Fair Trade is best understood as an emerging response to the negative effects of contemporary globalization, and particularly to the often unjust and inequitable nature of contemporary international trade.' We choose to highlight an overlooked aspect of the fair trade movement: how the social movement we now refer to as fair trade was born (in part) as a response to conflict situations and drew on a variety of perspectives based on faith, anti-colonialism and social justice.

Second, we argue that the success of mainstreaming, despite its early links to liberation theology in the founding of the Max Havelaar label, led to the unintentional marginalization of peacebuilding as one of the driving forces of fair trade. By accessing mainstream distribution channels such as supermarkets, the focus shifted to "export ready" and therefore relatively larger producers and more stable environments than had been the case during the early phases of the movement's evolution. Finally, we highlight the re-emergence of fair trade in conflict and post conflict zones, briefly discussing two examples: coffee from the Democratic Republic of the Congo and olive oil from Palestine. We argue that fair trade has the foundations on which to build an *intentional* focus on conflict and post conflict regions so that peace becomes a principle outcome of the movement's activities rather than a by-product.

Eileen Davenport holds a BA in Sociology (Exeter), and MA and MPhil degrees in Planning (Nottingham Trent). Currently she is an adjunct faculty member at Royal Roads University supervising graduate research projects and fieldwork practicums in the Human Security and Peacebuilding, Conflict Analysis and Management, and Disaster and Emergency Management programs. Eileen chaired the Standards and Monitoring Committee of the International Fair Trade Association (IFAT) from 2004-2006 and joined the WFTO taskforce on the relationship between fair trade and the solidarity economy in 2013. She has published a number of articles with Will Low relating to the fair trade movement.

Will Low holds a BA and MA from UBC and a PhD from LSE. Trained as an economist, he is currently Professor teaching sustainable business at Royal Roads University with a particular interest in sustainable consumption. He has taught in Canada, the USA, the UK, Australia, Thailand and New Zealand. Will also does consulting work for private companies and NGOs, including The Warehouse Group, Oxfam International and UNICEF. His recent research, with Eileen Davenport, has been published in *Social Enterprise Journal*, *Journal of Business Ethics*, *Auckland University Business Review*, and *Critical Perspectives on International Business*.

IV.2 Fair Trade and Development in African Agriculture

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Keywords: Africa, agriculture, cooperative, labor, gender, governance

Summary: Tallontire explores the development of fair trade in African agriculture, highlighting the distinct history of cooperatives and the significance of the hired labor model in recent years. She argues that the experience of fair trade is shaped both by institutions with colonial roots, but also the sourcing requirements of retailer and brands.

Abstract: Fairtrade is increasingly significant in Africa and Africa is increasingly significant for Fairtrade, especially in terms of the numbers of producers and workers who are members of or work for producer organizations certified by Fairtrade International. The experience of fair trade for both workers and small producers is shaped by the organizations which represent or employ them which are in turn shaped by the institutional environment in which they are embedded, which across Africa is rooted in institutions, practices and trading linkages forged in the colonial era. For small farmers, the recent history of cooperatives has provided both opportunities and challenges for fair trade in commodities such as coffee, cocoa and tea, especially as internal market liberalization created new competitive forces at the same time as old cooperative support networks eroded. Fair trade has provided a lifeline for many cooperatives, but often fair trade sales remain small. The hired labor model of Fairtrade has grown as retailers and manufacturers have convert existing suppliers to Fairtrade certified sources as part of ethical sourcing strategies. Improvements in working conditions have been observed, but the extent to which Fairtrade has brought empowerment to workers, particularly female workers may be questioned, as gendered practices on-farm and in local institutions restrict the opportunities for women to benefit from their employment. A fair trade network is emerging across Africa, hoping to link the diverse and potentially conflicting interests of large and small producers in fair trade.

Anne Tallontire is a senior lecturer in the Sustainability Research Institute in the School of Earth and Environment at the University of Leeds, United Kingdom, where she teaches on corporate social responsibility and international development. In 1999 Anne completed one of the first PhDs on fair trade in Africa, focusing on the relationship between the 100% fair trade enterprise Cafedirect and one of its producer groups, the KNCU in Tanzania. Before taking up an academic position, Anne was a research fellow at the Natural Resources Institute, University of Greenwich, playing a key role in the Natural Resources and Ethical Trade programme. She has undertaken research and consultancy for bilateral and multi-lateral donors and sustainability standards organisations, including Fairtrade International, particularly in East and Southern Africa. She was principal investigator for a DFID-ESRC project on 'The Governance Implications of Private Standards Initiatives in Agri-food chains', which involved field work in the Kenyan export horticulture sector. She has written widely on fair trade and other standards, publishing in international development and agriculture journals (including *World Development*, *Third World Quarterly*, *Agriculture and Human Values*, *Journal of International Development*, *Development in Practice*, *Social Enterprise Journal*). She is motivated by enhancing the voice of marginalized producers in standards development and enhancing the impact of trade for those at the bottom of the value chain.

IV.3 Fair Trade Coffee & Environmental Sustainability in Latin America

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Keywords: Environment, sustainability, organic, Latin America, coffee, agriculture

Summary: Bacon, Rice, and Maryanski analyze the direct and indirect environmental impacts associated with Fair Trade certified coffee production in Latin America and the Caribbean. Drawing on surveys, interviews, and over 20 years of field experience, the authors examine fair trade's impact on biodiversity conservation, pollution reduction and climate change adaptation, finding the results to be mixed and context-specific.

Abstract: This chapter analyzes the direct and indirect environmental impacts associated with Fair Trade certified coffee production in Latin America and the Caribbean. Fairtrade International's recently revised environmental standard, which includes an expanded list of prohibited agrochemicals and requirements to reduce water pollution, represents a potentially important direct impact. Although the total volumes of fair trade and double certified organic and fair trade coffee have increased substantially in the previous decade, the percent of fair trade coffee that is also certified organic has declined. These trends are especially evident in the US. Next, we examine the indirect impacts associated with the conservation of agricultural biodiversity and ecosystems services through smallholder systems of shade tree management, finding that these are likely the most important impacts. Latin America's traditional shade coffee agroecosystems conserve high levels of biodiversity, including many tree, bird, and arthropod species. In 2013, we conducted a survey of national and regional experts to estimate the percent change in the area devoted to diverse shade coffee management in Latin American countries from 1990 to 2010. The findings suggest that although the loss of tree diversity associated with the rapid conversion of shade coffee to sun production systems was lower from 1990 to 2010 than from 1970-1990, in many places this biodiversity declined due to intensification of production practices and the thinning of shade trees. In other places new shade production systems have expanded on pastureland. Fair trade originated through partnerships linking organized smallholders, often managing certified organic and diverse shade coffee systems in Mesoamerican agroecosystems with European and (later) North American solidarity-based traders. The geography of certified fair trade coffee has shifted over recent decades as countries with more shadeless coffee production historically, such as Brazil and Colombia, emerged as major suppliers. Depending on which production systems are selling into fair trade markets, these changes could have significant implications for the indirect biodiversity and ecosystem service benefits. Finally, we discuss how producers continue to navigate the persistent challenges of sustainable livelihoods, food security, and climate change.

Christopher M. Bacon, Assistant Professor in the Department of Environmental Studies and Sciences at Santa Clara University. He has a PhD from UC Santa Cruz and did postdoctoral work at UC Berkeley. His research focuses on environmental and food justice in the Americas, and addresses issues of governance, food security, and sustainable livelihoods. As an environmental social scientist, he is interested in deepening and diversifying a dialogue about interdependent society-nature relationships. Formal training in environmental studies, the wisdom of practical teachers, insight from marginal communities, and student curiosity inform his research and teaching. Bacon often uses a community-based participatory action research approach. He has published the book titled *Confronting the Coffee Crisis: Fair Trade, Sustainable Livelihoods and Ecosystems in Mexico and Central America* (MIT Press) and several recent articles in *Ecology and Society*, and the *Journal of Political Ecology*.

Robert A. Rice has worked at the Smithsonian Migratory Bird Center (SMBC) since 1995, focusing on policy issues related to migratory bird habitat and conservation. His research centers around managed lands' impact upon the environment, including the ways that new technologies transform physical and social landscapes. A central theme of his publications is the management of tropical agroecosystems and their relation to ecological processes, as well as the socioeconomic benefits derived from agroforestry systems. He has worked with colleagues to develop scientifically-based criteria for shade coffee (the "Bird Friendly" certification), which identify coffee systems that can serve as viable, quality habitat.

Hannah Maryanski is pursuing a Bachelor of Arts degree in English and a Bachelor of Science degree in Environmental Studies at Santa Clara University. She studied abroad for a semester at the Spring Hill College Italy Center in Bologna, Italy. Hannah is a member of the sorority Kappa Kappa Gamma, Sigma Tau Delta (the English Honor Society) and the University Honors Program. She works as a campus tour guide and enjoys hiking, reading and playing guitar. Hannah has interned with the Community Agroecology Network and ECOPIA® Farms and hopes to pursue a career in food policy after graduation.

IV.4 Fair Trade and Women's Empowerment

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Key words: Gender, women, equality, empowerment, discrimination, impact

Summary: Smith draws on empirical evidence from a range of countries and sectors to demonstrate that there is considerable variation in the extent to which fair trade supports processes of women's empowerment, not least because fair trade impacts are mediated by local contextual conditions. She concludes that the new gender strategies being pursued by Fairtrade International and WFTO are conceptually sound, but notes that implementing the strategies will require high level commitment and leadership and significant investment of resources.

Abstract: Until relatively recently the gendered dimensions of goals and strategies in fair trade remained largely unexplored in the fair trade movement, with the implicit assumption that access to fairer trading opportunities would benefit (and empower) both men and women. A growing body of research suggests that women may derive less benefit than men from participation in agriculture-based fair trade due to gender inequalities underlying the production and trade of farmed goods. This appears to be less often the case for artisan-based fair trade, where women tend to have higher levels of involvement, including as members of women-only organizations. Where women's participation is high, and in other situations where women are recognized as producers in their own right and gender inequalities are being tackled head on, fair trade has been associated with significant economic and social benefits for women. However, questions are often raised with regards the extent to which women are empowered through their experiences.

This chapter draws on findings from empirical research in various countries and sectors to analyze the role of fair trade in facilitating women's empowerment. The analysis is based on an understanding of women's empowerment as both an individual and collective process, with economic, social and political dimensions. It concludes that there is considerable variation in the extent to which fair trade supports processes of women's empowerment, not least because the effects of fair trade are mediated by local contextual conditions. A key determinant is the positioning of producer organizations in relation to participation of women and commitment to gender equality, which is in turn influenced by historically-based social and political processes and the gendered nature of local economies. In some cases this means fair trade is having a significant effect in helping women to access income, status and influence, but in others it is replicating and reinforcing pre-existing gender-based structures of inequality.

The chapter ends with some reflections on the more proactive stance being taken by Fairtrade International and WFTO with regards gender equality and women's empowerment. In a context of growing internal awareness of the variable outcomes for women, and external pressure from the development community to take action, both organizations have developed gender strategies in recent years. The strategies are analyzed in light of the empirical findings and are deemed sound from a conceptual perspective, as they both recognize the need for a context-driven, bottom-up approach led by regional networks of Fairtrade producers and WFTO members, rather than prescribing a universal course of action from the centre. However, formulating a strategy is one thing, implementing it is another, and the latter will require significant investment of resources. With many competing demands on internal resources, it will be critical that leaders within the fair trade movement give this area of work priority and that external funders provide earmarked funding for it.

Sally Smith is an independent research consultant. Her research centres around trade, development, poverty and gender, with specialist knowledge of fair and ethical trade and the gendered economy. Her research has covered various agricultural and industrial sectors, including coffee, bananas, cotton, horticulture, garments and footwear, with empirical work in Africa (Ghana, Kenya, Rwanda, South Africa, Uganda, Zambia), Asia (India, Vietnam) and Latin America (Costa Rica, Dominican Republic, Ecuador, Guatemala, Mexico). She has provided research and advisory services to a range of organizations, including Fairtrade International, Ethical Trading Initiative, World Food Programme, Oxfam, Comic Relief, WIEGO, Cadburys plc and Marks and Spencer plc. She is a member of various committees, including Comic Relief's Trade Programme Advisory Group and Women and Girls Advisory Group, and Fairtrade International's Gender Working Group. Sally was a researcher at the Institute of Development Studies (University of Sussex) from 2002 to 2010 and prior to that spent eight years working as a project manager in Guatemala and Cambodia.

IV.5 Fair Trade and Indigenous Communities in Latin America

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Keywords: Indigenous, impact, participatory democracy, Latin America

Summary: Lyon explores the impact of fair trade on indigenous communities across Latin America. She argues that fair trade can play a vital economic development role in many indigenous communities by helping them to access and compete in international markets.

Abstract: This chapter explores the impact of fair trade on indigenous communities across Latin America with a specific focus on the significant number of successful fair trade coffee cooperatives found in Mesoamerican indigenous communities. However, case studies from Bolivia and Brazil are also included for comparative purposes. In terms of romantic imaginings, global capitalism and indigeneity are seemingly placed at opposite ends of a vast continuum. Yet, indigenous people are highly heterogeneous in their opinions, goals and practices. These diverse communities share one commonality: throughout Latin America indigenous communities suffer poverty rates much higher than their mestizo counterparts and continue to endure the lingering effects of centuries of colonialism, institutional racism and inequality. Therefore, this chapter finds that fair trade can play a vital economic development role in many indigenous communities by helping them to access and compete in international markets. Researchers have found in many cases that fair trade's emphasis on participatory democracy through producer unions is a natural fit for indigenous communities with historical traditions of mutual aid and reciprocity which form a social capital upon which successful market participation can be built. However, this is certainly not universally true. In some cases fair trade fails to bring significant economic benefits to participating indigenous communities and this chapter also explores some of the circumstances resulting in these mixed outcomes. Finally, the fair trade movement has long relied on the images of producers to sell products and indigeneity has been integral to many marketing campaigns. The chapter ends with a discussion of the risks and benefits of strategic essentialisms and identity politics for indigenous farmer organizations.

Sarah Lyon is an associate professor of anthropology at the University of Kentucky. She is the author of *Coffee and Community: Maya Farmers and Fair Trade Markets* (2011), winner of the Society for Economic Anthropology's Book Prize, and the co-editor of *Fair Trade and Social Justice: Global Ethnographies* (2010) and *Global Tourism: Cultural Heritage and Economic Encounters* (2012). She has also published multiple journal articles on fair trade, including "Fair Trade Coffee and Human Rights in Guatemala" (*Journal of Consumer Policy* 2007), which explicitly explored issues related to fair trade's impact on indigenous coffee producers. In addition to her ongoing research on coffee, fair trade certification, and the gendered dimensions of economic development in Mexico and Central America she is currently investigating the fair trade movement and ethical consumption in the United States. At the University of Kentucky Sarah teaches courses on economic anthropology, ethical consumption and globalization. She is a past editor of the *Anthropology of Work Review* and the current editor of *Human Organization*.

IV.6 Fair Trade and Racial Equity in Africa

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Keywords: Africa, standards, race, inequality, empowerment, participation

Summary: Keahey engages a multi-level analysis to examine the question of racial equity in African Fairtrade. Although African organizations are instituting innovative protocols to address racial disparities in production and trade, Keahey finds that producer outcomes are mixed and that a praxis of paternalistic benevolence is hindering members from building interracial solidarity.

Abstract: African Fairtrade networks are challenging market and development practices historically framed by the institutions of slavery, colonialism and apartheid. While pan-African groups are opening domestic certified markets and pursuing South-South Fairtrade initiatives in order to transcend the colonial division of labor in the global economy, South African organizations are addressing racial disparities in post-apartheid agricultural production by instituting black economic empowerment protocols on certified estates. Yet despite the visibility of race within the South African discourse, the broader movement and literature tend to emphasize a generalized poverty framework, obscuring the persistence of deep-seated racial inequalities in agrifood systems. To address this gap I examine the question of racial equity in African Fairtrade at three levels of analysis: continental, national and local. Drawing from the scholarly literature, organizational interviews and participatory action research with small-scale rooibos tea farmers, I find that outcomes are neither black nor white: whereas African and South African organizations are pioneering solutions to the longstanding racial hierarchy in production and trade, local-level outcomes remain mixed. The rooibos case illustrates the issues producers of color are facing as they struggle to profit from certified markets, including inequitable resource distribution, divisive regulatory parameters and a tacit culture of soft paternalism. I conclude by arguing that if certifiers are to realize their promise of trading partnership, Fairtrade governance must institute more participatory forms of praxis that enable its members to develop a sense of interracial empowerment, ownership and solidarity.

Jennifer Keahey is an Assistant Professor of Sociology at Arizona State University and an Associate of the Center for Fair and Alternative Trade (CFAT). She possesses a professional background in multiple world regions, including West and Southern Africa where she has conducted ethnographic and action-oriented fieldwork with producers. Her research explores agrifood system dimensions within the broader context of alternative globalization and sustainable development. With a focus on applied scholarship, her work seeks to generate practical solutions to social problems via a critical praxis of reconciliation, integration and adaptation.

IV.7 Fair Trade and Artisans

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Keywords: artisans, gender, artistic traditions, certification, India, Guatemala

Summary: Through case studies of artisan groups in India and Guatemala, Littrell argues that fair trade principles of respect for cultural traditions, including daily lifestyles and artistic production, have been central to organizational evolution and growth and to artisans' enhanced cultural identity. With the expansion of certification and endorsement systems for artisan products, she also stresses the imperative to clarify to confused consumers how fair trade artisan work is distinctive in the ethical marketplace.

Abstract: This chapter examines three related topics in answer to the question: Does the fair trade market hold hope to artisans for generating sustainable income and for reaching their social goals in a world of globalization? In the first section, I examine the context in which fair trade artisans work and assess the challenges they face, including enterprise management, global market trends, and product adaptation and change. I then present two case studies, MarketPlace: Handwork of India and the Maya Women's Rug Hooking Cooperative of Guatemala, that illuminate how fair trade artisan groups are tackling these challenges and achieving desired trade and socio-economic benefits. Both cases argue that fair trade principles of respect for cultural traditions have been central to organizational evolution and growth. Each case illustrates how fair trade principles of attention to cultural context, in one example to artisans' daily lifestyles, and in the other, to artisans' long-standing patterns of artistic production, have strengthened and enhanced artisans' cultural identity. In the final section, I assess the complexity of certification for the fair trade artisan sector by examining FTO and WFTO certification, endorsements by the All Indian Artisans and Craftworkers Welfare Associations's Craftmark label and the emerging discussion by the new Alliance for Artisan Enterprise for a "handmade" label. By the early 21st century, fair trade organizations no longer have the only corner on ethical and sustainable business in the artisan sector. The need to clarify to confused consumers as to how fair trade artisan work is distinctive in the ethical marketplace is imperative for growing the fair trade artisan sector.

Mary A. Littrell is Professor and Department Head Emerita in Design and Merchandising at Colorado State University. Since 2011 she is a Research Associate at the Museum of International Folk Art in Santa Fe, NM. Dr. Littrell's research addresses multiple facets of business social responsibility, with special focus on artisan enterprises. In her research she examines models for how textile artisan enterprises achieve viability in the increasingly competitive international market for artisan products. Recent books with co-author Dr. Marsha Dickson include *Social Responsibility in the Global Market: Fair Trade of Cultural Products* and *Artisans and Fair Trade: Crafting Development*. In recognition of their research in India, the co-authors were named Rockefeller Center Scholars in Bellagio, Italy. She is currently conducting research for a new book on models for artisan sustainability, leadership development, and control of cultural property in the global market. Dr. Littrell is a Fellow of the International Textile and Apparel Association and the Society for Applied Anthropology. She served as President of the International Textile and Apparel Association and as Board Member of the Textile Society of America. Dr. Littrell received her MA from Michigan State University and her Ph.D. from Purdue University.

IV.8 Fair Trade for Small Farmer Cooperatives in Latin America

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Keywords: Small producers, CLAC, Fair Trade definition, Small Producers' Symbol, Latin America, cooperative

Summary: Renard describes fair trade labeling from the perspective of Latin American fair trade small producers, describing conflicts between the small producers' organization CLAC and Fairtrade International. Renard uses this lens to illustrate struggles about defining fair trade and to argue that the definition of 'fair trade' ought to be questioned.

Abstract: This chapter examines with the evolution of Fairtrade International's Fairtrade label from the perspective of Latin American small producers and their organization, the Coordinadora Latinoamericana y del Caribe de Productores de Comercio Justo, CLAC. It describes how the founders of the initiative in Latin America have been opposing Fairtrade International around several questions: 1) The certification of plantations that may supersede the small producers cooperatives as fair trade products suppliers; 2) The participation of large corporations and the dilution of principles that those powerful actors have brought into fair trade; and 3) The acceptance of contract agriculture as supplier. In sum, the CLAC asserts that Fairtrade International has lost its principles by pursuing sales growth at any price. The chapter also shows how Fairtrade International was initially governed by Northern Fairtrade labeling initiatives, and how Latin American small producers have had to fight for power within its governance structure. It describes how producers launched their own label, the Símbolo de Pequeños Productores (Small Producers Symbol) in an effort to return Fairtrade labeling to its original mission of assisting small producers. This occurred within the context of Fair Trade USA leaving the international Fairtrade system. Fairtrade International and the Fairtrade label are therefore no longer hegemony in fair trade labeling.

Marie-Christine Renard is sociologist from the University of Louvain in Belgium, studied a Master degree in Social Anthropology in the Universidad Nacional Autónoma de México and a Ph.D. in Rural Studies (Sociology) at the University of Toulouse le-Mirail in France. She is Professor-Researcher at the Department of Rural Sociology of Chapingo University in Mexico; she belongs to the Mexican National Researchers System. She has carried out research on peasants and Indian movements in Chiapas, on the coffee commodity market, and on quality certification in agrifood. She is currently working on Fair Trade and other alternative agrifood networks. She has published numerous articles, book chapters, and books on those topics. She is the outgoing president of the Research Committee 40 on Sociology of Agriculture and Food of the International Sociological Association; she is member of the editorial Board of the Journal of Rural Studies and the International Journal of Sociology of Food and Agriculture.

IV.9 Fair Trade and Plantation Workers in Asia

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Keywords: tea, sugarcane, patron–client relations, livelihood diversification, India, the Philippines

Summary: Makita uses the cases of a tea plantation in India and a cooperative of former sugarcane plantation workers in the Philippines to illustrate that both current and former plantation workers can benefit from Fairtrade certification. She argues that current workers can take advantage of Fairtrade premiums for their empowerment if the operation of the premiums is transferred from plantations to a third-party body and that former plantation workers can maximize their income by making certification-supported farming on communal land compatible with their individual livelihood diversification.

Abstract: In the agricultural sector of the global South, Fairtrade certification has aimed to benefit both landed small farmers through their cooperatives and landless plantation workers through the plantations for which they work. Concerning the latter category of beneficiaries, some hired laborers make their living within the plantation system, while others seek opportunities in alternative contexts. This chapter illustrates how Fairtrade certification can work for both groups in two different contexts in Asia. It draws on two case studies, 1) a tea plantation in Darjeeling, India and 2) a cooperative of former sugarcane plantation workers in Negros, the Philippines. The first case study in India revealed that current workers on a tea plantation had unknowingly used Fairtrade premiums. The invisibility of Fairtrade simply reinforced the existing patron–client relations between the management and workers. However, when Fairtrade premiums were invested in a community development project led by a third-party organization independent of the hierarchical society of tea plantations, the same invisibility hid the patronage of the management and instead contributed to the empowerment of workers. As the second case study in the Philippines suggests, Fairtrade certification can be applied to cooperatives of former plantation workers who are struggling to be landowning farmers under a land reform. During the long process of pursuing land ownership, they attempt to maximize their income through livelihood diversification in addition to farming on their promised land. Fairtrade certification is used not only to give added value to their farming, but also to allow them to make farming compatible with their individual livelihood diversification at different phases.

Rie Makita is an Associate Professor in the Graduate School of Social Design Studies at Rikkyo University, Japan. Her policy research and advisory work for Japan International Cooperation Agency (JICA) and other related organizations has focused on rural development and sustainable livelihoods in Asia and Africa. Her first book titled *Livelihood Diversification and Landlessness in Rural Bangladesh* (University Press Limited, Dhaka, 2007) was awarded the 12th *Okita Memorial Prize for International Development Research* in Japan. Makita is interested in how Fair Trade can(not) work for poverty alleviation and environmental conservation in the global South and how Fair Trade can be incorporated in the livelihoods of producers and workers. She has published refereed articles on fair trade in *Development in Practice*, *Development Policy Review* and *Geoforum*. Makita holds a Master of Professional Studies (Agriculture) from Cornell University and a PhD in Geographical Science from the Australian National University.

IV.10 Fairtrade International's Multi-Dimensional Impacts in Africa

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Keywords: Fairtrade, impact, Africa, smallholders, workers, rural development

Summary: Nelson and Martin explore newly emerging research evidence on the multi-dimensional impacts of Fairtrade International in Africa. They conclude that despite positive benefits of Fairtrade, from a development perspective more needs to be done to achieve sustainable trade, including adaptations to Fairtrade mechanisms and a broader landscape vision and role for all sustainability standards.

Abstract: In this chapter we present the patterns emerging from a range of new studies on Fairtrade impact in Africa in a range of commodities. These new studies are strengthening the evidence base and provide important insights into how effective Fairtrade is and how it can be improved. It is important to discuss this topic in relation to other voluntary sustainability standards, which are also expanding in Africa and with whom Fairtrade interacts and competes. It identifies the positive benefits which can accrue from being a member of a certified organisation (producer organisation or company), but also the modest size of those benefits and the inability of Fairtrade and other voluntary sustainability standards to lift people out of poverty. We outline the current limitations of Fairtrade in relation to tackling gender and social difference inequalities. We identify the key factors in the vertical value chain dimension and horizontal context which influence impact. These can be grouped into four clusters of factors. Firstly, there are diverse contextual factors which shape impact (e.g. starting point levels of industry development, infrastructure, farm size or farmer literacy; corporate and cooperative governance; forms of industry governance; environmental endowments and entitlements; prevailing gender norms etc). Secondly, there is the level and nature of alternate interventions (such as investments and initiatives by alternative trade organisations, donors, local government, or other sustainability standards). Thirdly, there are the specifics of the commodity itself and the existing value chain relations through which it is traded. Fourthly, there are the internal characteristics or mechanisms of Fairtrade. We explore and illustrate how these factors influence Fairtrade impact drawing on a range of cases across Sub-Saharan Africa. In conclusion we summarize what these findings mean for Fairtrade in terms of appropriate future strategies to improve and demonstrate impact.

Valerie Nelson is Reader in Rural Development and a Principal Scientist in the Livelihoods and Institutions Department at the Natural Resources Institute, University of Greenwich, UK. She has worked at the NRI since 1996, with prior experience at the University of the State of Mexico and Oxfam GB. Valerie conducts research and consultancy on sustainability standards and market led development especially studies on their poverty impact and politics. She has worked on impact assessments since the late 1990s focusing on fair trade including coffee, tea, cocoa, cotton, wine, vegetables and flowers in Africa, Latin America and Asia for a number of standard bodies and donors. She completed a 4 year poverty impact assessment of sustainability standards for DFID in late 2013. Livelihood and climate change adaptation issues are also a particular focus as is participatory development and governance, including pioneering work in participatory video. She is currently leading a programme on Equitable Trade and Responsible Business at the NRI and is a council member of the UK Development Studies Association. She has published in numerous journals. Currently, Valerie is evaluating a DFID programme entitled the 'Trade and Global Value Chains Initiative' and completing a Fairtrade coffee impact study for Fairtrade International.

Adrienne Martin is Director of Programme Development and a Social and Institutional Development and Evaluation Specialist at the Natural Resources Institute, University of Greenwich, UK. She has over 35 years experience in international development and research relating to poverty, livelihoods, agriculture and trade. Adrienne's work has spanned detailed rural and urban studies and policy and programme level evaluation, analysis and advice. She has worked in over 33 countries in Africa, Asia and Latin America. Her research expertise includes impact evaluation methodology development, value chain development and poverty reduction, gender and value chains, social impacts of standard systems, participatory research approaches, and local institutional development and capacity building. She has a particular interest in the challenges of impact assessment of sustainability standards and other trade based initiatives directed at alleviating poverty; for example, a 4 year poverty impact assessment of sustainability standards and currently the evaluation of the

‘Trade and Global Value Chains Initiative’, which is supporting social upgrading in global value chains (both funded by DFID UK).

IV.11 Quantitative Analysis of the Impacts of Fair Trade

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Keywords: impact, child labor, productivity, wellbeing, social capital, pioneers versus imitators

Summary: Becchetti, Castriota and Conzo document that Fair Trade has significant effects on producers' wellbeing with rigorous impact studies. They also analyze how its entry produces contagion and imitation triggering ethical competition between pioneers and imitators

Abstract: Several impact studies have tried to verify whether fair trade maintains its promises. Most papers are case studies which try to do so by either comparing FT and non FT-affiliated on various performance indicators or by looking at the impact of affiliation years on younger and older FT producers. These studies generally show positive and significant effects of affiliation years on objective (e.g. income and food consumption) and subjective (life satisfaction and self-esteem) wellbeing indicators with some important qualifications. An interesting case is the (indirect) impact on child labour: fair trade raises parental income and their vulnerability to economic shocks which are a well-known determinant of children school dropout. At the same time the birth of not for profit fair trade producers "retailing public goods" – which are bought by socially responsible consumers – has led to a partial imitative reaction of profit maximising (non-FT) new entrants, thereby producing contagion and transforming social responsibility into a competitive variable. This implies opportunities for producers in developing countries but also threats, since the higher the number of firms trading the goods in Western countries, the higher the risk of opportunistic behaviours with negative effects on the collective reputation built over time by the first – and more intrinsically motivated – members.

Leonardo Becchetti is full professor of Economics at the University of Rome Tor Vergata, Director of the graduate course in European Economy and Business Law and of the Master in International Development and Cooperation. Phd at Oxford University, M Sc. at London School of Economics. President of the Ethical Committee of Banca Popolare Etica, blogger, and editorialist. *He is author of around 360 works, which include 11 edited books, 90 (published or forthcoming) publications on international journals (among them Journal of Public Economics, Journal of Money Credit and Banking, World Development, Journal of Banking and Finance, Journal of International Money and Finance, Journal of Business Ethics), 53 publications on Italian journals, 73 chapters of books and several working papers.* His main fields of research are fair trade, microfinance, economics of happiness, financial economics and ethics and economics. His last (September 2013) synthetic REPEC ranking: is top 1.92 percent author, while he is top 0.57 percent author at September 2013 in terms of SSRN download ranking and top 2.45 percent author at September 2013 in terms of SSRN citation ranking.

Stefano Castriota has a Ph.D. in Economics and Finance from the Università di Roma Tor Vergata, a M.Phil. in Finance, Stockholm School of Economics, and a Master in Economics, Università Luigi Bocconi in Milan. He has been a visiting fellow at the IMF in Washington and Universitat Pompeu Fabra in Barcelona. Castriota is an applied academic researcher; his interests range from industrial to labour and development economics.

Pierluigi Conzo is an Assistant Professor at the University of Turin - Dept. of Economics and Statistics "Cognetti de Martiis." He holds a Ph.D. in Economic Theory and Institutions from the University of Tor Vergata, Rome and a post-doc at CSEF, Naples. His research mainly focuses on Development and Experimental Economics, Social Capital, Fair Trade, Microfinance, and Impact Analysis.