

Fair Trade
Economic Justice, Environmental Sustainability and
Cultural Identity in the New Millennium

A workshop organized by the Centre for Research on Latin America and the Caribbean
(CERLAC- York University) in Founders College, York University, on February 5th, 2004

Report prepared
by

Gavin Fridell and Vivian Jimenez

CERLAC Colloquia Paper

April 2004

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Abstract

This day-long workshop was organized as a defining event of 2004 International Development Week activities at York University. Fair trade - a network that seeks to support small producers in less developed countries with a more socially just and ecologically sustainable alternative to mainstream trade - has grown rapidly over the past decade. As a reflection of its increasing importance, a “Fair Trade @ York” campaign was formed with the goal of encouraging the university to adopt a fair trade policy. Members of the campaign, along with a coalition of other groups, organized this workshop to bring together a range of students, academics, activists and fair traders from Canada and the United States to share ideas on fair trade and to discuss future strategies.

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INTRODUCTION

Fair trade is a network that seeks to support small producers in less developed countries with a more socially just and ecologically sustainable alternative to mainstream trade. Fair trade goods are exchanged under the terms of a minimum guaranteed price and produced under the principles of no utilization of child labour, environmental sustainability, democratic organization, and guaranteed labour rights.

The fair trade network has grown rapidly over the past decade and as a reflection of its increasing importance York chose "Fair Trade: Economic Justice, Environmental Sustainability and Cultural Identity in the New Millennium" as the theme of its annual International Development Week (IDW) held February 1-6, 2004.

The origins of the fair trade network can be traced back to the 1940s and 1950s when NGOs in North America and Europe began selling goods made by disadvantaged Southern artisans and producers in direct-purchase projects. The network remained relatively small, constrained by the lack of access to mainstream markets, the limits of volunteer labour, and poor marketing formulas. In the late 1980s, this changed as fair trade organisations abandoned their earlier goals of creating an alternative trading system and instead sought to gain access into mainstream markets which they hoped to reform.

This readjustment was led by the fair trade labelling initiative, MaxHavelaar/Transfair which was formed 1988 and by the end of the millennium had grown into seventeen national initiatives in Europe, North America, and Japan which are coordinated under the umbrella group Fairtrade Labeling Or-

ganizations International (FLO). FLO currently sets standards for a variety of goods, including coffee, tea, cocoa, bananas, honey, cane sugar, orange juice and other fruit juices, rice, mangos, pineapples, and even sports balls.

The total value of the retail turnover of fair trade goods certified by FLO increased by over 50% in the four years leading up to 2000 when it was over 220 million Euros. Of this total, more than 55 million Euros went directly to producers, which is about 40% more than they would have received through conventional trade.

Despite this growth, sales have still not increased enough to meet the needs of Southern partners, the majority of whom sell only a small proportion of their total production on fair trade markets. In response, fair traders have sought to expand the fair trade market through "boycotting" campaigns designed to pressure conventional corporations, like Starbucks, into selling fair trade, and by gaining the support of public institutions whose procurement policies can be a significant avenue for increasing sales.

The latter strategy has proven to be very successful in Europe, where hundreds of public institutions serve fair trade coffee and tea, and has picked up steam recently in North America. Much of this energy has been directed at university campuses. In June 2002 McMaster University in Hamilton became the first university in North America to adopt a fair trade purchasing policy that compels campus retailers to offer the choice of fair trade coffee.

It was in the wake of this precedent that York University's "Fair Trade @ York" campaign was formed with the goal of encouraging the university to adopt a fair trade policy.

As part of IDW, members of the campaign, along with a coalition of other groups, organized a daylong workshop, a "fair trade fair," and meetings between local fair-trade merchants, NGOs, and campus retailers on February 5. The workshop brought together a range of students, academics, activists and fair traders from Canada and the United States to share ideas on fair trade and discuss future strategies. A summary of the event follows.

KEYNOTE ADDRESS

Laure Waridel (Co-founder of *Équiterre* and author of *Coffee With Pleasure: Just Java and World Trade*. Montreal: Black Rose Books, 2002.)

"Democracy happens everyday with what we say to politicians, what we buy." *Coffee with Pleasure: Just Java and World Trade*

Waridel, co-founder of *Équiterre*, expressed her enthusiasm for having a forum in an academic context, since it makes it possible to take fair trade to a policy level. Her address illustrated the interrelationships embedded in one cup of coffee: A bit of the brewers, coffee roasters, coffee growers, and the environment. She also underlined broader "global citizenship" issues, making Fair Trade purchases a "political act."

Speaking on the beginnings of *Équiterre*, she drew attention to the inequalities of the current trade system. Under this system, Transnational Corporations (TNCs) such as Philip Morris make a profit of 90 billion dollars, which is three times the Gross Domestic Product of Nicaragua while a coffee worker earns between \$1-\$3 a day. International economic policies such as those drafted by the World Trade Organization and the Inter American Development Bank, promote this unfair trade, ig-

noring real economic and social costs: "Consumers are told that saving money should be a priority. Consumption has political power". It supports a system that degrades people and the environment.

To illustrate the political power of consumption to get organized, she detailed how her skepticism about fair trade prompted a project to look at its nuances and operation. Led by her curiosity to determine whether it was another catch phrase designed to alleviate consumers' consciences, she and other students witnessed how communities became empowered through their involvement and the creation of various cooperatives. *Équiterre* was founded and until today, its campaign uses media as a tool to convince people about the advantages of fair trade, such as lobbying Van Houtte until it agreed to meet with *Équiterre*.

Waridel reiterated that fair trade is about empowerment in both North and South. In the North, consumers began to feel responsible for their purchases and, through positive involvement, convinced consumers that they, too, can play a role in international development.

A slide show of the coffee cooperative UCIRI, the Union of Indigenous Communities in the Istmo Region, located in the State of Oaxaca, showed how its Zapoteco, Mixe and Chontal members work together. Displaced by plantation owners, they now live in the mountains and arid lands of the isthmus.

Laure explained the present fragility of the ecosystem: "Originally, people cultivated beans and maize using slash-and-burn agriculture methods that worked then, since population numbers were low. This area has traditionally lacked or offered little access to education, basic services" (electricity, potable water).

In 1981, liberation theology influenced the organization of people back to identify resources needed to address their problems. The community identified itself and coffee as the most important resources: they agreed that they must work toward obtaining a fair price for their coffee. The cooperative began with a small village of 50 people, and it has grown to 1000 members. But it has also brought resistance from other groups who use intimidation and repression to halt the project. And although many safety concerns for the community exist, these issues have limited exposure and advocacy.

Culturally speaking, plantations affected the cultural and social relations between men and women in Oaxaca. The Mixe people are traditionally a matricarchal society, however, their democratic process at present reflects a change toward a patriarchal society, whereby participants and leaders are mostly men, even though women's involvement in the cooperative is extensive.

Environmentally, the cooperative engages in producing shade-grown coffee. This is coffee grown under shade of trees to preserve the environment. Social gains are visible during the harvest. Although all members of the families get involved, children still have access to education. By contrast, under the plantation system, children would have no access to education and their working conditions would be dire.

Since a large number of workers equals harvesting large amounts of coffee, more cooperative members translates into more economic power. In addition, the community is addressing health issues. They now have access to two doctors that look after the sick. UCIRI is a positive example of empowerment through the use of traditional medicine to address the prevention

of sickness and malnutrition. They are also working to improve the school of agriculture, where community members learn traditional and organic agriculture to improve their corn and bean crops, how to prevent erosion and composting methods.

To conclude, Waridel stressed that Equiterre is involved with over 300 cooperatives in 22 countries all over the world. And, although UCIRI is a successful example, managing to sell most of their coffee, not all cooperatives do this well. Therefore, Equiterre's goal is to have all cooperatives attain the same success: Fair trade is not only a theoretical abstraction but plays an important part in the life of people in the developing and developed world.

Discussion

Participants discussed and asked about the existence of other fair trade projects, the legitimacy and scope of fair trade, effective popular education strategies and export-oriented strategies used in fair trade practices.

Waridel affirmed various fair trade projects exist and are determined by each community's needs and resources, citing the examples of sugar, cocoa and aloe vera cooperatives.

Discussions on the limits and opportunities of fair trade, she stated perhaps it is not a feasible mechanism to reproduce globally, given its local operational nature. But initiatives like local fair trade cooperatives open up the space to have people reflect on the nature of international trade, further our understanding of our responsibilities as consumers and use it as a tool to ensure trade benefits all. Many Developing Countries have been pushed to cultivate coffee and other cash crops because

of trade conditions, glutting markets and thus prices fall. Therefore, cooperatives try to diversify the products they sell and work under better conditions than at sweatshops. In fair trade, intermediaries are eliminated to ensure profits go directly to producers.

Addressing effective popular education strategies, Waridel reiterated that making a campaign fun, pleasurable and dynamic ensures the message is that drinking fair trade coffee helps other people, making consumers feel they are empowered to actively make positive changes.

The discussion on effecting change in society led to the question of reviving the idea of enforcing the conventions set out by the International Labour Organization and also working at a policy level. Negotiating labour regulation when there is no enforcement of guidelines and agreements, will ensure the goals of fair trade are attainable.

A discussion on the model of export orientation, based on an imbalance of power whereby the South produces the products the North enjoys, ensued. A lengthy discussion attempted to answer who has the responsibility to have the tools to be fair, what is historical the role played by racism and faithism in the changing global and domestic relations of their economy. A discussion on colonization and decolonization pointed the legacy left by those unbalanced social and economic relations.

Further discussion ensued on the contradiction of asking industry giants to get involved in Fair trade practices. On the one hand, huge businesses such as Loblaws use their unfair trade practices to fund their organic products. On the other hand, you have Starbucks buying Fair trade coffee and this translated into undercutting legitimate local, fair trade cooperatives. As a consumer, buying from small places raise issues of supporting local economies.

Going back to Starbucks, if Starbucks would like to buy coffee from the small farmers, this is huge and good for the growers. However, the downfall is that although initially, the large purchases often come with no commitment to continue the partnership, therefore the producers do not have that secure income and if the commitment stops, then they are forced to work in maquiladoras.

In an ideal world we would only exchange goods that we cannot produce locally, therefore we need to encourage local businesses to engage. Think of the case of Rwanda. When export crops are successful, they have a local impact as crops can start to be grown and sold locally. Therefore, export orientation will aid local economic processes as well, contributing to food security and local production.

PANEL I

FAIR TRADE AND SUSTAINABLE DEVELOPMENT IN THE SOUTH: THE CASE OF COFFEE

Chair: Gavin Fridell (PhD Candidate, Political Science; RCDG member, York University)

Panelists:

- **Christina Polzot** (PhD Candidate, FES; Member, Las Nubes Conservation and Research Project, York University)
- **David Weight** (Professor, International Studies, Michigan State University; Coordinator, PEARL (Partnership for Enhancing Agriculture in Rwanda Through Linkages))

Christina Polzot began the Panel I by describing the Las Nubes project within the context of Fair Trade. Las Nubes is a rainforest located in the northwestern part of Costa Rica, purchased by Dr. Woody Fisher and donated to York's Faculty of Environmental Studies (FES). FES committed to collaborate with the Tropical Science Centre (TSC), Costa Rica's oldest environmental non-governmental organization, to advance research on conservation strategies.

Polzot explained broadly that initially, the project focused on protecting the biodiversity of the Rio Las Peñas by establishing and protecting biological corridors. Coffee was already grown in the area, and therefore, efforts to establish more shade cover, increase the use of native species and phase out organic fertilizers and additives promoted biological conservation.

As the project's scope widened, research found that supporting local community efforts and information sharing between partner institutions and countries could promote both social and environmental concerns. The researchers conducted feasibility studies and successfully demonstrated how local farmers could create biological corridors through the use of shade grown coffee practices.

Polzot further explained the community feared that plummeting coffee prices would prevent them from purchasing more seeds to plant trees for shade. This is how York's initiative to purchase their coffee for higher than conventional prices ensued. FES began marketing it and although the coffee is not Fair Trade certified by TransFair, members of the cooperative need to make the decision to become certified.

In short, Polzot stated that although the project did not start as a Fair Trade coffee

project, it supports the ideals of Fair Trade. First, the initial price paid to the community is above the fair trade price; the coffee is certified by the government of Costa Rica's Sustainable Seal Programme which follows guidelines such as provisions for minimal level of shade, type of shade trees, amount of energy used, phasing out chemicals and others.

York has committed 5% of its coffee sales for community initiatives in Las Nubes. Within the context of Fair Trade, the Las Nubes project promotes sustainability in many ways: ecologically (biodiversity, tropical conservation); socially and financially (promotion of sustainable livelihoods and access to the world coffee market through a commitment to support the project indefinitely); and culturally (promoting traditional coffee production).

David Weight, Coordinator of "The Partnership for Enhancing Agriculture in Rwanda through Linkages" (PEARL), has worked in African agricultural development with NGO's and Michigan State University (MSU), primarily in the Sahel region and Rwanda, focusing on the development of agricultural systems in Africa that restore degraded soils and increase benefits for farmers. His presentation focused on the cultural and social nuances of fair trade as applied to PEARL, which began in the year 2000 with funds from USAID and MSU.

Initially, PEARL focused on the reconstruction of agricultural and educational institutions after the 1994 genocide, targeting higher level professors in Rwanda and provide them with access to technical training. Providing technical assistance to improve local agriculture led to merging agriculture (growers) to the universities in Rwanda and the institutions it collaborates with through PEARL.

Weight showed a CNN documentary to explain how farmers have dealt with Rwanda's economic crisis especially in its poorest district where the average income is only \$220 per year. Coffee represents more than 40% of total exports, and plummeting coffee prices encouraged growers to improve the quality of their beans to garner a higher price.

Farmers from the Maraba Coffee Growers' Association founded the Abahuzamugambi Aba cooperative, where the majority of the workers are widowed women who receive \$1 per day, which is more than the national average.

PEARL focused on two components to improve coffee quality and market accessibility through the use of local and sustainable technology: quality control by discarding bad coffee cherries, and time efficient technologies by setting up a station to wash and dry the coffee cherries. Prior to this, the washing and drying process could take up to three weeks.

These two improvements increased sales to the Union of Coffee Roasters who offer top dollar for their coffee thus facilitating loan payments. Although the administrative support is highly intensive, it is needed to ensure high coffee quality or it will be rejected. At present, coffee-tasting training is taking place in Rwanda to ensure the highest quality control and taste.

Discussion

The discussion period addressed questions around the economics of fair trade, its feasibility and overall effects for already marginalized groups.

One person asked how community development can be sustainable locally as opposed to nationally. For example, in Rwanda (prior to the genocide), market

liberalization prescribed that Rwanda sell coffee as its primary source of GDP, competing with local and regional markets, which also produce excellent coffee. Do these projects address these larger concerns?

Weight replied that these local projects may not address all of the larger concerns, but they do entail getting government involved in assisting farmers. Cooperatives such as Maraba is a model for others and is now supported at a government level, which funds small farmers and other projects through revenues from entrance fees to conservation areas.

Weight also stated that high coffee standards set in Northern markets compel Southern cooperatives to look for businesses and people supportive of fair trade practices as opposed to catering to extreme gourmet tastes.

Polzot added that York University has committed to purchasing their beans from Las Nubes, though their coffee is not of the highest quality. By drawing consumers interested in supporting small-scale initiatives, the revenues potentially could fund other projects such as sustainable tourism. Their main goal is to get more communities involved, not just in coffee growing but also in other projects.

Another participant brought up the effects of purchasing non-certified fair trade products since these projects are not showing solidarity with the international fair trade network.

Polzot reminded the audience that it is the cooperative's decision to obtain fair trade certification and the Las Nubes project will respect their decision, just like it respected the communities idea to sell coffee to York University to get a fair price for their coffee so they may continue

funding their conservation projects. Research questions, community mapping and guidance always comes from the community itself.

Weight added that in Rwanda, only 2 out of 10 cooperatives are fair trade certified as those that have no legal status cannot obtain certification. This raises critical administrative and economic issues due to the absence of a fair system of remuneration information exchange between the students of the University of Rwanda and their communities. Such an exchange implies overcoming technical and cultural difficulties: some community members no longer identify themselves strictly as Tutsi or Hutu but rather as Rwandan. Thus, these communities are learning to work together despite cultural differences.

ROUNDTABLE DISCUSSION

THE PRACTICE OF FAIR TRADE IN THE NORTH

Chair: Ricardo Grinspun (Professor of Economics, Acting Director of CERLAC, York University)

Panelists:

- **Tina Conlon** (Program Officer, *Oxfam Canada*)
- **Terry Gallan** (Director of Purchasing, McMaster University)
- **Elaine Pequegnat** (Manager, *Ten Thousand Villages*, 2599 Yonge St., Toronto, ON)
- **Bill Barrett** (Co-founder, *Planet Bean*, 21 Macdonell St., Guelph, ON)
- **Susy Alvarez** (Roaster, *Alternative Grounds*, 333 Roncesvalles Ave., Toronto, ON)

Tina Conlon opened the roundtable discussion by describing Oxfam International's "Make Trade Fair" campaign which is designed to combat the unevenness of global trade by demanding changes to international trade rules that are "rigged and weighted against the poor."

According to Conlon, Oxfam's campaign to promote fair trade coffee stems from the need to support small producers in the South who receive a very tiny amount of the final retail price of coffee in the North. In Conlon's view, fair trade is a form of "direct action" which reveals this unjust situation and compels consumers, public institutions, and corporations to take action to address it. Oxfam seeks to develop a national fair trade coffee campaign and as part of the events of the day, Oxfam organized a luncheon with students and faculty from different universities interested in forming a coordinated inter-university fair trade campaign in Canada.

Conlon asserted that despite the benefits of fair trade coffee, it alone is not enough and international market regulation is required to truly correct the imbalances of global trade. For this reason, Oxfam has actively pressured the US and Canadian governments to rejoin the International Coffee Organization (ICO) and return to a regulated coffee industry which existed prior to 1989. Actions such as this are part of Oxfam's dual strategy of being "on the streets and at the table" in the interest of fair trade.

Terry Galan, the Director of Purchasing at McMaster University, spoke of McMaster's adoption of a no-sweat code of conduct and a fair trade purchasing policy in June 2002. According to Galan, the success of the McMaster fair trade campaign can be largely attributed to a process of

negotiation that was set in motion with the formation of a no-sweat/fair trade committee in 2001.

The committee consisted of faculty and students involved in the campaign along with representatives from the university and the administration. Through the committee it was possible to draft up a policy that was satisfying to all parties. Galan stated that these measures were essential to the eventual adoption of a no-sweat/fair trade policy that was considered feasible to the university administration.

Since the adoption of its no-sweat/fair trade policy, McMaster has continued to explore the possibility of expanding its ethical purchasing policies and has pursued other projects, such as the development of a recycling project. However, Galan cautioned that social justice activists should not expect too much too quickly and that it is not possible to “tackle world hunger” through university procurement policies. Activists should commit themselves to pursuing incremental change which was key to the success of the fair trade campaign at McMaster.

Elaine Pequegnat broadened the discussion to include fair trade handicrafts which are imported and sold by the Mennonite Central Committee (MCC) through their Ten Thousand Villages (TTV) stores. According to Pequegnat, one of the greatest challenges faced by TTV is determining the price for fair trade goods.

The desire to pay the highest price must be tempered by the need to appease Northern consumers who are used to paying cheap “tourist prices” that are well below their actual value. For this reason, TTV is forced to pay a “living wage” that “is not actually ‘fair’ for a skilled artisan, but it is better than a ‘starvation wage.’”

The desire to meet fair trade objectives in market’s dominated by giant TNCs like Walmart that are highly exploitative of Southern workers has posed many challenges. According to Pequegnat, in order to keep prices down TTV has had to rely primarily on volunteer labour in its Northern stores so that consumers do not have to pay the actual retail cost of what they buy. TTV has also found it difficult keeping pace with the whims of consumers who change their demands constantly in response to media and advertising trends. Despite these challenges, Pequegnat expressed her hope that in the future TTV will no longer be needed because all companies will have adopted fair trade standards.

Bill Barrett described the activities of Planet Bean, a fair trade coffee roaster/retailer in Guelph, Ontario. Barrett focused his talk on the importance of Planet Bean as a worker-owned cooperative.

In the fair trade network, Northern partners do not have to adhere to fair trade’s democratic and labor standards, and they do not have to use their profits for the benefit of their employees and the local community. These standards are only applied to Southern partners, a fact which Barrett views as hypocritical and insufficient to address the structural changes required to combat the injustices of the global economy.

Barrett made a distinction between “activities” that have immediate benefits to the poor, such as Starbucks agreeing to sell fair trade coffee, and the need to make a changes in the “structure” of the local and global economy to effect long-term changes.

For the members of Planet Bean, changes at the structural level require moves to-

ward creating a more democratic economy which they are devoted to through their participation in the co-operative movement in both the North and the South.

Barrett asserted that TNCs, which are not designed to benefit their workers and are by nature purely profit-driven, cannot play a role in the move toward a truly more just global economy.

Suzy Alvarez spoke about Alternative Grounds, a small-scale roaster in Toronto, Ontario. Alternative Grounds is privately-owned and for-profit, which makes it distinct from TTV, which is non-profit, and Planet Bean, which is worker-owned and run. Yet, Alternative Grounds is driven by a strong social-justice ethos and places educating consumers about the injustices of global trade as central to its mission.

Alvarez addressed the issue raised by some panelists and participants at the roundtable that fair trade does not represent a revolutionary challenge to the existing international order but is rather an important but essentially limited reformist project.

She stated that while fair trade does aspire for gradual, limited changes, it also has a revolutionary dimension in that it entails organising poor producers to fight for their rights. This, she asserted, is “an act of resistance – a revolutionary act.”

Discussion

The discussion period addressed the growing involvement of giant TNCs in fair trade and questioned whether they could be trusted to maintain fair trade standards. One participant drew attention to the difficulties Southern producers who are desperate to increase the market for fair trade coffee.

Barrett, while recognizing the difficulties that this situation poses, expressed his worry about the dilution of fair trade and questioned the reliability of profit-driven TNCs. He also expressed his concern that a corporation like Starbucks can get the positive publicity that comes with participating in fair trade while only committing itself to buying a very tiny proportion of its total purchases under fair trade conditions.

Some participants asked about the prospects of reviving international market regulatory bodies like the ICO or of fair traders’ attaining greater support from the United Nations Conference on Trade and Development (UNCTAD).

Conlon responded that Oxfam has been pushing for the revival of the ICO along with state marketing boards in the South.

Participant Ricardo Grinspun addressed the issue of UNCTAD by pointing out that the institution has been severely downsized over the past two decades and neutralized politically.

Galan was asked to offer further clarification on the success of the McMaster campaign. Galan asserted that one of the keys to its success was “realistic” aims and a willingness to negotiate with campus suppliers and make concessions for the sake of incremental gains. These concessions involve dealing with companies with poor human rights records like Nike (which has agreed to adhere to the no-sweat code for products sold to McMaster), and exempting the campus Tim Horton’s from the fair trade code.

Participants also raised concerns about the viability of small-scale fair trade organizations who must operate within highly competitive markets.

One participant asked about the prospects of TTV selling their handicrafts at other stores to expand their market reach. Pequegnat responded that the International Federation of Alternative Trade (IFAT) is looking into the possibility of developing a certification system for handicrafts similar to FLO's.

Another participant asked about the possibility that fair trade organizations in the North are creating "bubbles" in the market and that if these bubbles burst Southern partners will be left without the benefits of fair trade. Barrett responded that all fair trade organizations, North and South, run the risks associated with the "real" economy.

PANEL II

FAIR TRADE, SOCIAL MOVEMENTS, PUBLIC POLICY AND DEVELOPMENT

Chair: John-Justin McMurty (Professor of Social Science, York University)

Panelists:

- **Peter Vandergeest** (Professor of Sociology, York University): Social Justice Certification.
- **Don Wells** (Professor of Labour Studies, McMaster University): McMaster University's No-Sweat/Fair Trade Code.
- **Ian Thomson** (*Maquila Solidarity Network*): No-Sweat and Fair Trade.

Peter Vandergeest spoke broadly about the proliferation of social justice certification since the 1980s for a variety of goods, from forestry products to fair trade coffee. The popularity of these schemes emerged as Northern citizens became disillusioned with their governments' willingness to pro-

vide environmental safeguards and in response to accusations by Southern groups that the imposition of such safeguards by Northern governments amounted to "ecological imperialism."

Vandergeest highlighted three problems that are common to most certification schemes. First, certification schemes usually lead to industry consolidation and the marginalization of small producers who cannot afford the cost of certification. This is not the case with fair trade, where support for small producers is the primary goal and certification costs are paid by the buyer.

Second, certification schemes tend to exclude real input from local communities who are not involved in actually setting standards.

Third, the agenda for certification schemes is generally set by a "wealthy food elite" in the North who impose rules on Southern producers.

Vandergeest asserted that one problem in the fair trade network is the growing emphasis on organic production which is pursued to satisfy the demands of Northern consumers. It is costly and difficult for Southern producers to attain and serves to marginalize the poorest fair trade groups.

Don Wells is a member of McMaster's no-sweat/fair trade campaign. He stated that the key issue that emerged from the campaign was the need to translate "social movement power," which is moral and democratic, into "administrative power," which is disciplined, stable, and efficient.

At McMaster, the campaign was first dominated by the former but then moved to the latter as administrators were won over to cause of fair trade through a proc-

ess of negotiation. This was essential to ensure that a no-sweat/fair trade code was not only adopted, but actively implemented by the administration who went so far as to develop a permanent advisory committee for continuous dialogue.

Wells stated that what is required in the future at McMaster is another stage of social movement power to pressure the university to broaden the codes. He also expressed his hope that other universities will adopt similar codes and develop an “inter-university consortium” to put pressure on major service providers like Tim Horton’s, which is exempt from the McMaster code.

The long-term goal, he asserted, is to move no-sweat/fair trade campaigns out of the university and into the broader public sector.

Ian Thomson spoke of the work of the Maquila Solidarity Network (MSN), an organizations that develops linkages with unions and social justice groups to promote labor rights for sweatshop workers.

Thomson discussed the similarities and differences between fair trade and no-sweat to explore the potential for a united campaign. He stated that the major similarity between the two is that both have the ability to activate new people and introduce them to broader issues of social justice and international solidarity.

Thomson asserted that there are important differences between the two campaigns.

Fair trade is premised on a clear distinction between conventional and fair trade producers, whereas the no-sweat campaign cannot direct retailers toward no-sweat certified companies but must work with conventional suppliers to attain a gradual compliance to no-sweat codes.

Fair trade is premised on a model of cooperative production, whereas the no-sweat campaign is premised on promoting workers’ rights within a traditional industrial setting.

Fair trade has a clear focus on improving working conditions in the South, whereas the no-sweat campaign must deal with working conditions in both the South and the North where, contrary to popular perceptions, many sweatshops exist.

Thomson made no firm conclusion about the significance of these differences, but left them open for further discussion.

Discussion

Some participants asked for information on the role that Northern governments have played in supporting no-sweat policies. Thomson spoke of the recent commitment by the government of Cambodia to respect the ILO Conventions in exchange for greater access to the US market. Thomson expressed some hope for this initiative as it used compliance to basic labor rights as a “comparative advantage.”

One participant drew attention to the fact that fair trade is premised on the voluntary purchasing decisions of corporations and as such does not violate the WTO agreements. Vandergeest added that the WTO agreements place certain restrictions on the state which prevent it from making trade restrictions on the basis of social and environmental considerations. The effect of this has been to force activists to focus their campaigns on TNCs whose hands are not tied by WTO agreements.

Another participant, reflecting on Vandergeest’s comments on organic coffee, asserted that the desire to purchase healthier products is not just a reflection of self-

interest on the part of consumers but is also an important social justice issue. Vandergeest agreed that this was a valid assertion, however, he maintained that the growing emphasis on organic coffee has a negative effect on the poorest producers that runs contrary to the goals of fair trade.

Finally, the University Consortium on the Global South has begun an initiative to investigate the possibilities for collaboration on developing research proposals around these issues.

CONCLUSION

York University's Fair Trade Symposium, meetings between local fair-trade merchants, NGOs, and campus retailers encouraged critical thinking regarding fair trade policy. The daylong workshop, a "fair trade fair," clearly illustrated that exchanging information is a key strategy to create or implement fair trade policies at the local, national and international levels. The participants and panelists provided input into forming standards for fair trade which to be certified and implemented on a regional level.

Some of the issues for further discussion include:

- What other mechanisms for international market regulation are feasible to implement within the current imbalances of global trade;
- How can small cooperatives benefit from fair trade in the absence of a market?;
- Strategies to improve working conditions in the South and within cooperatives;
- Strategies to prevent food elites from competing with 'real' fair trade cooperatives in an effort to gain some of the fair trade market;
- Land ownership issues.