

Edinburgh University as a fair trade activist

The answer to an unjust trading system?

The origins of the fair trade movement began in 1983 with a group of 17 indigenous communities in Mexico seeking to establish a different type of market, characterised by direct consumer-producer relations, to the globalised system that dominates contemporary international trade [1]. In 1988, these communities set up a partnership with the first fair trade certifying body, Max Havelaar, to sell their coffee in Europe.

The establishment of the Fairtrade (the brand) Labelling Organisation in 1997 to coordinate the growing number of certified bodies brought with it unforeseen expansion. Between 1998 and 2005, sales of Fairtrade products increased by 483% [2]. Inevitably, relationships between Fairtrade producers and consumers became increasingly mediated by formalised rules and middlemen [3].

Fair trade was soon at an ethical crossroads, as larger actors were increasingly participating in the new market. The argument for expansion was that Fairtrade only reached 1% of farmers living below \$2 a day [3]. The concerns were that bringing multinational corporations on board, by whose very nature are obliged to prioritise shareholder profit above any social objective [4], was watering down fair trade's transformational message. Indeed, many of the actors taking on the Fairtrade label, at the expense of the original suppliers, were doing so through only minor procedural changes to their operations, leading to accusations of 'fairwashing' [2].

The most recent dilemma has been Fairtrade International's (the global Fairtrade body) change from standard setter to standard assurer. This relates to its new partnership with Cocoa Life – a certification scheme for Cadbury's products governed entirely by the parent company, Mondelez International. As a partner, Fairtrade International still certifies Cocoa Life products, and the Fairtrade label will stay on the packaging, albeit on the back. The real difference is the several assurances that came with the Fairtrade label that are absent from Cocoa Life (Table 1).

Cocoa Life's impact is currently inconclusive. An Oxfam report in 2013 – when Cocoa Life was on trial - found that many of the large companies in the West African cocoa market were overseeing poverty, child labour, and gender discrimination

Fairtrade faces severe challenges as a mainstream brand with ethical roots. Edinburgh University should advance its awareness-raising efforts by embedding fair trade in all curricula, working with actors on a tiered system of Fairtrade, and with students on wider political acts.

[3]. A more recent investigation of villages under the Cocoa Life scheme found mixed opinions, yet one villager said 'if you're talking about the cocoa company, tell them we're suffering here' [4]. Still, a transparency issue is that Mondelez are only required to check on 25% of their farmers, who have no formal mechanism for raising concerns.

Mondelez are not the only company swapping Fairtrade with their own initiatives. Mars and Nestlé, which together with Mondelez make up 40% of the world cocoa market, have been establishing their own labels also with a greater focus on productivity enhancement and supply chain security than social empowerment [3]. While there is still a lack of revealing empirical results on the impacts of Cocoa Life, trends towards splitting the Fairtrade label are indisputably concerning for cocoa producers below the poverty line who already suffer from a lack of transparency. Furthermore, the plethora of labels that could arrive on supermarket shelves within the next few years could well exacerbate the 'discursive confusion' that has prevented many from fully understanding, purchasing, and engaging with the benefits of Fairtrade [5].

The limits to consumerism

It is right that, as argued by an Edinburgh University Fairtrade volunteer, "The idea that fair trade can either 'commercialise', or 'stay pure' is to oversimplify" [6]. However, by (willingly or not) partnering with Cocoa Life, Fairtrade has sent a signal to other companies to continue its demise. The Fairtrade Foundation, with its duty to

| Fairtrade | Cocoa Life |
|----------------------------------|--|
| Minimum Price and social premium | Competitive price, loyalty payments, and programme investments |
| 50% owned by producers | 100% owned by Mondelez |
| 'Ensure no forced labour' | 'Reduction in child and forced labour' |

Table 1: Fairtrade and Cocoa Life: Key Differences

promote the mark regardless of wider politics, continues to market the brand as if nothing has changed. It is a clear sign that the movement is in a dire state, with its transformative potential subsumed by passive marketing exercises that naturalise poverty rather than challenging the unjust trade system it set out to confront [1].

These developments show the limits to the extent that any organisation or movement seeking to transform the dominant system can do so from within the system itself. Despite setting out with collective aims, Fairtrade's increased consumer-based framing is a mere reflection of the wider set of neoliberal ideas asserting themselves across social and political spheres [1]. Indeed, studies have shown that simply focussing on the passive consumption aspects of Fairtrade leads to disenfranchised core supporters increasingly moving elsewhere, while the originally apathetic still consider Fairtrade an ethical luxury [5].

Universities are central to the resistance of these trends, yet their current role as Fairtrade universities (Box 1) is insufficiently in line with the status quo. Instead, "it can be argued that the university, historically a place where powerful ideas are made and challenged in the search for greater truth and understanding, should be held up to an even higher ethical standard than the typical institution or individual" [7].

From passive consumer to active citizen

This brief takes the stance that Fair trade's original principles are under threat, and the university should use its power less as a procurement body than as a centre of progressive research and a site for critical reflection to challenge these developments. Indeed, national procurement law prevents the university itself from making political decisions to, for example, boycott Cadbury's, as this raises a host of issues regarding 'favourable interest'.

In many ways, the university is already raising awareness through the fair trade academic network, sponsored dissertations on fair trade supply chains, and year-round events raising awareness on the state of fair trade. However, the university can go further in several ways.

Firstly, it should embed fair trade principles into all curricula, using innovative methods such as City College Plymouth's requiring of hospitality students to run the Fairtrade festival. The university could mimic Arizona State University in establishing transdisciplinary initiatives that recognise cross-cutting issues such as fair trade.

Box 1: The university Fairtrade movement

There are currently over 170 Fairtrade universities and colleges in the UK. All Fairtrade universities are required to pass a Fairtrade policy statement, increase Fairtrade products on campus and in catering, raise awareness of Fairtrade, and to maintain a Fairtrade steering group. In many ways, Edinburgh University has surpassed these expectations. It's Fairtrade policy became a fair trade policy in 2013 in recognition of the broader issues surrounding fairness in trade. It is a member of several higher education associations working on best practice in fair trade, and has hosted webinars demonstrating how Edinburgh is 'taking fair trade further'.

Secondly, the university could work collectively with member associations such as the Environmental Association of Universities and Colleges to advocate for a tiered approach that recognises the different commitments to fair trade of different organisations; and to consider pooling buying decisions. Options for a tiered approach emerge largely from addressing Fairtrade's criticisms, for example, rating products on the amount of their ingredients certified as Fairtrade.

Finally, the university could look to the students' association for a potential boycott of Cadbury's products, who, as a registered charity, are not subject to the same procurement regulations as the university. While the students' association boycotted Nestlé under the baby milk scandal, difficulties are likely to be encountered when blocking such a popular brand, and thus a student referendum should be held to gauge popularity. Throughout and beyond the process, the university should collaborate with a range of societies, particularly international, as means to raise awareness amongst the student body of fair trade issues and actions to be taken.

It is through these acts that the university can reinvigorate international dialogue on fair trade at a time when the current system favours individual choice [5]. Only through being active can the university utilise its role fully in illuminating the issues with fair trade and fight to make it right.

Endnotes

1. Boersma, F. (2009) The Urgency and Necessity of a Different Type of Market. *Journal of Business Ethics*, 86, 51-61.
2. Tallontire, A. (2009) Top heavy? Governance issues and policy decisions for the fair trade movement. *Journal of International Development* 21(7), 1004-1014.
3. Oxfam (2013) Mars, Mondelez and Nestlé and the fight for women's rights. *Oxfam Media Briefing*
4. Fortune (2016) Inside Big Chocolate's Child Labor Problem. Accessible at: <http://fortune.com/big-chocolate-child-labor/>
5. Lyon, S., Ailshire, S. & Sehon, A. (2014) Fair Trade Consumption and the Limits to Solidarity. *Human Organization*, 73(2), 141-152.
6. Fair trade campaign training report (2014) *Visions Blog, SRS*
7. Fridell, G. (2004) The university and the moral imperative of fair trade coffee. *Journal of Academic Ethics*, 2(1), 141-159.