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Challenging Global Inequality on the Ground

In 1967, the Dutch economist Harry de Lange noted that '[w]ithin a relatively short time-span, the question of the relation between poor and rich countries has become the pivotal issue in international economic politics and in the grand world politics themselves'.[1] Nonetheless, the issue deserved more attention, he added. 'What is lacking, is a push from below, which does not necessarily imply demonstrating crowds of people, but for example existing organisations, such as political parties, trade unions, youth organisations, churches'.[2] His wish would soon be granted. After

[1] This chapter presents results from the research project "Moralising the global market. Fair trade in post-war Dutch history", which was funded by the Netherlands Organisation for Scientific Research.

[2] H. M. de Lange, *Rijke en arme landen: Een verantwoordelijke maatschappij in mondiaal perspectief* (Baarn: Wereldvenster, 1967), 7.

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the first campaign for fair trade between the global South and North in 1968 was launched in the Netherlands, a transnational social movement for fair trade established itself. Ideas and campaign models quickly proliferated to a host of Western European groups concerned with global economic inequality, creating a transnational network of like-minded activists. Activists across Western Europe—and across the world as the movement expanded during the 1980s—cooperated and debated attempts to promote fair trade. Many of these campaigns were pioneered by Dutch activists, and the Netherlands is therefore a suitable vantage point for the history of this movement.

Since the 1960s, inequality between richer and poorer countries had become a crucial issue of intellectual and political deliberation. The United Nations announced a Development Decade in 1961 and undertook considerable effort preparing and publicising a Second Development Decade ten years later. Intellectuals like Gunnar Myrdal and Jan Tinbergen produced hefty analyses of the causes of inequality and encouraged their readers to pursue possible solutions.[3] How could inequality between rich and poor countries become such a crucial issue? In an attempt to quantify the history of economic inequality, the economist Branko Milanovic has suggested that, as an overall trend, inequality within countries gradually decreased in the course of the nineteenth and twentieth centuries. At the same time, however, the economic inequality between countries has steadily increased in favour of 'developed' countries in the global North in particular. Where people live has become a crucial factor in determining their economic outlook.[4]

As the following analysis of the history of fair trade demonstrates, global inequality was of concern not only to the lofty circles of politicians,

[3] Olav Stokke, *The UN and Development: From Aid to Cooperation*, United Nations Intellectual History Project Series (Bloomington, IN: Indiana University Press, 2009), 137–313; Francine McKenzie, "Free Trade and Freedom to Trade: The Development Challenge to GATT, 1947–1968," in *International Organizations and Development, 1945–1990*, ed. Marc Frey, Sönke Kunkel, and Corinna R. Unger (Houndmills: Palgrave Macmillan, 2014), 150–170; Isaac Nakhimovsky, "An International Dilemma: The Postwar Utopianism of Gunnar Myrdal's Beyond the Welfare State," *Humanity: An International Journal of Human Rights, Humanitarianism, and Development* 8, no. 1 (March 17, 2017): 185–194; Jan Tinbergen, ed., *Towards Accelerated Development: Proposals for the Second United Nations Development Decade* (New York: United Nations, 1970); Gunnar Myrdal, *The Challenge of World Poverty: A World Anti-Poverty Program in Outline* (London, 1970).

[4] Branko Milanovic, "A Short History of Global Inequality: The Past Two Centuries," *Explorations in Economic History* 48, no. 4 (December 2011): 499.

businessmen, and intellectuals. Since the 1960s, an alliance of Southern and Northern activists has addressed global economic inequality by calling on citizens in prosperous countries to act on behalf of disadvantaged producers by buying specific products and boycotting others, but also by applying political pressure and publicising injustices.

Even as fair trade activists acknowledged the problem of inequality, they conceptualised it along different lines. In the next section, I will analyse how during the 1960s and early 1970s, fair trade activism emerged as an attempt to improve the economic circumstances of what was then predominantly known as the 'Third World'. Modernisation theory provided the main framework for their activism. Some activists attempted to promote modernisation in the South by providing markets to Southern producers. Others stressed the need for an international coordination of a division of labour that would be profitable for all. During the 1970s, solidarity with revolutionary anti-capitalistic movements and governments in countries such as Cuba and Algeria became a popular strategy. Moderate activists opted to support cooperatives as an alternative economic model.

In the third section, I will highlight the shift towards approaches which intended to provide markets as a means of direct support for (groups of) producers in the course of the 1980s. The introduction of certified products which could be sold through regular retailing channels led to a striking expansion of the turnover for such products. Providing markets as means of direct support became the dominant model, usually tied to attempts at generating additional funds aimed at local development. Fair trade maintained a strong focus on inequality between what by then was known as the global North and South.[5] In the fourth section, I will address how the expansion of the range of partners and products resulted in a growing pressure to include groups of producers beyond smallholders and put pressure on those involved to be transparent not just about the origins

[5] Jan C. Breitinger, "'Ujamaa Revisited': Zur entwicklungstheoretischen Verankerung und politischen Wahrnehmung eines spezifisch tansanischen Entwicklungsmodells," *Comparativ* 23, no. 1 (2013): 89–111; Konrad Kuhn, "'Entwicklung heisst Befreiung'. Strategien und Protestformen der schweizerischen Dritte-Welt-Bewegung am Symposium der Solidarität 1981," *Mitteilungsblatt des Instituts für Soziale Bewegungen* 38 (2007): 77–95; Ruben Quaas, "Selling Coffee to Raise Awareness for Development Policy. The Emerging Fair Trade Market in Western Germany in the 1970s," *Historical Social Research* 36, no. 3 (2011): 164–181; Peter van Dam, "Moralizing Postcolonial Consumer Society: Fair Trade in the Netherlands, 1964–1997," *International Review of Social History* 61, no. 2 (2016): 223–250.

of the products they sold, but throughout the chain of production. As a result, the tension between moderate and radical activists was supplanted by a tension between those who championed the interests of Southern producers and those who campaigned for universal standards since the 1990s.

From Blocks to People

Economic inequality between countries had increased since the nineteenth century, but produced international concern only when a group of affected countries voiced their discontent with the political and economic structures which upheld this inequality despite the fact that these countries had acquired political independence. During the 1950s and early 1960s, a coalition of predominantly Southern countries evolved around an agenda for the reform of the prevailing economic and political order. As a result of political decolonisation, the group of disaffected countries attained a numerical majority within the United Nations. The 'group of 77' could thus enforce the installation of a United Nations Conference on Trade and Development.[6] Its first meeting, held in Geneva in 1964, concluded that 'the liquidation of the remnants of colonialism in all its forms, is a necessary condition for economic development and the exercise of sovereign rights over natural development'.[7] Numbers notwithstanding, they could not enforce the desired changes through global politics during these conferences. Western European and Northern American representatives were not willing to drastically revise their trade policies.[8]

Within the context of the Cold War, both superpowers feared that dissatisfaction could drive states into the hands of their opponents. During the 1950s, some citizens in Western Europe came to feel that poverty in

[6] Sönke Kunkel, "Zwischen Globalisierung, internationalen Organisationen und 'Global Governance'. Eine kurze Geschichte des Nord-Süd-Konflikts in den 1960er und 1970er Jahren," *Vierteljahrshefte für Zeitgeschichte* 60, no. 4 (2012): 555–577; Francine McKenzie, "Free Trade and Freedom to Trade: The Development Challenge to GATT, 1947–1968," in *International Organizations and Development, 1945–1990*, ed. Marc Frey, Sönke Kunkel, and Corinna R. Unger (Houndmills: Palgrave Macmillan, 2014), 150–170; Vijay Prashad, *The Darker Nations. A People's History of the Third World*, A New Press People's History (New York: New Press, 2007) 31–104.

[7] *Proceedings of the United Nations Conference on Trade and Development: Volume 1: Final Act and Report* (New York: United Nations, 1964) 11.

[8] Kunkel, "Globalisierung."

other parts of the world offended their sense of humanity. Many also feared that economic inequality would eventually threaten their own security by destabilising global politics. The successful reconstruction of the post-war era would only be secured by corresponding efforts in other parts of the world.[9] Like Simon Jelsma, one of the founders of the influential international aid agency Nationale Organisatie Voor Internationale Bijstand (National Organisation for International Assistance, NOVIB), told his audience around 1955:

> If there are many people at this time who fear war and revolt all across the world, that is because they must be more or less aware of the existence of injustice in this world. They know well enough, these fearful people, that war does not come about without injustice.[10]

Fair trade activism emerged in the wake of the attempts by representatives of the global South to address their structurally disadvantageous position within the system of global trade and the growing popular concern over 'underdevelopment' in Western countries. Disappointed by the lack of progress during these trade conferences, sympathisers from the North considered initiatives to pressure their governments into a more cooperative stance. They also explored ways in which they could support people in the global South directly.[11] These activists drew on ideas about the modernisation of national economies and accompanying reforms of international economic relations which experts such as Raúl Prebisch, Hans Singer, Jan Tinbergen, and Gunnar Myrdal had formulated and attempted to introduce in the international political arena. They connected to the networks of organisations which had formed around the issues of development and international aid since the 1950s, of which NOVIB was but one example.[12] The repertoire of fair trade activism—buycotting and

[9] Peter van Dam and Wouter van Dis, "Beyond the Merchant and the Clergyman: Assessing Moral Claims about Development Cooperation," *Third World Quarterly* 35, no. 9 (2014): 1636–1655.

[10] Simon Jelsma, *Bezit en vrijheid: Een reeks pleinpreken* (Bussum: Brand, 1957), 35–36.

[11] Peter van Dam, "Moralizing Postcolonial Consumer Society: Fair Trade in the Netherlands, 1964–1997," *International Review of Social History* 61, no. 2 (2016): 223–250.

[12] On development activism, see Maarten Kuitenbrouwer, *De ontdekking van de Derde Wereld. Beeldvorming en beleid in Nederland, 1950–1990* (Den Haag: SDU, 1994); Bastian Hein, *Die westdeutschen und die Dritte Welt: Entwicklungspolitik und Entwicklungsdienste zwischen Reform und Revolte 1959–1974* (München: Oldenbourg, 2005); Christoph Kalter,

boycotting first and foremost—was notably shaped by traditions of consumer activism. The notion that citizens could exert economic and political pressure by selectively buying certain products had been applied in diverse settings well before the post-war era.[13] Within the context of the Cold War, this repertoire gained a new momentum. The legitimacy of democracies in North America and Western Europe was founded upon the notion that these states provided prosperity and the right to choose to their citizens.[14] Or as the vociferous activist Piet Reckman remarked, '[o]ur entire consumer society has placed us on a pedestal to such an extent, that we could now also trample it'.[15]

One of the first campaigns to bring fair trade into practice was the cane sugar campaign, which Dutch activists started in the fall of 1968 (Fig. 1). They had come across the topic through the work of the aforementioned Harry De Lange, who had used it as an example in his book on global economic inequality. Following up on the analysis of Tinbergen, he concluded that the poverty of poor countries was partly the result of the policies of the rich countries. Cane sugar was perfectly suited to demonstrate the disadvantageous position of the South. It was produced in several Southern countries and was nominally less expensive than European beet sugar. Nonetheless, consumers in the North had to pay a considerably higher price for cane sugar because of the importing tariffs of the European Economic Community, whilst European beet sugar farmers received

Die Entdeckung der Dritten Welt: Dekolonisierung und neue radikale Linke in Frankreich (Frankfurt: Campus Verlag, 2011); Matthew Hilton, *The Politics of Expertise: How NGOs Shaped Modern Britain* (Oxford: Oxford University Press, 2013); Heike Wieters, "Of Heartfelt Charity and Billion Dollar Enterprise: From Postwar Relief to Europe to Humanitarian Relief to 'Everywhere'—CARE, Inc., in Search of a New Mission," in *International Organizations and Development, 1945–1990*, ed. Marc Frey, Sönke Kunkel, and Corinna R. Unger (Houndmills: Palgrave Macmillan, 2014), 220–239.

13 Lawrence B. Glickman, *Buying Power: A History of Consumer Activism in America* (Chicago: University of Chicago Press, 2009); Matthew Hilton, *Prosperity for All: Consumer Activism in an Era of Globalization* (Ithaca: Cornell University Press, 2009); Matthew Hilton, "Consumer Movements," in *The Oxford Handbook of the History of Consumption* (Oxford: Oxford University Press, 2012); Frank Trentmann, "Before 'Fair Trade': Empire, Free Trade, and the Moral Economies of Food in the Modern World," *Environment and Planning D: Society and Space* 25, no. 6 (2007): 1079–1102.

14 Sheryl Kroen, "A Political History of the Consumer," *The Historical Journal* 47, no. 3 (2004): 709–736; Claudius Torp, *Wachstum, Sicherheit, Moral: Politische Legitimationen des Konsums im 20. Jahrhundert* (Göttingen: Wallstein, 2012).

15 Eugène van Haaren, "Kosmokomplot: Een revolutie die niet mocht," *HN-Magazine*, no. 39 (1995): 54–57.

Fig. 1 Members of the cane sugar campaign present the Minister of Economic Affairs, Leo de Block, with a heart made out of cane sugar, asking him to ‘put a heart into the global economy’. Though their demonstration on December 3, 1968, was held at the seat of the Dutch parliament, they presented banners with English slogans. Their appeal was thus directed to an international audience. Photo: Ron Kroon. Collection: Nationaal Archief, Public Domain

agricultural subsidies. Local campaign groups forged highly diverse coalitions of youth groups, political parties, churches, trade unions, members of peace movements, and initiatives for international aid. These drew attention to the issue of cane sugar through a flurry of activities: demanding local stores to sell cane sugar, selling it themselves, setting up demonstrations, hosting lectures and debates, and asking organisations such as city councils and churches to use cane sugar instead of beet sugar. The primary aim of the campaign was to pressure national and European politics by gaining public support for the cause of the South.[16] Their goal was a comprehensive reform of global trade through international institutions. Because the inequality between the global South and North was reinforced by the very structure of the global market, they campaigned to

[16] Eduard van Hengel, *Suikerraffinement: Rietsuikeraktie 1968* (Amsterdam, 1968).

support institutions such as the United Nations Conference on Trade and Development (UNCTAD) and actors such as its Secretary-General Prebisch, who wanted to revise these structures through international economic policies.

The cane sugar campaign proved an important stepping stone for the fair trade movement practically and symbolically. The campaign was taken up in several other European countries, such as West Germany and Great Britain, after activists from across Western Europe met up in the Netherlands in April 1970. Other products could take on similar significance. Thus, West German fair trade activists set out to sell handicraft and coffee, whilst fellow campaigners in Switzerland sold bananas and soluble coffee.[17] Many of these local campaign groups would soon look to other activities to promote fair trade, founding so-called world shops to coordinate their campaigns, sell products from the South, and distribute information. These resembled the Oxfam shops which had emerged in Great Britain during the late 1960s as places where customers could buy products to support the work of this charitable organisation. World shops, however, were usually focused on political campaigning.[18] Selling products could be very effective nonetheless, at once calling attention to the subject of global inequality and bringing citizens into material contact with the South through consumer goods. To many supporters, these products were more than symbols. They also responded to the suggestion that they could directly support producers by buying these products.[19]

The combination of symbolic and practical support would prove a highly successful formula for the fair trade movement. A broad coalition of activists could come together around selling products. Some were primarily motivated by political convictions and foregrounded the symbolic character of the products. Others were aiming to make a concrete difference for people in less fortunate circumstances. They emphasised the economic benefits that selling their products would bring to producers.

[17] Ruben Quaas, *Fair Trade: Eine global-lokale Geschichte am Beispiel des Kaffees* (Köln: Böhlau Verlag, 2015), 82–90; Konrad Kuhn, "'Handelsförderung ist notwendig und problematisch zugleich'. Die Entstehung des fairen Handels als neue Handels- und Unternehmensform," in *Dienstleistungen. Expansion und Transformation des "Dritten Sektors" (15.–20. Jahrhundert)*, ed. Hans-Jörg Gilomen (Zürich, 2007), 110–116.

[18] Matthew Anderson, *A History of Fair Trade in Contemporary Britain: From Civil Society Campaigns to Corporate Compliance* (Basingstoke: Palgrave Macmillan, 2015), 23–43.

[19] 'Rietsuikerenquete Breda', januari 1974. Private Archive Landelijke Vereniging van Wereldwinkels.

Although the competing moderate and radical approaches were at odds, the practical business of selling products and raising awareness usually provided enough common ground for cooperation between different strands. There was no strict division of labour within the movement concerning these functions, although local groups and campaigning committees tended to focus on publicising, whereas alternative trading organisations were primarily concerned with the immediate needs of producers. Through the 1970s, the movement developed a Europe-wide web of local shops which gave the issue of global economic inequality a widespread local presence. Alternative trade organisations gradually expanded both their networks of producers and the range of products they supplied to customers through shops and mail order. A transnational network of like-minded activists and organisations thus emerged, which debated the same issues and drew on the same action repertoire.

Taking Symbolic Gestures to the Supermarket

The fair trade activism of the late 1960s and early 1970s was committed to achieving large-scale change on short notice through international politics. Even though their campaigns evoked a widespread response among the public in the North, they did not have the desired impact on international affairs. The stalemate between sympathetic but unforthcoming Northern representatives and Southern spokespersons demanding drastic reforms could not be overcome during the 1972 and 1976 UNCTAD conferences. In fact, the economic crises of the 1970s as well as the rift between oil-producing and other countries within the Group of 77 made negotiations even more difficult than they had been during the meetings in 1964 and 1968. Similarly, the calls for a New International Economic Order met with little tangible success.[20] The resulting disappointment

[20] John Toye, "Assessing the G77: 50 Years after UNCTAD and 40 Years after the NIEO," *Third World Quarterly* 35, no. 10 (November 26, 2014): 1759–1774; Bret Benjamin, "Bookend to Bandung: The New International Economic Order and the Antinomies of the Bandung Era," *Humanity: An International Journal of Human Rights, Humanitarianism, and Development* 6, no. 1 (March 16, 2015): 33–46; Roland Burke, "Competing for the Last Utopia?: The NIEO, Human Rights, and the World Conference for the International Women's Year, Mexico City, June 1975," *Humanity* 6, no. 1 (March 16, 2015): 47–61; Nils Gilman, "The New International Economic Order: A Reintroduction," *Humanity: An International Journal of Human Rights, Humanitarianism, and Development* 6, no. 1 (March 16, 2015): 1–16.

among Northern activists caused a shift of focus away from a quick resolution through international politics towards fostering local awareness, having a direct impact, and searching for incremental strategies to achieve large-scale change.[21]

This shift towards an incremental approach did not equal a more moderate outlook among fair trade activists. In reaction to the erosion of the non-aligned movement during the 1970s, they acted upon the chances which individual countries and groups of producers offered for cooperation. Selling their products, activists could continue to combine direct support for these countries and groups with a political message. Alternative trade organisations supplied local world shops with coffee from cooperatives and from socialist countries such as Tanzania and Nicaragua, wine from revolutionary Algeria, and handicraft from small workshops throughout the South (Fig. 2).[22] Activists buying and selling such products held onto the hope for structural global change by financially and symbolically supporting these political projects. Boycotting remained a similarly viable tactic. Some of the most successful campaigns for fair trade during the 1970s aggressively boycotted products associated with South African Apartheid, Portuguese colonialism, and the excesses of multinational companies' corporate practice.[23]

During the 1980s, this incremental approach to fair trade was developed with new vigour. Coffee producers from Mexico and Nicaragua provided an important impulse. Pressed by the debt crisis which erupted in Latin America in 1982, they pointed out that selling marginal amounts of their produce to symbolise the need for change did too little to improve their current situation.[24] This appeal boosted the efforts of those Northern

[21] Cf. Robert Gildea, James Mark, and Niek Pas, "European Radicals and the 'Third World': Imagined Solidarities and Radical Networks, 1958–1973," *Cultural and Social History* 8, no. 4 (2011): 449–471.

[22] Quaas, *Fair Trade*, 181–236; Cf. Kim Christiaens, "Between Diplomacy and Solidarity: Western European Support Networks for Sandinista Nicaragua," *European Review of History: Revue Européenne d'histoire* 21, no. 4 (2014): 617–634.

[23] Cf. Roeland Muskens, *Aan de goede kant: Een geschiedenis van de Nederlandse anti-apartheidsbeweging 1960–1990* (Amsterdam 2013); Tehila Sasson, "Milking the Third World? Humanitarianism, Capitalism, and the Moral Economy of the Nestlé Boycott," *The American Historical Review* 121, no. 4 (October 1, 2016): 1196–1224.

[24] Franz VanderHoff Boersma, "Poverty Alleviation through Participation in Fair Trade Coffee Networks: The Case of UCIRI, Oaxaca, Mexico" (Fort Collins: Center for Fair & Alternative Trade), accessed February 25, 2015, http://cfat.colostate.edu/wp-content/uploads/2009/09/Case-Study-UCIRI-Oaxaca-Mexico.pdf.

Fig. 2 Dutch fair trade activists sold 'clean' ('zuivere') coffee to support Guatemalan cooperatives and the Tanzanian state during the early 1980s. Collection: Katholiek Documentatie Centrum, Nijmegen

activists who had called for a more professional approach to selling fair trade products since the early 1980s.[25] It inspired a focus on solidarity with and development of specific groups of marginalised producers within Southern countries. Yet attempts to realise a larger turnover through

[25] Verslag workshop "Professionalisierung" tijdens de internationale bijeenkomst van Wereldwinkels in Keulen [1987]. Private Archive Landelijke Vereniging van Wereldwinkels; Helpt produktenverkoop?', 24-9-1986. Ibid.

existing channels fell short of their expectations. An attempt to transform the market by changing large companies therefore presented an intriguing alternative. The Dutch ecumenical development organisation Solidaridad had experimented with such an approach in addressing the role of European banks in the Latin American debt crisis. In the course of that campaign, Solidaridad had called on customers to write to the directors of their respective banks and to donate part of their private interest earnings at the same time.[26]

A new incremental approach to confronting global inequality thus emerged, which aimed at improving the economic situation of Southern producers in the short run whilst leveraging a larger market share to exert pressure on politicians and businesses. To that end, Solidaridad's staff followed up its banking campaign by borrowing from the repertoire of the ecological movement. Taking its cue from initiatives for ecological certification, the team explored the possibilities of cooperating with multinational coffee companies and supermarket chains to introduce fair trade coffee through regular retailing channels. Dismissing an initial attempt to develop an independent brand of fair trade coffee, Solidaridad introduced a certification scheme for fair trade coffee in 1988. Any company which complied with the criteria set out by the initiative could sell its own brands of coffee certified as 'fair trade' products. These criteria stipulated that coffee had to be purchased from registered cooperatives of small farmers. Buyers had to guarantee a minimum price, provide credit, and commit to building long-term relations with the producers.[27] The new label was called 'Max Havelaar' after a nineteenth-century novel which criticised Dutch colonial exploitation of coffee farmers. This reference explicitly connected the Dutch colonial past to the attempts to overcome the legacy of colonialism by confronting the unequal global economic trading conditions.

Once the certified coffee was available in supermarkets, fair trade activists hoped to mobilise customers to buy it. If they did, the larger market share could be used to point out to the large multinational coffee firms that customers demanded fair trading conditions. If they could be

[26] Actiewijzer Solidaridad-kampagne 1985 'Onze rente, hun armoede'. Katholiek Documentatie Centrum: Archief Solidaridad, stukken betreffende acties. 1975–1988, nr. 140.

[27] Elisabeth Bennett, "A Short History of Fairtrade Certification Governance," in *The Processes and Practices of Fair Trade. Trust, Ethics, and Governance*, ed. Janet Dine and Brigitte Granville (London: Routledge, 2013), 47–48.

confronted with an economic incentive to take that demand seriously, activists hoped these companies would become more responsive. At the same time, a larger market share would enable fair trade activists to provide politicians with tangible evidence of the popular support for fair trading demands.[28]

Fair trade certification turned out to be immensely successful. It was first introduced in the Netherlands but quickly proliferated worldwide. Shortly after the introduction of Max Havelaar in the Netherlands, a similar initiative by the Arbeitsgemeinschaft Kleinbauernkaffee—continued as Transfair from 1992—was introduced in Germany.[29] During the early 1990s, these two initiatives introduced their models throughout Europe. Driven by the distressing situation in which coffee producers found themselves during a prolonged coffee crisis in the early 1990s and by the widely shared optimism about the chances of fair trade products to obtain a larger market share through availability in regular stores, certification spread rapidly through the movement and was soon also applied to new products, such as bananas, chocolate, and clothing. At the same time, a coalition of British organisations founded their own certificate, the Fair Trade Label.[30] These distinct and at times competing certification initiatives joined forces in 1997, founding the Fairtrade Labelling Organisation (FLO), which set out to coordinate the certification of producers as well as the design of a joint label and a common strategy.[31] During the first 15 years of its activities, the sales volume of fair trade coffee increased more than fivefold to about 120,000,000 kg in 2012.[32]

By Whom, for Whom?

Fair trade has expanded from the margin to the mainstream since the 1980s. In terms of its longevity, network, visibility, and economic impact, it was among the most successful social movements of the post-war era. As fair trade certification spread rapidly throughout the South and the North, it led to a remarkable growth in the economic relevance and the visibility

[28] Peter van Dam, "'Onze rente, hun armoede': De fair trade-revolutie in de jaren tachtig heroverwogen," *Impressie* 17 (2015): 8–11.

[29] Quaas, *Fair Trade*, 287–313.

[30] Anderson, *A History of Fair Trade*, 108–124.

[31] Bennett, "A Short History of Fairtrade Certification Governance," 47–57.

[32] Jos Harmsen, *25 jaar Fairtrade Max Havelaar: Van koffie tot nu* (Utrecht: Stichting Max Havelaar, 2013), 39.

of fair trade. At the same time, the tensions within the movement became more pronounced. Although its initiators had introduced certification as an incremental approach, the importance of the sales volume notably increased because of its immediate impact and potential leverage vis-à-vis businesses and politics. Moreover, certified products were sold outside of the traditional alternative environment of world shops and occasional stands. Supermarkets and wholesale outlets did not provide the same opportunities for connecting the product to an overt message about the need to transform the global market. Certification thus threatened to reduce the significance of publicising fair trade in favour of practising it through selling products.

Attempts to explain and evaluate the transformation of fair trade in the wake of the introduction of certification have resulted in a lively debate about 'mainstreaming'. Had fair trade activism radically changed in character by operating within mainstream markets? Some observers lauded the new approach as a 'brilliant idea' with 'spectacular achievements', others mourned the loss of the alternative character and the political approach to fair trade.[33] Both sides, however, paid excessive attention to the immediate economic dimension of fair trade certification. To understand how fair trade activism has evolved since the 1980s, we need to look beyond the short-term impact of certification. The attempts to transform the global market went beyond improving the present economic situation of producers and fostering their capacity for autonomy. Besides certification, other tactics were developed to impact mainstream companies and politics by appealing to the notion of corporate social responsibility and the politics of international trade. Activities which prioritised publicising fair trade continued to play a significant role in these respects.

The success of the fair trade movement during the 1990s and 2000s should be regarded as resulting from a broad pallet of mainstreaming tactics, which both benefitted and fostered the importance of corporate social

[33] John Bowes, ed., *The Fair Trade Revolution* (London: Pluto Press, 2011); Frans van der Hoff and Nico Roozen, *Fair Trade: Het verhaal achter Max Havelaar-koffie, Oké-bananen en Kuyichi-jeans* (Amsterdam: Van Gennep, 2001); Harriet Lamb, *Fighting the Banana Wars and Other Fairtrade Battles: How We Took on the Corporate Giants to Change the World* (London: Rider, 2008); Michael Barratt Brown, *Fair Trade. Reform and Realities in the International Trading System* (London: Zed Books, 1993); Gavin Fridell, *Fair Trade Coffee: The Prospects and Pitfalls of Market-Driven Social Justice* (Toronto: University of Toronto Press, 2007); Daniel Jaffee, *Brewing Justice: Fair Trade Coffee, Sustainability, and Survival* (Berkeley: University of California Press, 2007).

responsibility. At the same time, the expansion of the appeal of fair trade prompted a reconsideration of the aims and means of fair trade activism itself. The attempts to establish fair trade as a mainstream practice expanded it beyond the selected products of alternative trading organisations. These organisations had vouched for the 'fair' nature of their products with the specific nature of their operations and their direct relations with hand-picked groups of producers. As fair trade expanded its range of products, partners, and producers, the need for new means of guaranteeing the 'fair' nature of the products arose. Certification pertained to solve this problem. In order to obtain fair trade certification, independent monitoring was introduced to guarantee that companies which did not traditionally comply with fair trade norms were abiding by fair standards in regard of the certified products that they were selling. However, this approach also presented new problems. Monitoring was costly and hard to conduct in a satisfying manner.[34] As the reach of certification grew, the original focus on smallholder production also became questionable. The inclusion of actors who were not part of the fair trade movement and the expansion of the product range increased the importance of transparency throughout product chains.[35]

The repertoire of mainstreaming tactics as well as the tensions which emerged within the fair trade movement during the 1990s and 2000s became apparent around the activities of the Clean Clothes Campaign (Schone Kleren Kampagne), an international campaigning organisation which was officially established in the Netherlands in 1990. Its initial campaigns were aimed at the clothing multinational C&A, which was targeted because it sold clothes produced under precarious circumstances both in Southeast Asia and in European countries.[36] The Clean Clothes Campaign employed tactics which aimed to expose such corporate malpractices to the public. The aim was to immediately leverage companies into improving working conditions in the specific instances that were brought to light and to encourage them to formulate corporate standards and abide by them in the long run. The Campaign thus employed a two-sided mainstreaming strategy, which consisted of generating public pressure on the

[34] "Schone kleren vs. Made-By over arbeidsomstandigheden", *Communicatie* 13, no. 5 (2007): 45.

[35] Dara O'Rourke, "Multi-Stakeholder Regulation: Privatizing or Socializing Global Labor Standards?," *World Development* no. 5 (2006): 899–918.

[36] Marijke Smit and Lorette Jongejans, *C&A, de stille gigant: Van kledingmultinational tot thuiswerkster* (Amsterdam: Stichting Onderzoek Multinationale Ondernemingen, 1989).

one hand and offering to collaborate for improving labour conditions on the other. To this end, it developed a 'Fair Wear Manifesto', which would provide the basis for the 'Fair Wear Foundation', founded in 1999. Clothing companies which wanted to cooperate were offered guidelines for fair working conditions throughout its product chain and advice on how to effectively monitor these conditions. Originally, this participation was intended to result in comprehensively 'fair' companies, which complied with the guidelines for working conditions and monitoring.[37]

Clothing emerged as a potential new market for fair trade certification during the late 1990s, as cooperatives which produced cotton inquired into the possibilities of fair trade certification. Once again, the campaigning organisation Solidaridad pioneered the initiative. Its staff helped to set up the clothing brand Kuyichi, which intended to sell fair trade jeans and other clothes made out of certified cotton. This, however, brought them into conflict with representatives of the Clean Clothes Campaign, who objected that Kuyichi was disregarding its responsibility for the parts of the product chain beyond the cotton farmers. According to information obtained by the members of the Campaign, Kuyichi employed factories of dubious reputation. They found that the standards for monitoring that Kuyichi intended to comply with were as lax as those of many regular companies. To maintain a common stance on fair trade, these critics urged Kuyichi's founders to hold themselves to the higher standards which the Clean Clothes Campaign promoted. If 'fair' companies did not comply with these standards, other companies would be provided with an excellent argument not to comply either.[38]

Similar tensions arose as Fairtrade Labelling International discussed its plans to introduce 'fair' clothing with members of the Clean Clothes Campaign in 2003. The latter pleaded for an approach which would not prioritise small farmers, but instead take the whole chain from cotton fields to retail stores into account. Although the labelling organisations were sympathetic to this plea, they pointed out that their own organisations had the primary aim of supporting marginalised producers. By

[37] The Dutch Fair Wear Charter Foundation Is Founded, *Clean Clothes Newsletter* (1999) 11, 20. ISSG: Clean Clothes Campaign. 17: English newsletters; 'Short and very incomplete overview of development in Europe relating to codes'. IISG: CCC. 26: Barcelona 1997–2001.

[38] Evert de Boer, Schone Kleren Kampagne, aan Solidaridad, 18-3-2003. IISG: CCC. 35: Notulen 2003; Evert de Boer, Schone Kleren Kampagne, aan Solidaridad, 18-12-2003. IISG: CCC. 35: Notulen 2003.

extending the benefits of fair trade certification to marginalised cotton farmers, these organisations would be able to significantly improve their situation. Even though the labelling organisations deemed it important to ensure fair working conditions in the entire chain, this was a long-term goal. They specified that production partners had to comply with the international protocol for corporate responsibility known as SA8000 and insisted on regular monitoring in this regard. The Clean Clothes Campaign rejected this approach, both because it found the stipulations in the protocol wanting and because it had documented many instances in which monitoring had failed to detect malpractices which had been reported by other sources.[39]

The debate about how to include factory workers into the system of fair trade certification was but one instance of a broader debate which was raging within the labelling organisations in the 2000s and 2010s: should certification be expanded to include plantations and factories beyond smallholder production? The mainstreaming tactics had at first presented transparency as a demand which the fair trade movement conveyed to external parties. Because of the notable expansion of the range of partners and products, this had now become a demand which pressured their own activities too. As these activities were also aimed at products with extended chains of production, the tension between a particular and a universal approach to fair trade became acute. Was fair trade intended to benefit particular groups of marginalised producers or should it promote universal standards for fair conditions? Whereas the labelling organisations had traditionally adhered to the former viewpoint, the Clean Clothes Campaign insisted on the latter. This went hand in hand with a revaluation of the nature of fair trade products and 'fair' companies. Instead of presenting these as entirely 'fair', campaigning organisations such as the Clean Clothes Campaign and entrepreneurs such as the fair trade chocolate firm Tony's Chocolonely acknowledged that entirely fair products were almost impossible to procure. Instead, they presented themselves as being committed to improving social and ecological conditions within product chains in order to maybe someday achieve a situation which corresponded to their ideals. For example, Tony's Chocolonely went from claiming to sell

[39] Olaf Paulsen, FLO International, to Clean Clothes Campaign, 15-12-[2003]. IISG: CCC. 246: Fair trade; Clean Clothes Campaign to Olaf Paulsen, 9-1-2004. IISG: CCC. 246: Fair trade; Fenny Eshuis & Stephan Peijnenburg, Product policy Max Havelaar Netherlands, June 2004. IISG: CCC. 246: Fair trade.

'slave-free chocolate' to stating that through selling and buying its products, 'together we are making chocolate 100% slave-free'.[40]

Even though consumer awareness and corporate social responsibility often appeared to be the main focus of the movement, fair trade activists did not give up on political action. Drawing on experiences with local activism since the 1970s, they regularly addressed local town councils and national and European institutions to solicit resolutions in support of fair trade and integrate fair trade standards into their procurement policy. During the 2000s, the fair trade town campaign which emerged in Great Britain spread across the world. A town could apply for the title of 'fair trade town' if its council committed to fair trade, a group of local citizens promoted it, and a number of companies offered fair trade products. Ten years after the town of Garstang had proclaimed itself the first fair trade town in 2001, there were more than 500 such towns across the world.[41]

Much of the debate about the consequences of the recent success of the fair trade movement has revolved around the question of whether 'mainstreaming' has impacted the ability of fair trade activism to transform the global market. Has co-optation rendered the movement incapable of addressing global economic inequality, or is the adoption of fair trade standards by companies providing opportunities for meaningful change in this regard? Opting for mainstreaming tactics has enabled the movement to improve the situation of marginalised producers, even though their number remains limited and the scale of the impact diverges from case to case.[42] It has also enhanced the visibility of the movement significantly and has presumably contributed to the recent popularity of the notion of corporate social responsibility.[43]

The introduction of product certification has allowed the movement to be impactful in the short run and been able to substantially lower the threshold for the public to participate. The success of certification, however, has in turn resulted in considerable pressure on the movement itself. The figures stating the turnover of fair trade products provided welcome

[40] Jeroen Siebelink, *Het wereldschokkende en onweerstaanbaar lekkere verhaal van Tony's Chocolonely* (Amsterdam: Thomas Rap, 2018).

[41] Kathryn Wheeler, *Fair Trade and the Citizen-Consumer: Shopping for Justice?* (Basingstoke: Palgrave Macmillan, 2012), 42–43.

[42] Ruerd Ruben, "The Fair Trade Balance: New Challenges after 25 Years of Fair Trade," *FERDI Policy Brief* no. 52 (2012): 1–7.

[43] Sandra Bäthge, *Verändert der faire Handel die Gesellschaft?* (Saarbrücken: Ceval, 2017).

'hard' measures of the importance of fair trade. Such indicators could be used to persuade companies to participate and politicians to enable fair trade schemes, whilst they could also be referenced in relation to the general public as a sign of a vigorous and attractive movement. At the same time, this focus on economic success threatened to overshadow the publicising tactics of fair trade activism, such as boycotting and demonstrating. This made the movement susceptible to the objection that it overvalued immediate economic contributions and reduced the role of citizens to that of consumers who can contribute to fair economic relations simply through buying the right products. In addition, examples showing practical limitations of certification initiatives became a serious threat for a movement which presented economic impact as a prime measure of its viability.[44]

Partnerships with actors not traditionally linked to the fair trade movement generated a constant threat to the credibility of the movement. For example, the main reason why a large number of Dutch world shops spoke out against the Max Havelaar initiative was the planned cooperation with supermarket chains with which the world shop members did not want to be associated.[45] Similarly, many fair trade supporters have objected to the German retail chain Lidl selling fair trade products, because the symbolic message of fair trade projects sits uneasily with the poor working conditions for Lidl employees.[46]

Mainstreaming has been pursued primarily by national and international campaigning organisations, gradually shifting the weight of the movement away from local groups since the 1980s. Fair trade certification bypassed local groups to a certain extent, because they were neither the only nor the most impactful parties selling these products. Similarly, small-scale producers could not always comply with the criteria for fair trade certification upfront and could not afford to fund a transition by themselves. At the same time, some mainstreaming strategies mitigate radical voices within the movement. By prioritising the selling of certified fair

[44] Paul Hoebink et al., *The Impact of Coffee Certification on Smallholder Farmers in Kenya, Uganda and Ethiopia* (Nijmegen: Centre for International Development Issues Nijmegen, 2014).

[45] Vergadering van de stichting Max Havelaar op 7 februari 1988 te Utrecht. KDC: Solidaridad. Agenda's voor en verslagen van vergaderingen van het algemeen bestuur, 1986–1999. Nr. 298.

[46] Susann Schädlich, 'Lidl lohnt sich nicht für jeden', *taz*, 21-3-2012, http://www.taz.de/!5097977/ (20-10-2016).

trade products, the fair trade movement could no longer afford to antagonise large businesses, which were often important channels for their products. In a similar vein, the marketing of fair trade products restrained fair trade organisations from negative campaigning, which called for a positive profile.

In the long run, mainstreaming tactics have caused an unexpected reversal. Its success presented the fair trade movement with the question of whether to continue to primarily promote the interests of a particular group of marginalised producers. The expansion of the range of products and partners has elevated the importance of transparency, especially in relation to products with more complicated chains of production such as clothing. The expectation of transparency, however, was not only extended to external partners, but also applied to fair trade organisations themselves. As a result, the limitations of their own endeavours with respect to applying fair standards throughout product chains have become apparent. This in turn prompted the question of how to achieve a more comprehensive approach which would extend impactful standards of fairness to all parts of the product chain.

Conclusion: Towards a Universal Perspective?

The evolution of activism for 'fair trade' since the 1960s foregrounds that global inequality has a history beyond economic indicators. This history enhances our understanding of the reactions to global inequality by gauging the impact of decolonisation beyond the realm of international politics. Explicitly or implicitly, attempts to transform global politics and trade responded to the question of what a more equitable world after decolonisation should look like. Social movements such as the fair trade movements have translated their criticism of global inequality into highly diverse forms of action. Citizens in more prosperous parts of the world have tried to muster their influence as citizens and as consumers to transform the global marketplace in favour of the 'Third World'. During the late 1960s and early 1970s, they primarily directed their attention towards a reform of international politics. During the 1970s and 1980s, they aimed at solidarity and support for cooperatives and leftist countries. Since the 1980s, support for marginalised producers in the South became the primary focus. The search for more equitable global relations was thus intertwined with the question of what responsibility citizens had as consumers and what political power they could wield in this particular role.

The conceptualisation of economic inequality and the approaches to transforming the global market have primarily been aimed at improving the position of producers in the global South. In this respect, the movement has not been quick to adapt to the reversal of trends in global inequality. Economists such as Branko Milanovic have pointed out that since the 1980s economic inequality between states has decreased, whilst inequality within individual states has increased. The ongoing debate about the focus of the fair trade movement on either improving the lives of marginalised producers or promoting universal standards cautions not to overstate this trend. Inequality between states may have decreased, but remains a formidable issue, which continues to be of particular concern to citizens across the world.