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## **Banana Battles**

I was trudging wearily round a supermarket in Camberwell, south London after work one evening, wondering what on earth to cook for the family supper, when my eye was caught by a bright-eyed, ten-year-old boy tugging at his father's sleeve.

'Dad, Dad! Let's get this coffee, Dad. With this Mark on. It means the farmers get a fair deal,' he announces ever so slightly proudly, putting a packet of coffee in their trolley. 'I saw it on <u>Blue Peter</u>, on children's TV.'

His father is keen: the coffee, from the company <u>Cafédirect</u>, comes from Peru and has a picture of the ancient ruins of Machu Picchu on the front. He runs his finger over the photo and talks excitedly to his boy in Spanish. It's soon clear the family are themselves from Peru. The child scampers off to get some Fairtrade bananas too, still enthusing about how buying this fruit will help the children of banana farmers to go to school. Resisting the urge to try to recruit him to our promotion team on the spot, I watch him drag his smiling father round the end of the aisle.

'I think the farmers should get all the money, don't you?' the boy says, glancing up and hopefully adding, 'There's Fairtrade chocolate too, you know

As my kids would say: How cool is that? How cool that the next generation gets the idea of Fairtrade straightaway; no messing, no clever gainsaying or quibbling; to them, it is obviously right that the farmers who work day in, day out in the fields should get a fair price. How cool that they heard about it on the TV and then could find those bananas right there in the supermarket. When that child was born, <u>Fairtrade bananas</u> seemed a hopeless dream. Who

would have thought that today half of all bananas in Switzerland, one in five of those in Britain should now be Fairtrade; that they have become part of the fabric of our lives when recently they were contested so hotly, dismissed so coldly. There, surrounded by shoppers pushing past me, my mind rewound ten years to a painful memory of when I first went to the steamy, emerald green country of Costa Rica.

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What could I say? There was nothing I could say. So I just sat next to Maria, held her hand, listened to her story and cried with her. I was in Costa Rica to find out about life for the workers who grow the bananas sold in Britain's shops. But suddenly I was just one mother listening to another talking about the most precious thing in the world – her child.<sup>1</sup>

Like so many local men, her husband, Juan, worked on a banana plantation. During the 1980s his job was to inject a chemical called <u>DBCP</u> into the ground with a hand-held machine to kill the worm-like parasites that attack the roots of banana plants. He prepared the chemical, carried it in an open container, and reloaded the machine from an open vat many times a day. As he worked he breathed in DBCR It often went on his skin.

Juan knew nothing of its hidden dangers. But the chemical companies who made it did, and the banana companies that used it did. The US manufacturers knew DBCP caused sterility in rats as early as the 1950s but suppressed the information and pressured officials to approve its use. Then in 1977 it was revealed DBCP had made thirty-five workers sterile at a factory in California. The state quickly banned its use and the <u>US Environmental</u>

Protection Agency stopped registering any products containing DBCP.<sup>2</sup> But the <u>chemical manufacturers</u> went on exporting it to poor countries like Costa Rica, where the banana companies continued using it on their plantations.

Day after day Juan's body absorbed the poison – slowly and silently. Only years later did it exact its toll. It was 16 November 1993. It should have been one of Juan and Maria's happiest days. But, Maria told me, after she had given birth to her son, the hospital staff seemed afraid to bring him to her. It had been a very difficult birth. In the end it was a caesarean.

'But now that was all over, I just wanted to see my child,' she said.

When she finally held him in her arms, she understood why it had been such a hard delivery and the staff had been reluctant to show her the baby. The boy was severely deformed. His head was four times bigger than his body. His eyes and nose were joined together. He had no proper eyelids. His skin was sickly green. Parts of his brain were missing. And it had all been caused by his father's exposure to DBCP.

Haltingly she told me – with her eyes filling up – how her baby could never sleep for more than two hours at a stretch, as his condition tortured him. Even now, years later, it makes me cry when I remember her telling me, as she gestured weakly to the room where he had lain, how she couldn't even cuddle the crying boy.

'I couldn't hold him because it seemed to make him cry more. So I just talked to him and cried with him. It's the worse thing that can ever happen to anyone. There are no words to explain what life is like.'<sup>3</sup>

When Maria and Juan went to their local doctor for advice about the cause of the deformities and what could be done to help him, he fobbed them off.

'The doctor is in the pay of the company' the local priest later told me. A few months later the baby died. Maria was far from alone. The babies of over 3,500 women in Costa Rica alone suffered <u>birth defects</u>, we were told. Tens of thousands of workers in <u>Central America</u> and <u>Asia</u> say they have been left sterile by DBCP.<sup>4</sup> As we sat there, and she showed me pictures of her baby, rage bubbled up inside me because the companies knew of the dangers of this chemical but they ignored them. I have never, ever forgotten Maria.

As I walked away down the path from her small house, I felt a burning desire to tell <u>supermarket</u> shoppers the misery suffered by people like Maria and Juan in order to deliver ever cheaper and more spotless fruit into their shopping trolley. It was 1997. I was working for a British pressure group on world poverty, the <u>World Development Movement (WDM)</u>. I was in Costa Rica's banana-growing Atlantic region with <u>Alistair Smith</u> – a tall, intense campaigner from the watchdog group <u>Bananalink</u> – to find out from the

workers there how shoppers who ate their bananas could support their struggle for better wages and conditions. The emotions of my meeting with Maria were still churning inside me as he and I sat later in a smoky, ramshackle cafe in town sipping hot sweet coffees and long glasses of water. Nick, a somewhat dishevelled freelance journalist who was hoping to interest TV's *Channel Four News* in the issue, had just joined us.

We were discussing the companies' line that things had improved. 'Things are getting worse, not better,' Alistair interjected heatedly, looking up from rolling a cigarette. 'The price war between the supermarkets means the banana companies are squeezing workers so they can get the fruit cheaper. Sackings, union-busting, wage cuts, threats to move production to other countries, intimidation – you name it. They're clamping down everywhere.'

I'd felt this pressure among the staff of the country's embattled Plantation Workers Union, called <u>SITRAP</u>, when we'd visited earlier in the day. 'It's like a war now,' one of them had told me starkly.

Arriving during the still-gentle, pink, early sunlight we'd met <u>Carlos</u> <u>Arguedas</u>, a former 'bananero', banana worker, now working on environmental issues at SITRAP. His warm, avuncular face and drooping grey moustache belied the horrors he, too, had suffered.

'Yes, I'm one of the "burnts", as we're jokingly called,' he told me. 'I was affected by DBCP. I am unable to procreate. I have headaches, kidney problems, loss of sight. DBCP produces inflammation of the testicles, or the shrinking of testicles even to the point of being nearly eliminated. The worker who has reduced testicles has suffered less than those whose testicles have been inflamed or those who have had to have theirs amputated. There are co-workers affected by DBCP who don't have genitals any more now.'

By that time 16,000 banana workers from twelve countries were trying to take legal action in the US courts against the chemical companies Shell, Dow Chemical and Occidental Chemical as well as the three banana giants — Dole, Chiquita and Del Monte — that dominate the trade. Despite years of legal wrangling, none of these workers had yet received one single cent in compensation from US courts. Others had felt compelled to take offensively small, out-of-court settlements. Many have died young waiting for justice. In

November 2007, however, after decades of doing everything to avoid justice in the US, Dow and Dole finally were proved guilty in a Los Angeles courtroom of making six Nicaraguan banana workers sterile through the use of DBCP and were ordered to pay out \$3.3 million in compensation. Company letters from the 1960s and 1970s were used in court to show that 'Dole knew about the problems with DBCP, but wanted to continue using the chemical because the company feared not doing so would hurt their banana crops', reported Associated Press. Thousands of further cases of banana workers in Central America and West Africa who allege they have been affected by DBCP are waiting to come to court.<sup>5</sup>

As we sat in the union's cramped office, Carlos told me he'd eventually accepted an out-of-court settlement of \$7,600 – no liability was admitted, but it was only enough for ten treatment sessions at a local clinic for a condition he'd have for the rest of his life. And yet, he says, some US workers affected by DBCP received \$1 million compensation each.

He says of the pay-out, 'It makes me angry when I think the <u>multinationals</u> come to our country, contaminate our men, take back their dollars, leaving mutilated men and women, and don't face up to their responsibilities afterwards.'

I asked Carlos if he'd like to give a message to people in the UK who buy Costa Rican bananas. His response was striking, 'Bananas carry a high cost in this country. We don't ask people in Britain to stop buying them. But we do ask they be mindful so that sooner, rather than later, we should have a banana industry that is in accord with nature and with humankind. We hope to have the strength to continue producing that dessert which is so popular in your country. But we hope to continue doing so in humane and ecologically sound living conditions.'

His vision of a fairer way of trading bananas could have sounded hopelessly naive. But from Carlos, who knew first-hand the brutal realities of the cut-throat trade and the power of the companies who controlled it, the words were powerful and inspiring. I felt then for the first time, as I feel now, that building this better type of trade *had* to be possible. And across the world – in Costa Rica, in Mexico, in tiny <u>Caribbean</u> Islands, in development

organisations in Europe and North America – more and more people were thinking along the same lines. The beginnings of a global movement were stirring.

Today, when every banana in British supermarkets <u>Sainsbury's</u> or <u>Waitrose</u> carries that cheerful little blue and green FAIRTRADE Mark which embodies exactly that vision of a fairer, more environmentally sustainable trade, it is easy to forget that back then the idea was new. In fact, it was so new that most people saw it as mad or irrelevant – or dangerous enough to need stopping.

Before long, I was to be drawn into the long, hard battle to turn this vision into reality. For the dropped stone of Carlos's words spread ripples through my mind.

The next morning we drove into the plantation on a side-access road. After a while Carlos asked the driver to pull over and stop. And then the silence hit me. Apart from the occasional flapping from the great fraying leaves arching into the air around us, there wasn't a sound. No birds. No animals. I almost felt I had to whisper so as not to wake up the ranks of bowing green giants. It was eerie.

Nothing else lived in this lush desert — only the one Cavendish variety of bananas, growing in line after line, for mile after mile. The ripening bunches hung on the plants in translucent blue plastic bags impregnated with yet more insecticide. You could see why they needed such a constant chemical barrage — pests and diseases could spread like wildfire through such one-crop agricultural factories.

Cables were suspended at intervals above the rows with hooks to carry the bunches, ski-lift-like, to the packing sheds. There, workers slice each hand of bananas off, wash them in great baths of water, before checking them for exacting quality standards and packing them into boxes along lines of steel rollers. Often this job is done by women who, as they were later to tell me, had missing fingernails and damaged skin from working in the chemical-filled water.

As we stood awed by the vastness of the plantation, we suddenly heard a distant buzzing. It steadily grew louder, but we still couldn't make out where it was coming from. Then a small yellow plane started to appear over the horizon. As it came closer I could see, strung underneath the length of its wings, two pipes with dozens of nozzles pouring down an intense fine rain.

Nick rushed back to the car and climbed on to its roof to get into position. He steadied his camera and his nerve to get a shot of the plane roaring over us so low it seemed to touch the tops of the banana plants. The startled pilot momentarily caught this strange sight. We quickly jumped into the car as the foul-smelling cocktail of <u>pesticides</u> fell, our eyes and noses running from just this passing exposure.

Elsewhere 'marksmen' stood holding flags to guide the pilot to the bloc of bananas selected for spraying on that run. The process went on incessantly, with each section covered as often as every five days to keep at bay the black sigatoka fungus that is the dread of all banana growers. But, as Carlos told us, bananas were not the only things covered.

'Whole areas of the population get sprayed by the poison: schools, churches, wells, homes with children and the sick – all kinds of people are constantly contaminated by the poison which the planes and the wind carry long distances.'

Workers and their families in another part of the plantation complained of asthma and bronchitis, heart and skin ailments; while Carlos told us of the contamination of soil and rivers, coral reefs and wildlife killed by the run-off from the plantations.

The next day, Carlos introduced us to Dolores. A large woman, bustling round her wooden house, she straightened white crocheted doilies on the long table as she brought us tea and biscuits. She sighed as she said their wages had been cut yet again. The milk for her young children now used up more than half the wage packet.

'The rest goes on food – only vegetables. The water is bad here so my daughter has tapeworm and amoeba [that causes dysentery]. But we don't

have money to treat it. It's really difficult if we need to buy clothes or shoes; we just don't have enough money'

The connection was direct: cheaper bananas in our shops meant people like Dolores getting less to survive on. Any action by the workers to resist the wage cuts was blocked by the companies. Later in the evening we met some workers in secret who were trying to get better conditions by organising a trade union.

'The problem we face, not just on this plantation but on all plantations, is that we are not allowed to stand up for our own rights,' one worker told us. 'Union members are persecuted. Even just saying the word union is asking to be sacked.' People wanted to talk and talk, but finally we had to leave. We drove off out of the sickly chemical air – knowing that most people could not escape so easily.



Back in London I worked furiously distilling the evidence from Costa Rica into briefing materials and campaign leaflets calling on people in the UK to write to one of the largest banana companies, Del Monte Fresh Produce.

To get things going, one hot day in August 1997 we paid a surprise visit to the Kent headquarters of Del Monte. And took a few banana skins with us. A tonne of them actually.

The <u>Body Shop</u>, who used bananas to make a lush shampoo, had a regular supply of the discarded skins and was happy to help. We filled a white van with banana skins at the Body Shop HQ in Littlehampton, and drove to Kent. Outside Del Monte's warehouses, our small group of protestors nervously readied themselves in the back of the warm, and by now smelly, van.

We weren't sure we'd have time to mount the protest before the security people stopped us. Nerves jangling, we drove into the yard, parked in front of a loading bay, opened the doors and shovelled the banana skins on to the tarmac. I squelched up the mound and triumphantly planted a placard on top declaring: 'Stop Del Monte Dumping on Banana Workers'. Stunned staff watched out of the windows as security guards wondered what to do. The

journalists we'd tipped off took their pictures, and the management invited us in to explain our concerns.

That night on *Channel Four News*, the shots of the demonstration ran together with the footage of the plane spraying pesticides on the plantation in Costa Rica and a report on the conditions suffered by banana workers. I felt we had, at least, started to honour our promises to the banana workers to publicise their plight and build pressure for change. The battle was on.

As letters from the public piled in over coming months, Del Monte's management agreed to meet us with two Costa Rican trade unionists. We met in an anonymous, airless meeting room with flock wallpaper and lurid swirly carpets in a business hotel in Kent. As we left the reception we allowed ourselves some guarded smiles and celebration. The company had agreed to negotiate a deal with the union! And they did indeed sign an agreement allowing trades unions to organise freely on all their plantations.<sup>7</sup>

But it's a fact of life that change is hard won: two steps forwards are all too often followed by at least one-and-half back. At first, hundreds of workers started joining the union. But within a year, with a further banana price war breaking out, the deal was falling apart and the faxes from Costa Rica told grim news.

At the same time, the banana companies were seeking to protect themselves from future PR nightmares by trying to reassure consumers that their bananas were exploitation-free. Following the World Development Movement campaign, the <u>Banana Group</u>, representing the main banana importers and suppliers, announced plans to launch a <u>Banana Code</u> to 'prove to customers that we are taking these issues seriously'.<sup>8</sup>

I knew from other industries we'd worked on, such as the toy industry, that such codes are several sandwiches short of the full picnic. Codes lack teeth and have no independent monitoring so companies can make claims that might, or might not, be true: but how can the customer know? They might or they might not be doing a better job. The emphasis is too often on insulating the company's reputation from the reports of the worst excesses, and giving them tick-box reassurance — without investing the resources in enabling suppliers to make long-term change. Indeed, codes usually demand more and

more of suppliers – at the very time that prices are being cut. I knew codes just weren't enough. We would keep supporting the unions so that they could represent workers' interests on a daily basis on the plantation and keep putting pressure on companies. But we were also convinced that, just as companies are governed at national level by national laws, so in the age of global companies, we needed global regulations. At the same time, I kept hearing about this 'Fairtrade banana' and thought of Carlos's appeal for a new vision of banana trading.

I remembered when I was a postgraduate student at the Institute for Development Studies at Sussex University how my tutor Robin Murray's brand of economics in action inspired me. He'd been an architect of the pioneering Fairtrade organisation TWIN, and was also behind the Fairtrade company Cafédirect they had set up along with Oxfam, Traidcraft and Equal Exchange. Its impressive debut was starting to make big waves in the coffee world and the supermarkets. So I went to see him. I wanted to know – could the model they had pioneered for coffee, work for bananas?

'We need "do-tanks" not "think-tanks",' he said as he explained their first steps in Fairtrade. 'We are', and now he cupped his hands in the air, 'trying to create a little bubble in the global economy o where we do trade differently, where we show it can be done successfully by putting people first.'

His inspirational words were also grounded in realism. But he was distinctly less optimistic about Fairtrade in fresh fruit having already got his fingers burnt with one of the earliest experiments. Back in the 1980s a poverty-stricken Mozambican government under constant attack from apartheid South Africa, wanted to sell <u>oranges</u> to the UK and Sainsbury's had shown interest. But the entire consignment had gone rotten before it even reached the docks in <u>Mozambique's</u> capital, Maputo, and the venture collapsed. It was an expensive mistake that no one in Britain was in a hurry to repeat. But among Fairtrade pioneers in other countries moves were already well afoot to address the banana challenge.



Not long after, in 1998, I got the chance to help nurture the fledgling Fairtrade banana by taking up a job with the – embarrassingly comical – title of

Banana Coordinator at the newly created <u>Fairtrade Labelling Organisations</u> International (FLO) in Bonn, <u>Germany</u>. The national Fairtrade groups in Europe and North America had pooled their efforts by recently establishing one international organisation. In each country, organisations like the <u>Fairtrade Foundation</u>, which is a charity set up by groups like Oxfam, would focus on building public support for Fairtrade and getting companies on board. FLO's brief was to avoid duplication in the international sphere – working with farmers and workers in developing countries to forge a common international system for awarding goods the Fairtrade stamp of approval so that if you went shopping and bought a banana with the FAIRTRADE Mark on it you'd know the producers had received a better deal.

The rules for bananas to carry the FAIRTRADE Mark had been hammered out before I arrived. It had been no mean feat getting all the producers from Costa Rica, Ecuador and Ghana, as well as activists and Fairtrade organisations from the Netherlands, Switzerland and Germany, to agree on when a banana could be labelled a 'Fairtrade banana'. As I ploughed through the detailed standards, I realised that this was Carlos's vision of a 'humane and ecologically sound' banana trade codified into a charter that any company could meet — if they had a mind to. Here, finally, was a scheme that went to the economic heart of the matter and was based upon empowerment of the farmers and workers.

My top priority after starting my new role was to visit the farmers and learn for myself how the system worked. Ecuador is king of bananas, selling more than any other country. The banana companies, in their relentless search for cheaper bananas, had been switching to non-unionised Ecuadorian plantations with even worse conditions than I'd seen in Costa Rica – including using child workers as young as eight.<sup>9</sup>

But some of the first Fairtrade bananas had come from a small farmers' association also in Ecuador, and so we travelled up from the coastal city of Guayaquil to the El Guabo Banana Cooperative in the south of the country.

The roads here are perfect, fast, wide and well tarred – and soon it becomes clear why. It's weekly harvest day, and long sleek lorries are

pounding down the highway, boasting their branding of Dole, Del Monte, Chiquita and also Noboa, the name of Ecuador's own billionaire banana king and three times presidential candidate, <u>Alvaro Noboa</u>. The fact is that these companies – together with <u>Fyffes</u>, making the banana world's 'big five' – produce four out of every five bananas sold in the world, while also controlling much of the packing, transport, shipping, ripening and distribution too. It's a classic case of what economists call an <u>oligopoly</u>.

When we arrive at El Guabo we are greeted by <u>Jorge Ramirez</u>, the dignified manager of El Guabo and <u>Jeroen Kroezen</u>, then a Dutch volunteer supporting the group and today Director of the Dutch company which pioneered the sale of Fairtrade bananas in Europe, <u>Agrofair</u>. As we drive past the vast plantations on either side of the road, they start pointing out the little farms squeezed in between that belong to their members, all busy with the harvest but always ready to take a break and show us round. Grinning widely, they give us the idiot's guide to banana farming as we crunch over the dry leaves of their farms – on average about six hectares, though many are less. I make a mental note not to tell my children about the guinea pigs one farmer keeps, and breeds to eat, just as European farmers keep chickens.

The contrast between these small, lush farms tended by one family and the plantations was stark. As isolated individuals it was obvious the small farmers hadn't a hope of competing. But by joining together through the cooperative to meet quality and <u>Fairtrade standards</u>, arrange transport and sell their bananas overseas they had a fighting chance. Through being in a cooperative, families combine the responsibility and incentives of having their own small farm but also gain the advantages of being part of a bigger operation – and are able to export their produce themselves. Starting with just fourteen farmers in 1997, today there are now over 350 farms in the El Guabo co-operative. <sup>10</sup>

In the small town of El Oro, the centre for El Guabo's processing operation, a container lorry parked in a side street is acting like a magnet. From all directions, battered pick-up trucks are rumbling in with bananas the farmers have spent the day harvesting. The co-op's quality controller is doing rigorous checks and recording each farmer's harvest for the week, before loading them into the container, treating each box like glass to protect the

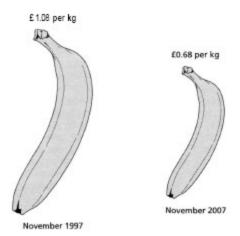
precious quality. Everyone is working flat out into the night before racing down to the port and getting the bananas on to the boat for the morning's departure.

The Fairtrade rules are, first and foremost, for traders to meet. Most farreaching, the standards say companies must pay the growers' organisation a guaranteed, fair and stable minimum price. For bananas, the prices are calculated for each country based on how much it costs farmers to produce bananas there in a sustainable way. So, for example, the Fairtrade minimum price is higher in the steep hills of the <u>Windward Islands</u>, than in the flatter banana zones of Ecuador. Importers must pay this minimum price even when the going market price sinks below it – as it usually does.

Bananas have been beset by a series of vicious <u>price wars</u> – which still go on. At one point, in June 2007, Asda and all the other big UK supermarkets cut the price of their loose bananas to 59p a kilo – 45 per cent lower than five years before. While by September they had put prices back up, such price cuts don't come free: someone somewhere pays the price and usually that's the growers – who often have to sell their fruit for less than it has cost them to grow it. So the Fairtrade minimum price is a huge boost, and a security, for producers.

The farmers explained to me animatedly that they used to get throwaway prices for their fruit. But they had no choice, they said: the local traders would come to their village and you either accepted their price, or watched your fruit rot by the side of the road. Now, via the <u>Fairtrade system</u>, their coop was getting paid over half as much again per box compared with selling to the local traders.

Joining the tour was the tall, lanky <u>Wilson Navarrete</u>, then being trained up by Jorge, who had spotted his talent, and who is today Secretary of the coop. He used to be a plantation worker without a secure income or social security. Today he's the owner of a farm he took out a debt to buy – only possible because of the



### The shrinking price of bananas in our shops

The retail price of bananas in main UK supermarkets in 1997 and 2007 (compiled by Bananalink from industry sources, November 2007)

secure Fairtrade income. Otherwise, he says, 'I would have gone to Spain to find work, just like so many others do. My case is similar to that of many producers over here.'

For the farmers, the minimum price guarantee was a lifeline. But what shone through was their pride in owning their own organisation where they were calling the shots. The rules state growers' organisations also get a 'Fairtrade premium' on top of the minimum price (or on top of the market rate if higher). This bonus was a substantial \$1.75 a box of bananas at that time. The growers could decide democratically how to spend the premium on improving their business and the local community – from putting in irrigation or a packing shed to offering medical insurance for the workers, building new classrooms at the local school, or experimenting with more environmentally friendly ways of farming. As I listened to the farmers wrestle with the dilemmas – whether to support this or that village first, how to involve their workers more, whether to let more farmers join the co-op when they still weren't able to sell all their own fruit as Fairtrade as it was – I was struck by how the Fairtrade system was empowering farmers and communities to steer their own course of development.

The fair price guarantee is combined with a raft of standards traders have to meet such as buying as directly as possible, committing to long-term

agreements and regular reports so that FLO can check they are selling the same number of Fairtrade bananas to the public as they have bought from growers.

The growers' side of the bargain means being organised into groups — with different rules for smallholders and workers on plantations. As long as farmers remain isolated smallholders, they have no choice but to sell to the local trader; it is impossible to change their position in global trade or ensure they get a fair price. But by coming together into associations, farmers can begin to take more control.

Jorge was a reserved, serious man – but with an underlying mettle. As we lent on the banana washing stations, talking to the farmers, he turned to me saying, 'Fairtrade is the reason the small farmers in our association still have a livelihood at all. The most important thing is the feeling we're no longer dependent on the big companies. We've proved we can sell directly and we're proud of that. We, the small producers, have shown that you don't need the multinationals. We've changed things and you can see the difference.'

On plantations, workers must be allowed to join a trade union if they wish, as the best means to improve their conditions, and they organise into committees to decide how to use the <u>Fairtrade premium</u>. That way it's the workers, not the plantation owners, who get the benefits of Fairtrade. Finally, there's a series of other standards to protect the health, safety and labour rights of plantation workers – and their environment.

In fact the farmers talked at length about the <u>environmental standards</u>. The standards do not demand fully organic growing, though Fairtrade helps many producers obtain organic certificates. Some of the El Guabo farmers were experimenting and hoping for organic certification. Others had trouble with <u>chemicals</u> drifting on to their small plots from nearby big farms, and they were unsure how to control some virulent pests if they went fully organic. But they'd all had to make big changes to the way they farmed already. Fairtrade bans the internationally recognised 'dirty dozen' most dangerous chemicals, for example. It sets clear rules to protect workers and the environment where chemicals are used – as well as a plan to cut their use over time. The rules also cover disposing of waste properly, ensuring nearby

rivers and lakes are kept clean, protecting natural ecosystems, and preventing soil erosion.

It was, said the farmers, much harder work – for example they were weeding by hand instead of using chemicals. But they were all clear that the public want 'clean' bananas, and they all had tales to tell about how their health had improved since using fewer of them. 'Other companies don't care,' they told me, 'they just want the fruit.'

I was struck by how the system combined minimum standards, which farmers must meet, with 'progress standards' where they sign up to a plan to improve, say, levels of composting and recycling waste as the benefits of Fairtrade flow. The standards thus enable poorer, more vulnerable farmers to enter the system, while encouraging them to progress gradually as they learn more about how the trade works.

Meanwhile I was on my own steep learning curve about how the Fairtrade system worked in practice. Groups of farmers meeting the standards, like the El Guabo group in Ecuador, applied to an international committee in FLO. We would check if they met the standards, and if so they would be certified to join a register of Fairtrade suppliers. An importer wanting to sell Fairtrade bananas, in this case Agrofair, would also register with FLO, undertaking only to buy from producer groups on the register and to meet all the trade standards such as paying the set price. Once they'd signed a licence agreement, they could put the FAIRTRADE Mark on bananas they imported from Fairtrade producers. Consumers could then choose those bananas with confidence that they gave a better deal to the farmers and workers.

This new model of trade enshrined in the Fairtrade standards was very inspiring in theory; but could it actually work in a world of supermarket price wars and notoriously ruthless banana companies? It felt very fragile.

The start had been suspiciously bright. The first Fairtrade bananas had hit the Dutch shops with great success in 1996, taking a stunning 10 per cent of the Dutch market almost overnight. Switzerland followed swiftly, building on work by a group of women who had been raising awareness about the problems in the banana industry and selling 'Solidarity' bananas from Nicaragua, since 1985, following the then US embargo on the country. And

they're still the world's benchmark. Over half of all bananas the Swiss eat are Fairtrade.

But problems followed swiftly. The startling Dutch debut soon slumped back to a shaky 4 per cent. There'd also been similar setbacks following launches in <u>Denmark</u> and, most disastrously, in Germany.

It was painfully clear that the whole project was permanently on a knifeedge. Back in Bonn, my phone never stopped ringing with urgent calls from producers and importers facing potentially catastrophic problems: a hurricane had wiped out all the bananas so the farmers faced ruin; the environmental standards were too hard for the farmers to meet and they faced a pest crisis; smallholders in the <u>Dominican Republic</u> didn't have enough water to irrigate in the summer; the banana boat had been delayed by customs in Miami, all the bananas were rotten and the insurance company refused to pay; the supermarket had cancelled an order and everyone in the chain argued it was everyone else's fault ... it never ended. And as we took those tentative early steps, every setback seemed to threaten the whole project as supermarket buyers became hopping mad and shook their heads, saying they couldn't make space for Fairtrade bananas unless we could fill them with top quality bananas on time, every time. I felt the weight of a huge responsibility and sometimes I could feel almost physically my brain whirring and my hair going grey as I tried to broker solutions.

The whole chain had to work and we faced challenges at every step. We had to: help banana producers meet the Fairtrade standards, and enable new groups to participate; work with importers to ensure the bananas got to Europe; persuade shops to stock Fairtrade bananas; and, the final acid test, ensure the public knew about Fairtrade and bought the bananas. Each strand presented its own set of problems – and progress on each strand was intimately dependent on the others.

There was no doubt about the need for bananas to follow on from the first Fairtrade ventures into coffee, tea and cocoa. The present trade was so starkly unjust and banana producers really needed Fairtrade. NGO campaigns highlighting the banana battles had created a public appetite for a positive alternative. And, with bananas having overtaken apples as Britain's

top-selling fruit a decade ago, if Fairtrade could make in-roads here it would show we were serious about changing how we trade and shop.

But the obstacles were huge. Bananas – usually one of the first products you see on walking into a store – are one of those products where supermarkets use lower prices to entice shoppers into their store. Nowhere is the 'pile 'em high sell 'em cheap' philosophy starker. Persuading supermarkets that the public would pay more because their bananas were fairer meant rewriting all their rules. There were also the practical difficulties of getting delicate, perishable bananas from farm to shop.

The Dutch church-based group Solidaridad had been the mover and shaker behind setting up the world's first Fairtrade label, for coffee, in the Netherlands – where it's called Max Havelaar after a literary character who exposed the injustices of the nineteenth-century coffee trade from Indonesia. On Fairtrade bananas, they quickly concluded, the big companies weren't going to play ball. So they set up a new company, called Agrofair, which is now owned fifty-fifty between Solidaridad and the banana farmers – though the producers get 100 per cent of the profit. Their first partners were El Guabo and two unusual plantations in Ghana and Costa Rica.

Jorge was pleased to share the stories of those early days. Amidst the constant shouting and pressure as farmers jostled round the banana container, he had a calm, authoritative presence as he steered me towards his office. Jorge was from a farming family and one of the few local people to go to university. When the co-operative was set up he had been elected leader by the other farmers, putting his education at the service of the young co-op. Jorge's complete commitment, hard work and almost poetic sense of vision was an inspiration to many and his death in 2003 a loss to the whole Fairtrade movement.

He switched on the overhead fan that gave a very welcome cooling downblast and settled down to explain the endless problems they'd overcome. 'Even the weather seemed against us,' he said philosophically.

Just after the co-op started exporting directly, ferocious storms and flooding linked to the notorious El Nino weather system destroyed the banana farms.

'We were really worried we wouldn't have enough bananas for the supermarkets who'd committed to Fairtrade,' Jeroen Kroezen, the energetic Dutch volunteer, added. 'If we lost markets, we wouldn't get them back again. Drought hit another of our Fairtrade suppliers in Ghana. We had to have Fairtrade bananas unloaded at Antwerp every week, on the same day, to keep up the supply to the ripeners. Supermarkets wouldn't stock Fairtrade bananas if they were there one week but not the next.'

But unlike the big companies, they didn't own a banana boat and they found that most companies, perhaps sensing the threat of small farmers succeeding in selling direct, were keen to keep Fairtrade bananas off the 'reefers', the refrigerated ships used to keep bananas fresh in transit.

'So we just had to take whatever boats we could – often taking a slow, roundabout route.'

'It was really a transport glitch that gave us one of our biggest setbacks,' said Jeroen. 'A consignment of Fairtrade bananas had been unloaded in a container at Hamburg, but ended up waiting a day on the dockside before being transferred. Unfortunately it was a frosty January day. All the bananas were damaged. None would ripen. They had to be dumped. Eager supermarkets in the Netherlands were left without supplies just months after they'd launched.'

'Then things started to take an even darker turn,' said Jorge. Their boats suddenly started to suffer mysterious, repeated delays in the Panama Canal for 'their documents to be checked', he related with an ironical look.

'Other ship owners began to conclude that carrying our bananas meant trouble. It became harder and harder to find anyone willing to ship them.

'When we raised concerns with officials in the Netherlands, and it was taken up through diplomatic channels, the delays miraculously stopped,' Jeroen remarked raising an eyebrow (a trick I have tried and failed all my life to master). There was even a strange incident when the boat carrying their bananas had its rudder suddenly and violently broken one night right out in the Cuban Sea. No one could explain how that could happen unless it had been deliberate sabotage. The situation was so bad that Agrofair had

considered developing its own fleet of banana boats but it was financially impossible.

Just then William came in, taking off a faded blue baseball cap and wiping his brow. 'Excuse me, friends,' he said to us. 'Jorge, we're packing up the container now'

Jorge led us out into the dark evening. Under the ever-watchful eye of the co-op's quality controller, farmers were squeezing in the last boxes right up to the top. When they'd finished, we hopped into the cab. We sat closely packed beside the driver as he started up the engine.

'I still feel so proud when we load up our bananas,' Jorge said solemnly. 'Despite all the problems, we haven't given up.'

As we swung on to the main road to the port, we joined the long convoy of enormous, white articulated lorries, headlights on, heading down from the huge plantations with that week's harvest to the port at Machala. The scale of the multinational companies' operations was overwhelming. One by one they pulled into the humming dockside lit by vast yellow overhead lights shining down on containers being picked off the lorries and swung by crane into the waiting bellies of vast ships also owned by the companies. Chiquita's famous Great White Fleet, with its newly installed technology for controlling the atmosphere on board to suspend the ripening process, dwarfed the rather ancient Russian ship carrying a mixed bag of cargo into which the El Guabo fruit was eventually loaded.

Seeing what we were up against and the multiple hurdles for Fairtrade bananas, I did start to wonder whether they'd really be viable in the long-term – or just a valiant experiment. I was haunted by a bleak statistic: more than nine in ten new food and drink products fail. If that's the alarming statistic for mainstream trade, what hope had we? Conventional products with many times the resources behind them regularly suffered the fate we all feared for any Fairtrade product: 'delisting' from the supermarkets – the retail equivalent of excommunication.

For producers the stakes could not have been higher. There was much common cause, but any naive thoughts that all would be peace, love and

solidarity were quickly brought down to earth. Fairtrade bananas still had only the shakiest toehold in Europe. If they did not succeed, they would be left without buyers for their fruit and by going with Fairtrade many had alienated their former importers who viewed the project with deep suspicion. At that time the producers had never met each other and each group feared bringing in new groups. I was pressed: 'Aren't we flooding a tiny, fragile market? Had I heard what this, that or the other group or company were up to?'

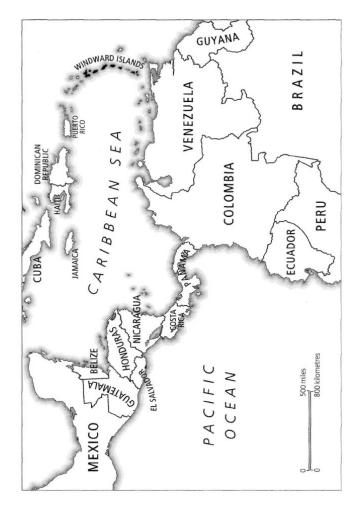
The debates were always hot. No sooner had I put the phone down to one group furiously arguing that we risked compromising our principles if this or that importer got involved, than another group were on the line impatient at the pace of growth, saying we were consigning ourselves to an ideologically pure, but irrelevant, bubble – that if we didn't increase sales faster, the producer groups could not survive.

I discovered that while every phone call was 'In total confidence, Harriet, do not tell anyone ...', everyone always seemed to know exactly what everyone else in the trade was up to. I soon got used to their shifting allegiances: one minute two importers would be sworn enemies, then I'd find they'd signed a partnership deal for the next ten years. I knew we had to get all the parties together to build understanding and find solutions. And we had to build the sales that would help knock down some obstacles.

That was when I first started to work closely with <u>Ian Bretman</u> at the Fairtrade Foundation. With a business background and a long stint at <u>Oxfam Trading</u> he'd been brought in as a consultant to clinch a deal to get Fairtrade bananas into British supermarkets. Ian is the brain of Fairtrade Britain. In fact, he has a brain the size of Britain, able to write policy papers more quickly than most of us can read them. And rarely among men of such prodigious talents, he's quietly unassuming. He left school young, went straight to work and has never stopped working flat out ever since, broken only by the odd fag break until he managed to kick the habit. His business nous, fierce intellect and dogged commitment to talk through problems to find a consensus solution made him ideal for the British banana challenge – and to be Deputy Director of the Fairtrade Foundation today.

One thing was clear to Ian straightaway: Fairtrade bananas wouldn't work in Britain unless they included <u>the farmers of the Windward Islands</u> in the Caribbean who had supplied Britain for

#### right Key countries in the 'banana wars'



years but faced ruin with the ending of the special import deal they had with the European Union. The deal was under threat following intense lobbying and 'generous' political donations from the US-based banana giant Chiquita towards the incoming Clinton administration – which duly won a key ruling from the World Trade Organisation (WTO), the global body that polices trade rules. <sup>11</sup> The WTO decided the EU had to stop reserving a portion of Europe's banana imports for its former colonies such as the Windward Islands. The so-called 'banana war' between the US and EU was moving into a new phase. Faced with being wiped out by cheap bananas grown under the appalling conditions I'd seen on plantations in Latin America, the small

banana farmers were in despair. Their plight had started to catch the attention of consumers increasingly concerned about where their food came from and how it was produced and traded. But at that time, Fairtrade was virtually unknown on the Windwards.

The lifelong champion of the small farmers' cause was <u>Renwick Rose</u>, founder and leader of the <u>Windward Islands' Farmers Association (WINFA)</u>. One of the great privileges of being involved in Fairtrade is the opportunity to work alongside such great thinker-doers – people like Renwick and Jorge – each of whom, in their own way, was arriving at Fairtrade as a solution to the injustices of trade around them.

Renwick has a handsome face tired from a lifetime of struggle for the farmers. He recalls why he saw Fairtrade as so crucial long before the Windwards' banana industry woke up: 'You have to remember that bananas have been the mainstay of our economies since the British colonial administration engineered a switch from sugar cane to supplying bananahungry post-war Britain,' he says. 'During the move to independence from Britain in the 1970s we campaigned for land reform to get the big plantations, often owned by white Britishers descended from the slave overseers of the past, transferred into the hands of the labourers who worked them. This move came at the same time as a banana boom – the "green gold" times as we called them.'

Even by the late 1990s, while banana production had fallen, it still accounted for half the islands' export earnings. Of the jobs on <u>St Vincent</u>, one of the four islands, 70 per cent were in bananas.

Renwick explains, 'I visited Britain in 1992 and even then it was quite clear the Windwards were facing a catastrophe after the ruling from the WTO to take away their protected sales to Europe. We had to have a concrete solution for smallholders. So we began to look into Fairtrade. We were ridiculed by the islands' governments, the banana officials and the companies – even some farmers. They thought it was some foolish, crazy idea from Europe,' Renwick laughs.

Back in Bonn I was struggling to persuade colleagues from other European Fairtrade initiatives who thought banana farmers in the Windwards didn't

need Fairtrade on top of the protected prices they got under the EU's banana import rules. And, in London, Ian was telling me, the retailers were making warm noises about Fairtrade bananas, but conspicuously avoiding any concrete commitment.

We were bogged down in circular arguments going nowhere. We needed to break the logjam – but time and money were running out. The Board of the cash-strapped Fairtrade Foundation had told Ian they could only give him a few more months to deliver some results before they'd have to pull the plug on the whole venture.

Just as the door seemed to be closing on Fairtrade bananas in Britain, Ian phoned, as excited as he gets in his understated way, to say his long-running discussions with the <u>Co-operative chain of supermarkets</u> had taken on a new feel. They were looking at making Fairtrade one plank in their strategy for renewing the business. They seemed to have an appetite for some major Fairtrade lines – including bananas.

Meanwhile, on the Windward Islands, Renwick was working to crack knotty issues like land records to help the first farmers there form a Fairtrade group.

'We walked up and down the villages, talking to farmers about Fairtrade,' Renwick recalls. 'And they always asked the same question: How much will you pay?! Then farmers started looking more and more at Fairtrade. But we still couldn't get the cooperation of the islands' banana industry associations. Finally in 1998 we started registering farmers for Fairtrade – the first hundred in St Vincent, then others in my native <u>St Lucia</u>.'

At last the moment came when I was presenting applications from the first hundred St Vincent farmers – each with probably no more than a couple of acres of bananas – to the next meeting of the FLO committee in Bonn. There was long and heated debate – with members raising all the familiar concerns. I was on tenterhooks as I felt passionately this could be the first step in a whole new chapter for Fairtrade bananas, for the Fairtrade movement as a whole in Britain and – most importantly – for the banana farmers in the Windward Islands. The Committee finally gave the thumbs-up.

Then suddenly, like a mountain-bike ride, after the long, slow, hard climb to the top of the slope, we were shooting down very fast. Just before Christmas 1999 Ian emailed with the scary news that Co-op wanted to get Britain's first Fairtrade bananas in their shops; and they wanted them there by 20 January! Everyone worked day and night to get ready in time.

In the final run-down, somehow Sainsbury's heard about Coop's plan and didn't want to be left behind. They wanted Fairtrade bananas in at least a few stores — and on the same day! In the end they had to send a special truck to Rotterdam to pick up some pallets of Fairtrade bananas. But we weren't complaining. If traditional supermarket rivalry could be harnessed in a competition on who offered more Fairtrade, it could be a real motor to extend the Fairtrade banana market. At that time, as our first few boxes crept onto the bottom shelves, we barely dared dream that by December 2006, Sainsbury's and Waitrose would be competing on who offered their customers nothing but Fairtrade bananas.



People from all walks of life joined the long-time campaigners to swing into action behind the new Fairtrade banana. Tammy Stewart-Jones was one. Though she's lived in Britain most of her life, she was born in St Vincent in the Windward Islands and witnessed rural poverty in West Africa while living there with her engineer husband, who she met, fittingly, at a Commonwealth Institute 'Banana Ball'. So when she heard about the threat facing small banana farmers in her birthplace, she knew she had to act. She'd been an active member of her local Women's Institute for a decade and decided to mobilise the women there, whipping up support for Fairtrade bananas as soon as they came out. She spoke at Women's Institutes all across the country, winning strong support for her appeal to women to use their consumer power to press their local supermarkets to stock Fairtrade bananas. Her stance ruffled a few feathers among those who thought the issue 'too political' for the WI, but she was elected on to its National Committee.

'One lady asked me why I was always going on about bananas. "A banana is a banana is a banana," she said to me. I tried to explain if you're in St Vincent your bananas mean health and education for children. If people can't

sell bananas any more, they'll start to turn to growing drugs in desperation — which end up on the streets of our towns and cities with our kids. We're all connected in the end; what goes around comes around.

'Most women I met saw that what a mother wants for her child here is just the same as a woman wants in a developing country. And Fairtrade is a way for them to realise their hopes for their kids.'

I have no doubt the support of Women's Institutes up and down Britain for Fairtrade bananas played a big role in getting the supermarkets to move. And Tammy's one-woman crusade was behind it. She's still active working to get her local area of Thanet in Kent behind Fairtrade and has set up links with women in St Vincent. 'They tell me Fairtrade has brought new energy. Farmers feel they're running their business through the co-op — not just growing bananas. We didn't have that when I was a girl queuing at the weighing station with our bananas.'

By the end of 2000, people in Britain had bought nearly £8 million worth of Fairtrade bananas – and the following year nearly twice that. The long drag followed by the frenzied launch of Fairtrade bananas in Britain had been an enormous step. But it was, of course, just the starting point. Now we had to prise open the door to the market beyond that first tiny gap. And this was in spite of the fact that not all the supermarkets were exactly rushing to stock the bananas. Far from it. At one point, one retailer's banana buyer wanted to take the bananas, but threatened not to put the FAIRTRADE Mark on them. Ian gently explained that the whole system was based on the shopper knowing if a product was Fairtrade because of the presence of the Mark. 'I'll give you two choices in this matter,' said the buyer in a rage. 'You can take it or you can leave it.' Ian replied nervously that we would have to leave it then. Slam went the phone, as the buyer's response. Worried that he'd blown it and we had just lost a major partner, Ian phoned the Foundation's Chair. By the time he finished that call, the buyer was back on the line, picking up the conversation as if it had never ended and talking about stocking Fairtrade bananas, Mark and all.

My chance to join this campaign came when I landed my dream job – as Director of the Fairtrade Foundation back in London. Although sad to be

leaving Germany and the international arena, I relished being back working directly with the public again.

After I took up the post I approached British broadcaster and writer George Alagiah who agreed to become Patron of the Fairtrade Foundation and soon we were discussing how to move Fairtrade bananas up a gear. We agreed that if we wanted to go for scale, we needed Fairtrade to be widely available in the shops used by the most people and that meant Britain's number one retailer, Tesco – which now accounts for nearly a third of the country's supermarket sales – offering more Fairtrade bananas. 12

So George wrote to the most powerful man in British retailing, Tesco Chief Executive, Sir <u>Terry Leahy</u> To our amazement, he agreed to meet. George, Ian and I went to see him and his ex-senior civil servant Corporate Affairs Director, <u>Lucy Neville-Rolfe</u>, at their surprisingly low-key Cheshunt HQ, They dissected our proposal for them to scale up sales of Fairtrade bananas. Tesco had wrestled to its place at the top by 'creating value for customers' – and low prices for products like bananas were at the heart of this. Now they were engaged in a new price war with Asda, after its recent takeover by the US giant <u>Wal-Mart</u>. But Tesco was also in touch with its customers, constantly checking what they thought and what they wanted, seeking to win every 'floating shopper' – the informed consumer prepared to move their whole regular weekly shop to the supermarket that offers the products they are looking for. A section of the public clearly wanted Fairtrade. So, much detailed focus group and consumer research later, Fairtrade bananas from one of the Windward Islands, <u>Dominica</u>, hit their shelves in September 2002. By 2004 they were shifting 8,000 boxes a week literally transforming that island's economy. 13

That June a fax whirred through from the government of St Vincent inviting me to address a major conference on the future of the Windward Islands' banana industry – the very next week! I knew I had to be there. The writing was on the wall for the endangered <u>banana quotas</u> into Europe. A total market free-for-all was looming where only the cheapest banana producers would survive. And while Fairtrade had become more and more important to the Windwards, they still only added up to less than one in five of the islands' output.

I hurriedly rearranged my diary, organising the usual complex schedule of last-minute childcare for my two kids, and jumped on a plane. Supermarket representatives were going too – but they, for all their keenness on cost-cutting for others, were enjoying the pleasures of first class so we didn't meet up until we got to the tiny St Vincent airport. There even the official on passport control knew about Fairtrade and the conference. There was no doubting the importance of bananas in this economy!

I was met by the warm, broad smile of <u>Amos Wiltshire</u>. A cheerful, round man, he is himself a banana smallholder with four acres, as well the National Fairtrade Co-ordinator for neighbouring Dominica. His head is shaved apart from a long plait at the base of his neck matched by the neat, pointy pigtail into which his beard is shaped.

'Oh welcome, welcome,' he beamed giving me a bearhug. 'I want you to come and see why I really believe Fairtrade bananas are the future of these islands.'

We set off in the car, along the coast, then making our way up steep winding roads through small hamlets and banana farms until we reached Spring Village. We turned off down a small bumpy track and stopped. Among the banana trees which grew all around her house stood a redoubtable lady in a floral print dress and Wellington boots, trimming the peeling brown fibres off the stem of a plant. Her lined face and gap-toothed smile lit up under the shade of her white pork-pie hat.

"Welcome to my farm,' boomed Miss <u>Jocelyn Trumpet</u>, as, swinging her machete by her side and swiping at the odd weed, she clumped off up the muddy track to show me the banana trees, the orange trees, the compost heap, the water. 'I come here early in the morning. I love to watch the sun rise,' she murmured pointing out her little billy can and Primus stove for a cup of tea.

Filled with passion, she expounded on her love for this hilly little plot where she'd changed many ways of farming to meet the Fairtrade standards. She was pleased to be using fewer chemicals, she said, but it was much harder work. Now she was having to do all the weeding herself instead of spraying them.

She understood very clearly how the recent series of decisions in Brussels, Geneva and London threatened total devastation for her community. She proclaimed in her rich, defiant Caribbean accent, 'I love farming. I love Fairtrade. I ain't going down with no banana boat. I staying and I fighting all the way'

As we left Spring Village to drive back into the capital Kingstown, Amos suggested we take the opportunity to catch up.

'I know just the place,' he said with a mischievous look.

We pulled into a place held in a time warp. One minute we were on the tarmac road passing trucks, the next we were outside a centuries-old tall wooden warehouse, upturned barrels scattered across the dusty ground, a wooden cart on its side.

'This is where they shot <u>Pirates of the Caribbean</u>,' Amos laughed. 'After filming finished, they kept the set and opened a bar here.'

As the sun set over the black volcanic sand and we sipped a rum punch, Amos sketched out his plans to bring Fairtrade on further. Surreal as it was, this mock-up of the time when plunder, slavery and sugar marked European contact with this island was strangely appropriate. We sat discussing how the long and bitter legacy of unjust trade could be refashioned into a more equal and balanced relationship. How thousands of small banana farmers on these islands could secure a decent livelihood through a new Fairtrade partnership with consumers in the old colonial power, Britain. Fairtrade had not come a moment too soon, he said. In the 1980s, there were 11,000 banana farmers in Dominica; but that number had fallen to less than 700.

'When prices dropped farmers lost interest and trust in the industry,' Amos said of Dominica. 'The economy went down to zero because bananas are the heartbeat of the country. Everything was going haywire: increasing crime, youth violence, delinquency. We even had families torn apart because there was no income, nothing coming in. Husbands couldn't maintain their families. There was an exodus from the country because things were so bad.'

And then, he related, Tesco's Fairtrade orders started coming in. It transformed their situation. Farmers started tending their plots again. As the

premiums came in, they bought a 'grasscutter' (which I worked out must be what we call a lawnmower), cut a field and created football and cricket pitches. The Fairtrade footie teams were soon attracting young people. As money built up from more sales, they were able to install street lighting in the village most affected by youth violence. The gangs started to melt away as the whole island picked up.

'Fairtrade has been the saviour of the farmers in Dominica – of agriculture and the whole economy' he said. 'With Fairtrade, small farmers have been transformed from marginalised farmers into businessmen.'

In the dim half-light behind the bar, the owner flicked on the TV news and called Amos over to watch a report on the conference. The hosting Prime Minister of St Vincent, Ralph Gonsalves, a larger than life charismatic bear of a man, was giving an impassioned speech condemning the 'almost suicidal price war' in bananas between British supermarkets. He described how farmers across the islands were trying to survive despite 'the contemporary international political economy with its ideological focus on trade liberalisation and a "don't care" attitude for the people who become its victims.'

At the conference the next day, it was the Prime Minister of Dominica whose speech struck me most. He was the world's youngest prime minister at thirty-two – and with his good looks and charm, also considered the islands' most eligible bachelor. He gave a stark warning that the industry had to recognise that – however unjust – the old protection of their bananas in the EU market was ending, and that all energy must be thrown behind Fairtrade. This is what farmers like Amos had been saying literally for years and now, at last, the governments were beginning, not only to agree, but to back them up.



Fired up by the vision of the banana farmers and their leaders, I returned keen to increase the sale of Fairtrade bananas by persuading a supermarket to switch all their bananas. The Co-op had pioneered this type of step when they switched, firstly, all their own-brand chocolate and then all their own-brand coffee to Fairtrade. Yet the idea of achieving this for the number one

grocery item, fought over so ruthlessly on price by retailers, was daunting. Every time we floated the idea, UK retailers dismissed it with a string of impossible Herculean tasks that would need completing first. But we knew that if two leading Swiss supermarkets had made the switch on bananas, then it had to be possible in Britain too.

Ian and I decided to go to the top again and requested a meeting with the man credited with reversing Sainsbury's previously sliding fortunes, Chief Executive Justin King. He was interested in differentiating Sainsbury's from its competitors and reconnecting with the traditional, classic Sainsbury's shopper. 'The people who used to collect milk-bottle tops for Blue Peter and could see them changing into guide dogs for the blind,' as he put it. He could see Fairtrade making that practical connection between the consumer and the producer. He had a lot of questions about the challenges of switching a whole category to Fairtrade. It was a big call for Sainsbury's and the Fairtrade Foundation.

It was a tough session and I left deflated. His questions went round and round in my mind as I thought now, too late, of the perfect answers. On my bike going home, I kept kicking myself wishing I'd given this or that answer. But over the next few months Ian and his team worked through all the problems one by tricky one with Sainsbury's. And then came the green light! Sainsbury's, who sell a fifth of all supermarket bananas in Britain, wanted to switch to 100 per cent Fairtrade. Shrouded in the utmost secrecy under their codename 'Operation Perry', we mapped out a plan to help them achieve this. It would cost them some £4 million a year in lost profit margins and take at least six months to complete. But we were off.

In December 2006 Justin King went on <u>BBC Breakfast</u> to announce their move. It was the biggest ever commitment to Fairtrade by a single company anywhere in the world. With sales of 10 million bananas a week, the prize for banana farmers and workers was huge. It also marked a sea change with retailers moving from battling purely on price to competing on their ethical credentials. And, indeed, the moment Sainsbury's went public, Waitrose announced a similar pledge. We reckon 20 per cent of the 7 billion bananas eaten in the UK every year are now Fairtrade. The Sainsbury's announcement, together with wider growing Fairtrade sales in the UK

market, means that in 2007 the Windward Islands were selling nearly all of their bananas under Fairtrade terms.

What's more this was part of a wider international trend. In Finland, for example, one of the major supermarket chains, Siwa, switched to all Fairtrade bananas, helping overall national Fairtrade sales swell to 11 per cent of all bananas sold in 2006. Worldwide sales of Fairtrade bananas grew by nearly a third in 2006 and at least some Fairtrade bananas are now sold throughout Europe and North America – in fact in every market with a Fairtrade label apart from Mexico and Australia.

The Australian case is particularly sensitive because there is a total ban on banana imports to protect the 2,000-odd Australian growers in Queensland and New South Wales. This has been a continual bugbear in Australia's relations with the <a href="Philippines">Philippines</a> (the region's largest banana producer which stole the number two spot in world banana exports from Costa Rica in 2005). The Australian authorities and growers' federation say the import ban is necessary to protect them from diseases that could destroy their plantations; the Philippines say that this is a trade barrier and have brought the matter before the World Trade Organisation to force Australia to practise the free trade it preaches so aggressively elsewhere. There is some chance that the Philippines will eventually win, but this may take a long time.

Pressure for imports only intensified when <u>Hurricane Larry</u> destroyed 90 per cent of the Australian crop in March 2006 – blogs went crazy comparing skyrocketing prices and cases of banana rustling were even reported. Steve <u>Knapp</u>, Director of the <u>Fair Trade Association of Australia and New</u> <u>Zealand</u>, acknowledges <u>Fairtrade bananas</u> may be some way off there, but that sourcing them from producers in the <u>Pacific</u> could be one way to gain momentum.

Filipino producers interested in Fairtrade are also eyeing up the Japanese market which imports over 85 per cent of its conventional bananas from the Philippines and where Fairtrade bananas have only just been launched.

The United States is the world's largest banana market, but also one of the most difficult to break into for Fairtrade as it is the homeland of the three biggest banana multinationals – Dole, Chiquita and Del Monte – who

dominate logistics and shipping routes to Latin America. The US Fairtrade group TransFair has been able to gain a foothold with organic Fairtrade bananas in natural food stores, reinforced by the founding of <u>Agrofair USA</u>, and work continues to get Fairtrade bananas into mainstream supermarkets.

So there's certainly no room to rest. Most bananas in Britain, let alone across the world, are of course still not Fairtrade. However, the story of the rise of Fairtrade bananas is one of people working together to make that vision, in Carlos's words, of a more humane and ecologically sustainable form of trade, a reality against all the odds.

When I went back to Costa Rica in 1999, I visited one of the first Fairtrade banana farmer groups, <u>Coopetrabasur</u>, a tongue-twister of a name which all English speakers find impossible to pronounce. It was founded by former Chiquita workers who lost their jobs when Chiquita pulled out of the area in response to a strike. As land was distributed, the workers had the foresight to pool their tiny plots into co-operatively owned plantations. But the cut-throat market killed them all off one by one so that today, only Coopetrabasur, which went with Fairtrade, remains. I always remember the wiry, sardonic founder member and poet, <u>Arturo Gomez</u>, telling me what switching to Fairtrade meant to him.

'Traditionally the banana worker is the poorest person in our society, managed and exploited by multinational corporations,' he told me. 'I hope that with Fairtrade, we will become an example for governments and multinational companies. Maybe we are only farmers, but we have a right to dream and to think, and to plan for our children. Before I was someone that took a box and loaded it on to a train. That was my only responsibility. In this new system, I have become an international businessman.'

# 5 Many Raindrops Make Mighty Rivers

I'm an eternal optimist. But even as an idealistic young protestor standing beneath the imposing symbol of the apartheid regime in the heart of London, South Africa House in Trafalgar Square, I never, ever imagined being welcomed through its doors by a smiling, dignified, black woman High Commissioner.

As a student in the 1980s, I joined marches against the remorseless repression of black South Africans. While support for the Anti-Apartheid Movement was swelling our then Prime Minister branded Nelson Mandela a 'terrorist' and led a government adamantly opposed to applying pressure to end apartheid via sanctions. I remember shaking with rage as family friends argued that without the whites in charge, the country and the economy would collapse. Much of the international business community profited from propping up apartheid – until international public pressure through consumer boycotts started to hit their profits.

Back then, when we watched on television as police tear-gassed and shot at crowds in the black townships, change seemed remote. Yet it was not. People often talk about the 'miracle' of the birth of the new South Africa — rightly in many ways. But this can slip into a sentimental notion that somehow change just 'happened'. In fact, it was only won through the long struggle and courageous sacrifice of the freedom movement's members, including Nelson

Mandela's twenty-seven years in gaol. The ending of apartheid gave a generation hope. So our calls for an end to unfair trade, which may seem a distant dream, can be realised if we take action.

Here I was in 2003, cycling into the square in the early evening darkness of winter and seeing that same 1930s edifice, but with the flag of the new South Africa fluttering free in the floodlights; then entering under the statue of a golden-winged springbok and being guided into a grand wood-panelled room where the reception was taking place. I passed solemn, garish murals depicting the benevolent history of 'white civilisation' in this southernmost tip of Africa. One showed a grateful African offering up the fruits of the land to a group of early Cape colonists in wide-brimmed Dutch hats. How bizarre they seemed in a building now presided over by former ANC activist and academic Lindiwe Mabuza the High Commissioner. Or maybe they were an appropriate reminder of centuries of unfair control of the world's riches by its white minority.

We were celebrating one small reversal of this history: the arrival of the first products from Fairtrade-certified, black economic empowerment farms. In delicious irony, <u>apples</u>, oranges, grapes and wine, which once topped the boycotters' lists, were the first Fairtrade goods.

The High Commissioner welcomed the audience of farm workers from South Africa, huddled in their shiny new fleeces, importers, Oxfam campaigners and wine buffs. She was preparing to celebrate a decade since the birth of a free, non-racial South Africa in 1994. She talked proudly of the country's enormous achievements but stressed the huge way still to go, including the need for a fairer trade deal with Europe and measures to ensure trade benefited the poor, non-white majority. The challenges were now to develop the economy, provide jobs for the workless millions, generate the resources to pay for rebuilding, and redistribute economic power – the next steps in what Nelson Mandela calls the country's 'long walk to freedom' – including, as defined by him, freedom from poverty.

By coincidence, Fairtrade in Britain shares its year of birth with the new South Africa. And in a way we are grappling with similar issues: how to challenge, and then steer, the muscle of business towards empowering the

economically weakest; how to build viable new ways of doing business to redress the huge inequalities in the globalised world economy; how to convert the power of consumers in rich countries into positive change for poor producers. In a very different context, we too are opening the way for new partnerships, between producers and companies, so that companies move from having a little bit of Fairtrade to making it part of the way they do business, ready to stick by growers when the going gets tough. And, interestingly, the development of Fairtrade in South Africa opens many windows on to how the landscape of Fairtrade may look in years to come.

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If I were ever asked to put together a reading list for Fairtrade enthusiasts, at the top would be Steinbeck's 1939 classic *The Grapes of Wrath*. Although portraying the economic crisis that devastated US farmers, it could be a portrait of the crisis wrecking millions of farmers' lives in the developing world today. From his hawk-eye perspective, before swooping in on one family, Steinbeck depicts millions of smallholders driven off their land by the anonymous forces of 'The Bank', 'The Tractor', "The Company' who turn farming into an industry with fewer and fewer owners, and workers left with 'a hunger in a stomach, a hunger in a single soul, multiplied a million times, muscles and mind aching to grow, to work, to create'. They are forced to travel far in the desperate hope of work picking cotton or grapes under any conditions and victimised for trying to organise into unions.

And yet, and yet, the resilience of the human spirit keeps breaking through. For man, Steinbeck writes: 'grows beyond his work, walks up the stairs of his concepts, emerges ahead of his accomplishments. This you may say of man – when theories change and crash, when schools, philosophies, when narrow dark alleys of thought, national, religious, economic, grow and disintegrate, man reaches, stumbles forward, painfully, mistakenly sometimes. Having stepped forward, he may slip back, but only half a step, never the full step back.'

I often think of those words as I agonise for the millionth time about whether we have got it right in Fairtrade. For surely we will slip back many times; as we stick our head higher above the parapet, companies will criticise and undermine Fairtrade subtly and openly, the press will slam us and problems will explode around us. But I am convinced that having, as Steinbeck puts it, walked up the stairs of the concept, we can never go back to a time when the public never thought about people who grew their fruit or rice, while companies and retailers played blind to the condition of producers in developing countries.

The Grapes of Wrath was playing in my head, as we entered the room to see a table overflowing with luscious green Fairtrade grapes and oranges – all bearing the FAIRTRADE Mark and the new brand, <u>Thandi</u>, meaning 'we bring love' in Xhosa. The fruits brought Fairtrade together with the South African government's programmes for black economic empowerment and land reform.

The grapes came from the 270 hectare <u>Keboes farm</u> on the banks of the Orange River in a remote area near South Africa's northern border with Namibia. Here the irrigated, bright green vineyards contrast with the rocky, desert-like land around them. It boasts one of the biggest, most modern packing sheds in the world, producing half a million cartons of high-quality seedless grapes during the early part of the European winter season and employing more than 1,000 people in the peak season.<sup>1</sup>

It's perhaps not everyone's image of Fairtrade. And indeed the bulk of Fairtrade produce is grown by small farmers who are the heart of the system. In most products such as nuts, coffee, cotton, cocoa, sugar, rice, spices, only organised smallholders can enter Fairtrade because there are millions of small farmers dependent on growing those products who need Fairtrade just to stay in the market and on their land. But in some products the most disadvantaged are landless people working on plantations — and they too need the benefits Fairtrade can bring. Furthermore, produce from such estates is needed to support smallholders' sales — for example to get the correct blends of tea. That's why, right from the early days, Fairtrade standards were developed for workers on plantations in some products such as fresh fruit, bananas, tea — and later wine and flowers.

These rules spring from the same core Fairtrade principles but are adapted to ensure the benefits of Fairtrade flow to the workers, rather than the

owners, of the plantation. So, for example, the rules dictate that the Fairtrade premium is managed by an elected committee of workers. The standards incorporate the core International Labour Organisation (ILO) conventions on freedom of labour, freedom from discrimination and freedom of association and collective bargaining – and so insist workers' rights must be protected and that they are free to organise into independent trade unions.

So when estates convert to Fairtrade, they often have to take major steps to improve workers' conditions, such as offering better maternity pay. The workers also gain from the premium funds. The banana workers on the VREL plantation in Ghana, for example, bought a bicycle each out of the premium so they could get home quicker at the end of the day. But Fairtrade has also given workers a voice by strengthening the role of trade unions, sometimes on estates where no unions existed before. For example, the <u>General Agricultural Workers Union (GAWU) in Ghana</u> organised workers on a pineapple plantation applying for a Fairtrade certificate and negotiated a collective bargaining agreement – as also happened on flower farms in Kenya.

Interestingly that has spread back home too. Paul Kenny is General Secretary of the GMB trade union in Britain. He says, "There are moral reasons why unions should support Fairtrade. But there are also direct benefits to the movement here of standing beside people in developing countries. We first got involved in solidarity with banana workers in Costa Rica; now, thanks to that link, we've just recruited 150 union members at the ripening factory here in the UK so now both ends of the chain are organised. We have everything to gain from supporting Fairtrade and nothing to lose except poverty.'

Sivapackiam is a slight woman, but packs a punch on her tea <u>plantation in Sri Lanka</u> which sells Fairtrade tea to Clipper. When I first met her in 2001, she was at a meeting in a lovely Raj-style hotel in the hills where for the first time ever, workers, trade union officials, smallholders, estate managers and owners were all eating and staying together, debating how to build Fairtrade in Sri Lanka. Sivapackiam, together with shop stewards, sits on the joint body which has set up a revolving loan fund for the workers so they can borrow money at low interest. She still surprises herself: 'I used to be so

afraid of the manager I would jump into the bushes when I saw him coming down the path. Now I am sitting round the table arguing with him.'

So for her Fairtrade was making a difference. But standards must adapt and improve in the light of experience. Certainly, no one in Fairtrade believes we have yet found the perfect answer to empowering workers on plantations. That is why we are constantly seeking to improve our work with trade unions and find new solutions.

For smallholder producers in South Africa, for example, of rooibos tea and raisins, the standards worked. But they believed that Fairtrade on large farms in South Africa should, and could, be pushed beyond the international standards.

Under apartheid, whites owned over 80 per cent of the land, generations of black and mixed-race 'coloured' workers have picked fruit for low wages and it is not changing fast. One 1994 study found that in Western Cape Province, the heartland of the wine industry, white people had living standards on a par with the five most developed nations in the world, while living conditions for black and coloured people in rural areas, many of them farm workers, were 'comparable to the worst in the world'. In the vineyards, under the notorious 'dop' system, workers were given regular cheap wine instead of pay. Though officially banned in the 1920s, the system went on until the end of apartheid. Widespread alcoholism, and the highest levels of foetal alcohol syndrome in the world, leave children with stunted growth, facial deformities and impaired mental abilities.<sup>3</sup>

The question for the new South Africa was how to redress these legacies of apartheid – and for us, in Fairtrade, how we could best support change. The new government brought in laws to improve workers' rights, set a target that 30 per cent of white-held land should be transferred to black people and initiated programmes to promote the transfer of business control to the black majority. The idea was that black people should not just get better pay and conditions – important as that is – but should also get a fairer share of the country's economy. So the South African activists argued that Fairtrade had to support such initiatives and should only certify farms that are giving workers

a significant stake (at least a quarter) in the ownership of the farm as a whole.

On the Keboes grape farm, the 300 permanent workers used government black economic empowerment and land reform grants to buy a quarter of the shares in the farm through a workers' trust, giving them a powerful stake in the running and profits of the enterprise – including setting workers' wages. The original company retains a 50 per cent share – and a contract to provide management services for the first eight years – and the remaining shares are owned by black empowerment bodies. A programme ensures the gradual transfer of skills, knowledge and responsibilities to the workers. Production manager <u>Sammy Maasdorp</u>, whose family have worked on Karsten Farms for years, is now responsible for sixteen hectares of vineyard.

He says, "The fact that we are co-owners inspires us all and we know that everyone's contribution is important to be successful.' In fact research on black empowerment farms shows the motivation of sharing in the decision making and profits has seen output per worker increasing by nearly a third.<sup>5</sup>

Undoubtedly the approach has its flaws and its critics, and the particular model depends on a government prepared to put resources and laws behind increasing workers' ownership. However, the concept of Fairtrade rules insisting on a gradual sharing of ownership and transfer of skills is a powerful one that I believe could be explored as one means to strengthen Fairtrade's engagement with plantation workers in other parts of the world.

Back at South Africa House, the High Commissioner reads out a message sent from Nelson Mandela appealing for shoppers to buy the new Fairtrade products from South Africa: 'Support for Thandi will help create a whole new generation of proud and committed fruit entrepreneurs, which will ensure that retailers and consumers have access to the finest fruit in the world.' Since then, Thandi sales have been growing and the Thandi Chardonnay 2003 won a Gold Medal at the London Wine Challenge.

No one's personal history can better tell the story of Fairtrade in South Africa than Maria Malan from the Stellar Organics vineyard, based on the Olifants River 275 kilometres north of Cape Town, where the workers now own a quarter of the business. A bundle of energy, she's been to Britain

several times to promote their wine, sometimes teaming up with celebrity wine critic and Fairtrade enthusiast Oz Clark for some irresistible wine tastings where she tells how she rose to become Farm Manager, an unthinkable position for a coloured woman in the old days.

'I started as a domestic worker for the Rossouw family in 1976 and gradually began helping out in the farm lands with vegetables as a general labourer,' she recalls.<sup>6</sup> It took no time for the vineyard's owners to see her leadership qualities. She attended her first basic supervisors' course in 1982 and has never looked back. In 1990 she graduated to working with table grapes.

'It was hard work and a lot more serious. Table grapes are "vol fiemies" [meaning 'capricious' in her native Afrikaans]. This is where I really learned how to be disciplined and careful,' she says. She explains how scary it was to finish an eighteen-month course on growing them. 'There I was with my standard eight school qualification which I got in 1968, but in the end I was one of the first women to pass the course and one of the oldest too!'

Now she is responsible for 200 workers at Stellar, the country's largest organic winery. She goes on: 'Since we have joined the Fairtrade system, we receive on a periodical basis part of the profit of the farm. My life and those of my fellow workers has changed. After Stellar Organics became a Fairtrade-certified farm, the possibilities were there to improve our lifestyles and securities.'

South Africa gives some signposts to the way ahead for the Fairtrade movement. For South Africans quickly established a national fair trade platform, incorporating whole new areas for the future like tourism; proposed and shaped how the international Fairtrade standards could be raised for their country; opened a FLO office; and are now well on the way to starting Fairtrade labelling for their own market. For me, it's a motivating vision of how Fairtrade could, and I believe should, grow deeper roots within developing countries over the coming years.



In June 2007, I was ironing the kids' school uniforms while watching <u>Tony</u> <u>Blair</u> on the TV news make his emotional resignation speech. He called on us to: 'think – no really think' about how different Britain was ten years ago when he came to power.

On the BBC website, philosopher and author <u>Julian Baggini</u> reflected: 'A more permanent change of the last ten years could be the way in which issues of global justice and environmental-ism have become mainstream. In 1997, Fairtrade coffee, campaigns such as Make Poverty History, and popular support for reducing our environmental impact were found only on the fringes of society. For instance, in 1997 Sainsbury's didn't sell any Fairtrade bananas. Soon all its bananas will be certified Fairtrade. The change is largely down to customer demand, which is ironic, because early advocates of such issues were generally of the view that consumerism was synonymous with selfish greed. ... Whether it is because of or despite his leadership, it seems indubitable that Britain has a greater sense of its global responsibility as Blair prepares to leave Downing Street than it did when he entered it.'<sup>7</sup>

The shifts in <u>public concerns</u> in the last ten years have indeed been remarkable. 'To judge the success of Fairtrade,' John Kanjagaile once told me, 'don't look only at sales volumes and market shares, look at the issues on the agenda, look at what the public are asking and what companies are debating. When we go into negotiating rooms with companies now, even if they're not yet doing Fairtrade, they all have to do something on social and environmental issues.'

As a 2007 Mintel report identified: 'Green is the new Black'. It found: 'People in Britain today are clearly moving towards more ethical lifestyles and are starting to realise that their actions have consequences. As British shoppers increasingly look to shop with a clear conscience, Mintel forecasts that the market will continue to grow for the foreseeable future.'<sup>8</sup>

People do not want to damage the planet or its people and as a result retailers that once competed only on price are now partly competing on who is the greenest and fairest of them all. But can this surge of interest be sustained? Can it be turned into real improvements for millions of

producers? Will people make Fairtrade their daily, lifelong habit? How far can we take Fairtrade in the next five, ten, years?

Key to these evolving plans is <u>Mike Gidney</u>, the Chair of the Fairtrade Foundation, and Director of Traidcraft Exchange's Policy Unit. Usually en route to lobby ministers on world trade rules or supermarket dominance, Mike is always flying through our offices to ensure we stay on track with our core mission and remain accountable to our NGO owners despite the strong crosswinds constantly buffeting our little organisation.

Gesticulating wildly, and speaking nineteen to the dozen, he wastes no time outlining the vision: 'We've gone a long way – but Fairtrade needs to be ingrained into the fabric of our lives and the economy. To make this next step-change, we need to engage the public, businesses and governments so that they are ready to deepen their commitments. We need', he pauses, 'to start really transforming trade – so we can touch more lives more deeply'



Top of our To Do list is keeping Fairtrade sales growing – so more producers of more products can have more benefits. There's much to celebrate about the take-off of Fairtrade. We've come a long, long way from the early get-togethers of banana and coffee producers, when their main call was for organisations such as the Fairtrade Foundation to invest more in growing the market. In fact, at one point, the coffee farmers even suggested investing some of their premium in marketing – an idea that was rejected in the end. But, far as we've come, we do not delude ourselves about the impact this is having on global poverty as a whole, and nor can businesses rest up, feeling they've 'done their bit'. Still only a tiny proportion of disadvantaged producers in developing countries can participate in Fairtrade – because it's still only a slither of the food we buy from overseas. So there is everything still to play for.

The good news is we have solid foundations to build on – a global system, a turn-key model that can be applied to new products, public appetite for more, many businesses ready to move from merely complying with Fairtrade rules to deeper commitment. Now we need to realise that potential to make a significant difference to poverty. In five years' time, Fairtrade in Britain

could top sales of £1.6 billion (where <u>organics</u> are today), five times today's level. And perhaps global Fairtrade sales could reach \$10 billion by 2012.

More importantly, we want to achieve that by embedding Fairtrade into the way companies trade and citizens shop. The first fifteen years of Fairtrade turned a seemingly wild idea into a living alternative with a foothold in the mainstream and thousands of companies involved worldwide. While having different strategies for each commodity, in the next few years we need to make Fairtrade the rule, not the exception, so it becomes what Mark Price, Waitrose's Chief Executive, calls 'the hygiene factor'. So, just as a company will always meet stringent hygiene rules for food products – they are the nonnegotiables – so too Fairtrade could become part of the normal way of doing business with producers in developing countries, while enabling the more committed companies to go further still.

We can surely imagine the day when most bananas, and a good chunk of roast and ground coffee sold in British shops is Fairtrade. Other fresh fruit such as <u>pineapples</u> and grapes have also been making great progress, with the supermarket chain <u>Asda</u> leading the way here along with the fresh fruit company <u>Malet Azulet</u>, who have worked with them and other retailers to achieve this. However, the potential for growth is still huge. And we will need clever strategies for those products that have been stubbornly stuck at the bottom of the <u>Fairtrade sales</u> league – like chocolate, rice or tea.

Britons are still a nation of tea-drinkers, enjoying more per person than anyone else bar the Irish. It was one of the first products to receive the FAIRTRADE Mark in Britain, with pioneer brands Clipper, Traidcraft and Teadirect leading the way and M&S later switching all its tea to Fairtrade. By 2007 still only 3 per cent of tea in the UK was Fairtrade, and not one of the big tea companies had converted a brand over to Fairtrade. But they look increasingly out of step and backward looking- and public pressure needs to call for change in this old-fashioned industry. Then, in October 2007, Sainsbury's made the dramatic announcement that they were converting all their own-label tea (to be followed by all their own-label roast and ground coffee) to Fairtrade – a move that would take Fairtrade to 10 per cent of the total UK tea market. It was good news for both producers amongst existing suppliers and for new ones in very poor countries such as Malawi. So, Mike

Gidney challenges: could sales of Fairtrade tea come to where ground coffee is today? It starts to look possible, where even just a year ago it would have seemed very far-off. It wouldn't be a moment too soon for tea pickers, with Britons paying less than a penny a cup.<sup>9</sup>

As we consider future plans, Mike is turning to documents we've prepared showing Fairtrade sales. 'What about sugar?' he queries as his finger follows down the graph. It shows that, while sugar is vital to millions in some of the poorest countries, Fairtrade has to-date only notched up a sad one-percentage point of the UK market. As the trade is shaken up by changes in EU rules, we could set ourselves ambitious goals for sales both of sugar in bags and as an ingredient in the multi-ingredient products, like jams, biscuits or snack-bars.

Fresh fruit and vegetables are another area ripe for change. Matt North is the fresh-faced, straight-talking Londoner who's the banana and citrus buyer at Sainsbury's, where he's worked most of his life. Nothing in his conventional commercial CV would prepare you for his utter conviction that Fairtrade is the way to go in the future. And as the man who first envisaged their switch to 100 per cent Fairtrade bananas, his credentials are impeccable.

'I'd been visiting the growers in Central America and seen the difference small sums of money can make to the workers. Our customers clearly liked Fairtrade. So I thought if we went from 30 per cent Fairtrade in bananas to 100 per cent, we'd be ensuring the growers' premium went from one to four million pounds,' he explained to me one day, giving me some of the inside story on a process we'd seen from the outside. 'People were saying it couldn't be done but I'd had a few drinks at the summer ball so I collared Justin, our chief executive – for rather a long time, actually!

'Our bill for switching to Fairtrade is about £4 million a year in reduced margins because we're paying more to growers but kept prices to customers the same. But you can see it as a quality investment from our side. And we often invest much more than that in other moves to win over the public.

'Fairtrade is so great because it protects the grower – the grower bubble is sacrosanct from all our commercial pressures or drive for cheap prices.

Everyone sees how much we're paying them, so we can be comfortable about it. It's just the fairness of it all.'

Matt has come to see us before he visits growers in South Africa and he's keen to discuss plans: 'I see Fairtrade as the gold standard for global sourcing from developing countries – our preferred option whenever possible. If in three years' time Sainsbury's hasn't switched other fresh products over to totally Fairtrade, personally I'd be absolutely gutted. Look at bananas – it has made such a difference, it's a great thing we've done and the model clearly works. So you've got to keep building on that success and move it forward.'

I am convinced that so long as the public keep on asking for Fairtrade, then we are barely out of the starting blocks with everything to run for. Take coffee, the most established product. While Fairtrade is very significant in roast and ground coffee, most people in Britain drink instant coffee where Fairtrade takes just 3 per cent of the market. Certainly Cafédirect Director Penny Newman believes that it should be possible to get sales of Fairtrade instant coffee up to the same level as ground coffee.

It also means going down all avenues: encouraging supermarket own brand, while ensuring the 100 per cent Fairtrade companies survive and prosper, enabling niche suppliers to do Fairtrade, but also bringing large companies on board. Whole swathes of business, in particular the big multinational brands, have yet to even look into Fairtrade, while in each sector the Fairtrade brands can lead the way.

In the world's largest coffee market, the United States, which accounts for a quarter of global imports, the impact of getting large companies to take up Fairtrade has been impressive. From 1998 onwards, TransFair USA developed an area-by-area strategy to promote Fairtrade firstly centred on San Francisco and the Bay Area, followed by the north-east. And they worked closely with the so-called 'speciality coffee' companies, who sell high quality roast and ground, and nearly always organic, coffee. The break that Fairtrade needed to go coast to coast came after the 1999 WTO summit in Seattle and well-publicised criticism of Starbucks' purchasing policies by Global Exchange. Starbucks signed up to buy Fairtrade-certified coffee for

the US in April 2000, then in the UK in 2002, with their purchases in the US rising year on year. Since then US sales have been rocketing.

But the biggest test of our collective nerve came when Nestle, having listened to all the calls for Fairtrade, agreed to develop a new brand of Fairtrade instant coffee. Whilst many people have drunk Nestle coffee all their lives, there are others for whom Nestle can spark some emotion, particularly on debates around the sale of infant formula milk to poor countries and coffee pricing. Oxfam initiated a campaign about coffee, their report highlighting companies' healthy profits at the very time farmers were getting paid less than it cost them to grow the beans. Resulting from their report findings came the call to multi-nationals, including Nestle, to – among other things – start purchasing Fairtrade coffee; and now it seemed Nestle had responded.

The phones went red-hot and the debate went up to the Board of the Fairtrade Foundation several times. The Fairtrade labelling system is open to any company willing to commit to the rigorous standards behind each product. It makes no comment or judgement on the company itself; only that the particular product carrying the Mark meets the rules. So decisions about awarding products the right to carry the Mark are made against objective criteria. But clearly this decision had wider ramifications that needed careful thought. It was a fierce debate and one of the most testing times for the Foundation as we consulted with our NGO partners and producers. Everywhere, opinion was divided. Some argued Fairtrade should not work with big companies at all, let alone multinationals that some could accuse of wanting greenish credentials, and should focus on the 100 per cent Fairtrade pioneers alone.

Others hailed this as a victory for public pressure in the UK – surely this was good news as a big company was responding to the concerns and changing priorities of its customers. People could also see the potential for much bigger Fairtrade sales. Everyone could understand the benefits for the smallholders in El Salvador and Ethiopia from whom Nestle was buying. The rigorous assessment of the certification team showed the product met all the Fairtrade criteria – and that the smallholders were going to get the benefits as they should.

The Board voted in favour of Nestlé's Partners Blend carrying the Mark. The day the announcement was made, student group People & Planet launched a campaign welcoming the move and pressing Nestle to do far more, which was, I thought, just the right response. Here was a major multinational, able to affect millions of lives, listening to people and starting to give them the Fairtrade coffee they wanted – but it was not enough and they could do so much more; indeed Nestle had also recognised the need to consider incremental progress and to do more.

Tadesse Meskela from the Oromia Coffee Farmers Co-operative Union is a fierce critic of the giant coffee roasters and the impact that prices have had on poor coffee farmers in Ethiopia.

He's only able to sell about a fifth of the co-op's coffee as Fairtrade and he needs to sell more. He told me how with the premium, the communities are gradually building schools for the children who were simply not getting an education. It's been a huge success.

'But we've just discovered that these new schools are suddenly empty.'
'Why?' I asked.

'Because at this time of year, their families have simply run out of money and the children are too hungry to go to school. Really the prices are killing us. People need more income.'

Facing those stark realities, Tadesse saw selling his coffee on Fairtrade terms to Nestle as a real step forward – while always, always pushing them to do more.

Nestlé have taken the all important first step. But other big firms, such as Kraft, have yet to offer a single Fairtrade coffee in the UK. Instead, they have opted for a range of the other <u>'ethical labels'</u> that carry no obligation to pay farmers a better price or buy from organised smallholder groups.



Part of the success of Fairtrade has been to put social and environmental issues and the plight of farmers on to global agendas, encouraging companies to see that consumers are not only concerned with price – that instead of

always competing to offer the cheapest commodities, they can put real value back into our food and drinks. So any and all improvements that benefit producers are welcome. But there's a flipside.

We have to ensure that the gains the Fairtrade movement has fought for and won over the past two decades are not chipped away by companies opting for a proliferation of bewildering labels that confuse the public, and do not carry the same guarantees as Fairtrade.

There's no doubt that some alternative schemes have a lot of attraction: many are addressing issues such as the environment that are fundamentally important and are sometimes doing a good job in many ways. But it is the case that the companies, not the producers, are in the driving seat; the schemes make fewer demands on companies; usually even the largest plantations can enter and – most importantly – such schemes do not cost companies much because there is no minimum price to pay. But they are not, and have never claimed to be, Fairtrade programmes. By contrast, Fairtrade must seem hard work and expensive. For it is the only scheme that seeks to address the root causes of farmers' poverty. And it's the only one with an organised global movement behind it, whose years of campaigning have given the Mark huge recognition amongst consumers (eight out of ten people in Britain know about Fairtrade) – which in turn gives it great power to persuade traders and supermarkets to act. That's what gives Fairtrade its legitimacy and its strength and makes it so very special.

The nightmare scenario is that if products become more and more cluttered with different stamps, and if every company starts claiming to be very, very nice with their own different logo to prove it, the weary shoppers get first confused and then cynical about the whole lot of them – including Fairtrade.

That's the moral of the green washing-powder tale. <u>Ecover</u> long held the position as the environmentally friendly washing powder. Then in the 1980s with an upsurge of concern about the environmental impact of <u>washing</u> <u>powders</u>, many big brands started becoming 'environmentally friendly' with a plethora of claims on their products. The consumer had no way of telling what any of these meant. They became disenchanted and disengaged. The big-brand soap powders gradually, quietly dropped their environmental

claims and the opportunity of consumer pressure really to change their practices was blunted and lost. That's why consumers need to show they know the difference – and keep on backing FAIRTRADE Mark products.

'Watch out,' one business leader warned me. 'There are those with a long-term plan to undermine and destroy Fairtrade.' It sounds almost too Machiavellian to be true, but we should never underestimate the degree to which, within some business circles, Fairtrade is challenging the status quo and provoking a reaction.

In other cases it has still not seriously flashed on to business' radar screen. I have had to sit firmly on my hands in workshops organised by leading multinational brands, where they have clearly spent thousands and thousands of pounds on consultants concocting trendy ideas about how 'to market sustainability', or how to involve HQ staff with their suppliers, or to give charity to the very communities that grow their products. Why, oh why, don't they just do Fairtrade, I think: the farmers do not want to go on needing charity; they just want a fair price for their goods and to be treated with respect.

Nor does anyone think for one minute that the battle is won, that companies have seen the light and reinvented themselves as agents of social change. They are doing Fairtrade because the public have made it commercially possible or even necessary. But all companies are under pressure to deliver more profit to their shareholders and as companies are taken over or go out of favour with City analysts, their one-time commitments can be axed or scaled back. Which is why it's so important that Fairtrade supporters everywhere keep on asking for Fairtrade and why we must ensure that Fairtrade gets better and better at delivering real change.

Then there are those bodies that we absolutely can and should partner more closely into the future. Key is the <u>Ethical Trading Initiative</u>, which the Foundation helped set up and encourages all companies to join, so they can do better on core standards for workers in factories across all their supply chains. That's the base; then on top they increase their commitment to Fairtrade products.

In Ireland, for example, Fairtrade has grown at a huge rate in recent years, but Fair Trade Mark Ireland Director Peter Gaynor also emphasises their work with those industry groups open to serious dialogue to raise minimum standards in sectors like coffee, including on large estates where Fairtrade certificates aren't available anyway.

'Our ambition in Ireland is to maximise sales on Fairtrade terms as the "gold standard" for people in developing countries. We'd like to see 100 per cent sold on Fairtrade terms. But while we seek to maximise volumes, we could also collaborate with organisations to ensure we raise the floor of minimum standards — as well as keeping on pushing at the ceiling with Fairtrade. Fairtrade has never been the only initiative. It's the most important and the best, but there are complementary initiatives which tackle the problems from different approaches.'

Other key partners for the future are the organic certifiers such as the Soil Association. We do not aim to create some kind of über-label that tries to cover all global issues under one enormous roof. Rather, keeping our distinct roles with the public – because organic and Fairtrade have different, if overlapping, missions – in the future we could work together more so producers do not have to deal with many different bodies.

People often complain that they find it hard when they have to choose: should I buy organic or Fairtrade? Or <u>local? What a bout the carbon footprint of products</u> from overseas – isn't that bad for <u>climate change</u>? The 'anxious' shopper is a symptom of our times – but it's also often an exaggerated worry when in practice most such initiatives are mutually supportive. For example, there are not many bananas grown in East Anglia yet, despite global warming; so people can buy local cheese or milk or meat and buy Fairtrade tea, oranges and pineapples. But when there are tradeoffs, I believe each of us has to find what feels right for us – be the 'happy shopper'. As the Women's Institute slogan put it so neatly in one of their earliest Fairtrade campaigns, which was picked up in Garstang when it became the first Fairtrade Town: 'Buy local. Buy Fairtrade'.

Some people only ever buy local apples and good for them. I too glory in the early small, sour Coxes and misshapen, textured Russets (which, having been almost driven to extinction by the supermarkets' promotion of factory-farmed apples, are now making a comeback as expensive 'speciality' varieties). But if people do want apples when the European season is over, then isn't it best they buy South African Fairtrade fruit? (Which, by the way, have no chance of competing with English apples in season thanks to high duties, while European apples can enter South Africa tariff-free all year round.) On cut flowers, isn't it better to give Kenyan workers a chance to earn a decent income, than buy flowers grown in Dutch greenhouses which research has shown, in fact, release more carbon? Of course, the overwhelming majority of Fairtrade goods come by boat.

The Fairtrade movement welcomes wholeheartedly the nation's belated waking up to climate change; indeed some Fairtrade farmers are reporting that their crops have been badly affected by changing weather patterns. <a href="Barry Coates">Barry Coates</a>, Vice-Chair of Fair Trade Association of Australia and New Zealand, says it is already spelling catastrophe for many farmers in the Pacific: 'Here nature is majestic and huge and climate change will render whole Pacific islands uninhabitable and is already doing so. We're seeing more storms, sealevels are rising, people are moving inland or to other islands and we are starting to see environmental refugees from the Pacific already. So climate change is massive here.'

Of course companies should seek to limit the footprint of Fairtrade products. Interesting new research is showing that the largest impact on climate change is not at all with the producers but at this end – the processing, such as making instant coffee or the packaging or people driving to the shops. So we should reduce the carbon impact in these areas first while avoiding knee-jerk reactions that put a brake on poor farmers earning a living. We should consider 'fairmiles' as well as 'foodmiles', and look at a product's social footprint as well as its carbon footprint.

No one puts that better than John Kanjagaile. Once at a public meeting in London, he was asked about Fairtrade and global warming. His eyebrows shot up and smiling, he gently replied, 'In our villages, none of the farmers have fridges, or cars, or TVs or computers or air conditioning. They have never been to our capital city, let alone got on a plane. Don't ask these poor farmers to pay the price for the mess rich nations have made of the world.'

Powerful words I have never forgotten. There's so much we can do to clean up our mess, to own and consume less — while enabling those who need more to earn a decent livelihood. And often there are obvious win-wins: as when the Co-op launched <u>shopping bags made with Fairtrade</u> certified cotton to encourage people to get away from their addiction to plastic bags. Or when you buy Fairtrade brazil nuts from the nut company <u>Liberation</u>, you know you are enabling the farmers in Bolivia to live in harmony with the Amazon rainforest so they have a financial stake in protecting it, instead of being driven to cut down the trees to survive.

So I frequently stomp around the house when people assert on the morning radio that 'Climate change is now accepted as the greatest issue facing the world.' I, for one, do not accept that: I think there are three great issues facing the world today – conflict, poverty and climate change. All are killing poor people in poor countries; they are often interrelated and all three need companies and individuals to take action and governments the world over to show courage and vision in getting a grip on the problems.

To date, the EU and USA have failed to offer a fairer trade deal to developing nations. Quite the reverse. As the global talks have floundered, it looks as if these big players may pick off countries one by one for individual deals that will be as lopsided as their respective weights in the bargaining balance suggest. It's not an edifying sight and many in organisations like Oxfam and Traidcraft Exchange fear for the impact in countries such as the Windward Islands.

Against this backdrop of gathering trade storm clouds, Fairtrade supporters have queued up to lobby their MPs, arguing that the overwhelming public support for Fairtrade gives the British government and the EU a clear mandate to take the big, bold steps needed at international trade talks to ensure the rules are made fairer for developing countries. As the Foundation looks to the future, Bruce Crowther and many in the Fairtrade Towns movement are itching to get their teeth into more such lobbying. So, too, are some of the schoolchildren. When I met then trade minister Alan Johnson ahead of another attempt to restart the Doha trade talks, he recounted how he'd had a postcard from a primary schoolboy urging him to 'make trade fair', with a PS at the bottom adding in his best handwriting, 'Could you come to

our school assembly on Monday dressed as a Fairtrade banana, please'. Unfortunately ministerial engagements prevented him.

Barry, now in New Zealand, has a powerful pedigree of campaigning against forced liberalisation having made a name for himself as Director at the World Development Movement in the UK. When he first became my boss, he boasted a lovely little ponytail although that had gone under the knife by the time he became my boss again – this time on the Board of the Fairtrade Foundation, an experience which helped him when he moved back to his home country and got stuck into helping start Fairtrade there. Now as Director of Oxfam New Zealand, he's deeply concerned about the way the trade talks are going: 'These free trade deals being pushed on vulnerable nations would be devastating, absolutely devastating – leading to loss of government revenues, opening up to abuse of corporate power, pushing privatisation into small countries....' Barry's list goes on and on: 'That is why the relationship between Fairtrade and trade campaigning needs to become tighter – we have to build a deeper level of public education.'

Even <u>The Economist</u> magazine has recognised the role Fairtrade can play in this: 'The best thing about the spread of the ethical-food movement is that it offers grounds for hope. It sends a signal that there is enormous appetite for change and widespread frustration that governments are not doing enough to preserve the environment, reform world trade or encourage development.'<sup>11</sup>

Back at the Foundation, Mike Gidney is sober in the face of the enormity of the challenge to shift governments: 'The rules that govern international trade, and international businesses, need urgently to be reformed so that the most vulnerable people are protected from the brutality of the free market. Fairtrade is showing that it is possible to intervene successfully and manage markets, but governments are lagging behind the public in recognising this — and look more and more out of step. When there is so clearly a mandate to raise their game, no government has stood up and taken action to make trade rules work for development. As more people buy Fairtrade, more governments must start to listen. Consumers are voters, after all. To ignore them for too long would be a historic mistake.'



Not long ago, cotton specialist at the Foundation, <u>Tamara Thomas</u> went to a meeting with a major company to encourage them to use Fairtrade cotton in their clothing. Their chief buyer has a fearsome reputation as one of the hardest-nosed in the business, although there's quite a few competing for that title! He obviously thought he'd make mincemeat of the attractive, blonde Tamara, living up to his reputation by opening with a series of macho one-liners to the effect that her do-gooding pleas wouldn't cut any ice with him.

But Tamara is a tough cookie. She spent thirteen years as a buyer for high street retailers until she could no longer stomach having to negotiate lower and lower prices while witnessing what this meant for producers. She became convinced there must be a fairer way of trading and selling clothes and started as a volunteer in the Fairtrade Foundation, quickly proving her worth. It's a tribute to her tough, calm negotiating tactics, but also to the compelling evidence she presented that consumers were demanding Fairtrade cotton, and that it was making a difference to the producers, that by the end of the meeting 'The Difficult One' had agreed to buy all the Fairtrade cotton that could be sourced that season.

Increasingly, the Foundation is driving a tougher bargain. Where once, with campaigners' help, we just tried to persuade companies, please, to try one little Fairtrade product, now we ask and indeed expect much more. In the earliest negotiations on bananas, head honcho at banana importer Geest told the then Director of the Foundation Phil Wells: 'Get your tanks off my lawn.' Phil, checking over his shoulder, was surprised — we didn't have any tanks; our bargaining position was really quite weak then. Now we do have huge public support, a vibrant national network of campaigners and NGOs and a proven track record. So we can push for much deeper commitments from companies. We can encourage them to switch whole categories, or engage more with their suppliers or invest in enabling the poorest farmers to enter Fairtrade.

As Tamara says, 'We encourage companies to go from compliance to commitment – not just meeting the Fairtrade rules but really engaging with the spirit of Fairtrade, supporting the poorer growers, investing in their needs, informing consumers, undertaking major commitments not token one-offs, and

really tackling the social and environmental issues right through their supply chains.'

At the party to launch Fairtrade Fortnight 2006, I didn't envy Marks & Spencer Chief Executive Stuart Rose. Sporting their new Fairtrade certified-cotton socks, he took to the podium after the most rousing call to action by Comfort Kwaasibea from Kuapa Kokoo who had had the audience chanting their co-op's trademark quality call – 'the best of the best'. It was a hard act to follow. Stuart pulled the focus back to the consumers. Their confidence to turn belief into action was, he said, because of the 'robust and transparent certification process' afforded by the FAIRTRADE Mark. But he continued:

'We cannot be complacent. Consumers are rightly becoming more demanding (and)... will carefully scrutinise what actions businesses are actually taking. Increasingly, they will not accept bland assurances. Fairtrade as a fig leaf will not wash with consumers – they want to see evidence of basic standards and ethical behaviour across everything businesses do.

'There are enormous opportunities to grow Fairtrade – we are at the start of a long and exciting journey. Although more and more retailers are getting behind Fairtrade, we, like many others, would welcome more competition on Fairtrade to help drive the pace of change.

'I see it as a virtuous circle – retailers changing their practices in response to growing consumer interest in Fairtrade. The Fairtrade Foundation will then be in a stronger position to work with a wider range of producers to satisfy the increased demand.'<sup>12</sup>

The Co-operative Group's major benchmark survey of consumer attitudes on food and ethics in 1994, repeated again in 2004, found just such rising consumer expectations:

'Attitudes have hardened. Ten years ago, consumers were hungry for the ethical alternative and hungry for the information they needed to identify it. Now they are even hungrier. They are more prepared to use their purchasing power to support products that meet their standards – and equally prepared to veto those that don't. They increasingly want to play an active part in making these standards mainstream, using their influence to drive change.' 13

Brad Hill at the Co-op is convinced that, 'The movement on the ground is driving Fairtrade forward and making it part of the fabric of our society. When we switched all our coffee to Fairtrade, we picked up on the Oxfam coffee campaign and told people what it was all about.' He himself has been involved with the Fairtrade Towns campaign in Salford and Manchester and the Co-op have worked closely with local supporters across the country, developing materials that have been used as far afield as France, Korea and Japan.

A dad himself, Brad is most excited by the new Fairtrade Schools scheme launched by the Fairtrade Foundation with a grand coalition of development education centres around the country in 2007, as that is clearly aiming at the future generations: 'When Brian Namata from the Kasinthula sugar co-op was over from Malawi, he explained to my son Matthew, who was just nine at the time, that the villagers no longer had to get water from the crocodile-infested river – that really made an impact. We organised a day at his primary school which involved workshops and a special Fairtrade assembly. It's a big school, around 300 children, and class by class they presented what Fairtrade meant to them through songs, poems and artworks. Then this little lad of nine or ten stood up in his football shirt and said he'd always had his team's latest shirt but he'd discovered that all this money his parents paid wasn't going back to the people who made it. And then and there, in front of all those children, he took it off Years later, Brad's voice still cracks at the memory.

Fairtrade brands are once again moving one step ahead. Traidcraft is considering how to add more value to products, for example, with Fairtrade tinned pineapple from a factory in Swaziland (instead of exporting them fresh), and undoubtedly new companies will come with new ideas. At the time of writing, Robin Murray has just overseen the latest launch from the TWIN stable – the nut company Liberation supplying brazil nuts from Bolivia, Brazil and Peru and peanuts from farmers in Malawi initially to Coop and Tesco supermarkets. Indeed Tesco has given a huge opening to these very poor nut producers, with a quarter of all their brazils now Fairtrade. But Robin stresses that the pioneers need to keep opening up new areas – to remain distinct in the market and to keep innovating:

'The 100 per cent fair-traders do a hundred things differently. They are trying to establish a different kind of firm, a different way of business, a people to people trade. They are highly professional now while still deeply into economic innovation, putting social and political values into the heart of the economy, to show another way is possible based on the values of trust between consumers and producers.'

The Fairtrade movement, he says, always needs to keep focused beyond just the business of selling more chocolate or coffee, important though that is, to the ultimate objective which he sees as, 'about redistributing power and money from those where it is concentrated to those with much less. There is a pyramid that shows the concentration of money and power right at the top; that needs to be flipped over. So we should have much greater <u>producer ownership</u> of companies.'

Divine chocolate and Agrofair were among the first companies to be partowned by the producers and in 2004 Cafédirect became a public limited company with shareholders including producer-partner organisations and a golden share for its founders. In 2004-5, Cafédirect put 86 per cent of its operating profits (£574,000) back into tailor-made support and training initiatives with the growers. The company is also looking to increase dramatically the number of farmers they reach, including through the first stage of its ambitious international plans with a move into selling its products in Hong Kong and Singapore. CEO Penny Newman, a sharp-minded strategist who learned her trade at The Body Shop and has steered the company to the number six slot in the UK coffee market, is convinced that its continuing success will spring from its values.

'We must be driven by producers' needs, that's why we are unique. But we must adapt for the world as it will be in five, ten years' time with all the coming changes in agricultural practices, in commodity markets, and the rise of China and India. We must consider how Fairtrade could look differently in the future, and how Fairtrade companies will be raising the bar.'

Fairtrade Foundation's Chairman Mike is nodding to most of the Foundation's emerging future strategy so far. He agrees we need to reach a real breakthrough across the product range, push companies from compliance

to commitment and develop strategies to work in the least developed countries. But he's also keen to discuss his vision of a 'Fairtrade lifestyle' for the public here so that millions more producers can participate. He readily agrees to the work in progress on new agricultural products, for example, to introduce Fairtrade lentils, jute, soya and Palestinian olive oil. Also in the pipeline are new areas, such as cosmetics using Fairtrade ingredients. In future we may move beyond certifying cotton and get involved with the manufacturing stages of textiles; and undertake new ventures such as seafood on which we are doing initial research with the communities in developing countries and where we'd want to link up with experts in sustainable fishing; and new departures into service enterprises like Fairtrade tourism, which are likely to be much further down the line.

One long-held personal ambition is to be able to label Fairtrade handicrafts. This could bring benefits to thousands of handicraft producers and would unite FLO with the grouping of 100 per cent Fairtrade companies, the International Fair Trade Association (IFAT), who've long bought and sold everything from handmade paper to baskets and gifts, but until now have not labelled products. The first steps of a ritual dance to bring the schemes together are being played out, with the Fair Trade Association of Australia and New Zealand playing a lead role. There, both FLO and IFAT are joint-owners of the labelling initiative.

Each such step forward requires time and resources as we research how to ensure Fairtrade delivers change in each new area. First, we check if Fairtrade can make a difference to the producers, if it can stimulate development and bring greater justice into the trade, and if so how will it have to be framed and adapted? We look at which communities could be interested and which traders. We have to ask: Will it work in the market? What level should the price be set at? Do we need additional rules for this particular product? For example, cosmetics will mix Fairtrade cocoa butter or shea nut butter with chemicals and water, so we will need new rules on the percentages that have to be Fairtrade.

But when I gaze into my crystal ball on the future of Fairtrade, the new product that sparkles the most brightly is gold. Since that chance meeting all those years ago in Katharine Hamnett's basement kitchen, Greg Valerio has

kept in touch, slowly chipping away at each obstacle to his vision of a best-selling gold wedding ring carrying the FAIRTRADE Mark.

A jeweller himself, he's teamed up with organised small-scale miners in Colombia who started developing 'green gold' to tackle the terrible environmental problems they face. But they quickly ran into a shortage of funds. How, they wondered, were they going to get more of the final selling price of gold so they could improve their lives and the environment? Greg, who'd been watching the rise of Fairtrade food, thought he had the answer. So began an exciting partnership between FLO, the <u>Association for Responsible Mining</u> and the Fairtrade Foundation to explore whether Fairtrade labelling could make a difference to the miners' lives.

To find out more, <u>Chris Davis</u>, who leads on new product development at the Foundation, but previously worked on a project in South Africa helping people in handicrafts get better income from their products, visited Greg's partners in Peru and was shocked by what he saw: 'The most vulnerable people mining gold are getting ripped off; they earn absolutely nothing – and so work in the most appalling conditions. In one community I visited, the men go deep underground hacking out the ore. Kids as young as six then stand on a huge granite rock, rolling it over the ore mixed with water and mercury, which gradually absorbs the gold.

'Then these kids scoop it up with their bare hands into cut-off plastic bottles and take it to their homes. There, on their kitchen stoves, they evaporate the mercury, so releasing poisonous gases, to leave the gold. It's very dangerous, and totally unnecessary; there is a machine no bigger than a suitcase and costing less than \$2,000 that can do it; but they can't afford it because they get so little for their gold.'

Yet read the papers and you only hear how gold prices are soaring to seventeen-year highs due to demand from India and China. Try telling that to the miners. It's a sobering reminder that without mechanisms in place, higher commodity prices often do not reach the vulnerable people at the beginning of the supply chains.

Many worry about Fairtrade going into such new and difficult ground, and fear Fairtrade's reputation may suffer when the public learn how hard life is

for the small-scale miners. 'Yes,' says Chris, 'there are risks but we are here to create change for the most vulnerable people. The public can understand that if Fairtrade is involved with a community, that doesn't mean all is perfect. It's not perfection guaranteed; it's a better deal guaranteed. Some 100 million people depend on small-scale mining; what keeps them poor is that they are not getting a fair price. And Fairtrade could help change that.

'In five or ten years' time, with Fairtrade prices, those children I saw could be in school, and the miners could be exploring other ways to supplement their incomes.'

Greg, whose shops see the scale of public interest in Fairtrade gold, especially in Ireland, has no doubt it will go down a storm: 'Unquestionably the demand is there for Fairtrade gold and gems. It's a total no-brainer. And once we have one film star on the red carpet flashing a Fairtrade ring, they'll all have to have it,' he laughs.

We're catching up outside a cinema where the London Fairtrade Campaign Group is hosting a film festival. Tonight, they're showing <u>Blood Diamond</u>, in which the gorgeous <u>Leonardo di Caprio</u> plays a tough South African <u>diamond</u> dealer in the tragedy that is <u>Sierra Leone's</u> mining industry.

It's shocking, but compelling, viewing and the audience is receptive to Greg telling true stories at the end: 'A small scale alluvial diamond miner in the north-east comer of Congo found an eight and a half carat red diamond. He sold it to a trader for \$2,000. This same stone, because of its rarity – it's like finding an undiscovered Picasso in your loft – was bought in New York for \$150 million. That's the scale of inequality we're up against. And we're going to change that.'



As we look to the future, one question we're so often asked is: will we create fair trade for UK farmers? We've considered this very carefully. Clearly, British farmers share much with their counterparts in developing countries: they are both at the end of what the Soil Association's <a href="Patrick Holden">Patrick Holden</a> calls 'long fear chains'. Price cuts get passed down the line, stopping only with the person at the end: the farmer. That's why so many farmers in Britain, just as

overseas, are going out of business, and why suicide rates among farmers are so high worldwide. In the United States, <u>workers on the fruit and vegetable farms are often migrants</u> from the very communities in Mexico or Nicaragua where Fairtrade is trying to make a difference.

With so much shared ground, the Soil Association asked us to consider working with them on fair trade for farmers in rich northern countries. But the more we researched, the more it didn't feel right. The conditions for farmers here are so different, the standards needed totally rewriting. The public reaction was mixed. Support for UK farmers, and in particular those most on the ropes such as Welsh hill farmers, is widespread. But people clearly associate the FAIRTRADE Mark with the relief of absolute poverty – with products grown by farmers who don't have clean drinking water or schools for their kids. It would be confusing to find the same Mark on carrots from English farmers in a very different position.

But the final word went to the Fairtrade producers. I knew they would welcome sharing ideas with British farmers, but I was nervous of putting a more ambitious proposition to the FLO international board meeting. Gilmar Laforga, the normally mildmannered representative of the Brazilian orange growers, snapped his pencil in rage. 'The day', he fumed, 'that Europe's farmers no longer have subsidies and tax advantages, the day Europe lets us compete on a level playing field with fair international trade rules – that's the day we can apply the same FAIRTRADE Mark to US and European produce.'

And so, while the Foundation appreciates all that is shared in the positions of farmers here and overseas; and welcomes other organisations supporting British farmers' demands for fairer prices; and encourages groups to make connections like the WI 'Buy local. Buy Fairtrade' campaign, we ourselves are keeping our focus on tackling poverty in developing countries. Which, let's face it, means we have our work cut out.



An African colleague once told me a saying: 'If you want to go fast, go alone. If you want to go far, go together' Putting to one side the problem that I want to go both fast *and* far, everyone in the Fairtrade movement has been building the networks to go far in the future. Producers have already formed three

networks – the CLAC (Coordinadora Latinoamericana y del Caribe de Comercio Justo), the African Fairtrade Network and the Network of Asian Producers, which in 2007 officially became full members of FLO, thanks once again to the persistent work of our Ian in drafting endless documents. As Binod Mohan, Chair of the Asian Network said: 'The face behind the Fairtrade movement is the southern producer and the inclusion of producer networks in the FLO constitution is a welcome step towards further strengthening Fairtrade.'

Latin America and the Caribbean, where the first Fairtrade producers came together and still home to the biggest number of Fairtrade producer groups, have been networking as far back as 1996, and 300 organisations are members of the CLAC representing over a million growers. In Africa and Asia such co-ordination is newer, but growing fast especially in Africa. Supporting such networks is a vital building block for Fairtrade in the future.

FLO already has offices and staff across the world, monitoring and supporting groups, and we are exploring how FLO could devolve more and more to the South. It's not a straightforward debate – how to keep the global consistency and also allow flexibility for different contexts around the world. But it seems to me that as the system grows, we may need a simple set of core international principles, with more specific standards for different regions and products. One size does not fit all.

That would enable the regional organisations and producer groups to develop and ensure implementation of the standards. While the rigour of the Fairtrade standards and the global system of certification are central to the success of Fairtrade, they should never be a straightjacket either. Rather they should facilitate the aim of tackling poverty and promoting development. So it's right the standards are constantly updated, that we keep on pushing up the bar to increase the benefits Fairtrade can bring and push companies to do more — while also widening the net for the poorest producers to come into the system for the first time.

This is very much the vision of our colleagues in Australia and New Zealand too. Barry Coates says, 'In the future it's important we devolve more to an Asia-Pacific hub as this is where the future growth will be. Functions

like certification need to have a closer link with people, to be more responsive to the issues of the region to developing training and sharing capacity. It is the logical next stage in the development of an international organisation like FLO – to position itself for the next stage.'

Barry is also passionate about Fairtrade strengthening its work with producers, and widening opportunities for new groups and new countries, 'In this part of the world, trading routes are very thin, there are not a lot of buyers out there offering deals and you lack, competition so you get a lot of rip-off deals. So Fairtrade can be very important to the farmers. Yet, in the Pacific, there is only a handful of Fairtrade-certified groups. So we want to support more Pacific groups to gain Fairtrade certification – help build local organisations' understanding and engagement with the process.' In fact, they're talking to TWIN about how to do this.

As Barry outlines, we need an increased focus on the poorest growers in the poorest countries – in the future we should work in countries like Bangladesh, Cambodia, Mozambique, Congo where farmers have difficulty in getting even on to the first step of the trade ladder. As <u>Noel Oettle</u>, the Chair of <u>Fairtrade South Africa</u>, says, support is needed to 'develop the capacity of producers and workers to become effective entrepreneurs and to develop and maintain direct links to national, regional and international markets'.

Take for example some Indian cotton farmers who wanted to join the Fairtrade scheme. Firstly someone had to explain what Fairtrade is all about, the benefits and responsibilities. Then to receive the Fairtrade premium, the farmers' group needed to open a bank account – a new step for the farmers. When they went to the bank, they were asked for documents to prove they owned the land, as collateral. But, as so often, the farmers, many illiterate, did not have those documents. So they were stuck. It took outside help to negotiate with the bank manager, to track down the missing documents and file requests to the government for the right records. This can be a long process. Selling to developed nations may also mean that producers have to meet a panoply of complex food safety, quality and packaging standards required by governments and supermarkets.

So ensuring Fairtrade reaches disadvantaged farmers takes resources — resources we simply do not have. Three-quarters of the Fairtrade Foundation's income comes from the licence fee that companies pay for putting the FAIRTRADE Mark on their products; which is for all our core costs and means the system is sustainable. The last quarter of the pie comes from donors — ranging from generous individuals to trust funds and government sources — as we do not want our independence compromised by relying solely on company fees. These donor funds are focused on developing new products, raising awareness and supporting producers. But the development needs run way ahead of our bank balance.

As the 2005 Commission for Africa noted: 'Increased <u>funding</u> from developed countries would help increase the participation of producer groups in "fairtrade". The demand for products carrying the "fairtrade" mark is growing, but investment is needed in building the capacity of producer groups in Africa to meet the rigorous demands of developed country markets.'<sup>14</sup>

Their assessment was backed up by the cross-party <u>International</u> <u>Development Select Committee of the House</u> of Commons that held an inquiry in 2007. They recommended that Fairtrade should 'help the most disadvantaged producers in the poorest countries. We recommend that this pro-poor focus becomes a key area for future government funding for fair trade.' <sup>15</sup>

That's why the Fairtrade Foundation has been calling for a group of international donors to fund Fairtrade's next big steps to the tune of £50 million over five years. Setting the ball rolling, Comic Relief has already pledged £5 million to support Fairtrade in Africa. It's a flying start that we hope the UK government will follow.

In Ireland the rapid rise in public support for Fairtrade has encouraged the government to increase its support for producers through Irish Aid. Working with our international body FLO, they are helping Fairtrade farmers in Central America get the professional training they wanted in techniques for the more productive and environmentally sustainable use of soils, crop

varieties and pest control. And there are plans to extend the work into Africa too.

Part of the future of Fairtrade in developing countries will be the growth of local Fairtrade markets so producers can gain Fairtrade terms selling locally or to other developing countries. So 2007 saw the launch of Fairtrade labelling in South Africa. It's one of a growing band, along with Brazil, India and the Philippines, interested in the sales of Fairtrade products within their own countries too – a path forged by Mexico.

In 2006 Mike and I attended the launch meeting of an initiative, backed by Traidcraft, to develop the Fairtrade label in India. Their research showed the huge potential of harnessing the rapidly rising consumer spending power of the middle class together with India's long involvement with Fairtrade.

Everyone at the meeting wanted to get Fairtrade on the road in India, and like Australia and New Zealand to work with both FLO and the 100 per cent fair trade organisations in IFAT. It seems crazy, they said, that we export Fairtrade tea and cotton when there are plenty of people in India who could and would buy them!

The meeting's official report concluded that, 'The celebrated 8 per cent growth rate has reduced poverty in India, and more people are better off today than a decade earlier. But the service-sector-led income and consumption growth is skewed – a very sharp rise in income and conspicuous consumption of an increasingly visible few – juxtaposed with the sense of being left out for the majority especially in the agriculture sector in rural areas. The number of poor in India today, 440 million, far exceeds that of sub-Saharan Africa and income disparities lead to resentment towards the rich steamrollering the poor... In such conditions, Fair Trade could prove to be a beacon of hope for marginalised producers. ... However the Fair Trade markets in the West are not growing in proportion to the requirements of poor producers, and the need is to expand Fair Trade markets in the country by tapping the recent affluence.'

Of course, the major obstacles to developing Fairtrade in a country like India or South Africa cannot be underestimated, but building local and regional sales will be lynchpins of the future. I look forward to the day when Fairtrade in Britain, far from leading the world any more, is a minnow beside these giants.

When Comfort in Ghana weighed the farmers' cocoa on their huge iron scales, when in India Ganga's group invested their first premium in new digital scales for weighing their cotton, they were immediately taking more control over their goods. As this pattern is repeated a thousand-fold across the world, these scales are also hugely symbolic of how collectively the Fairtrade movement is starting to tip the balance. For centuries, weighing scales have been a symbol of justice (today they are the adopted logo of the Trade Justice Movement) and the Fairtrade Foundation is determined that over the coming five years we will scale up Fairtrade's reach and impact so we can touch more lives more deeply and thereby, ultimately, tip the balance of power in trade. As public opinion builds behind Fairtrade, we believe people will expect companies to commit more and more to Fairtrade, and certainly the explosions of interest in recent years augur well for the balance tipping in the future.

I dream that one day you will walk into a small independent health food shop, or the supermarket next door, and really have to search the shelves for products from developing countries that are *n*ot Fairtrade. You simply cannot find them. In the end, you ask the tired assistant, who cannot understand why anyone would be so wacky as to want those old-fashioned products. She points you to a dusty bottom shelf at the back of the shop where there's a sad collection of coffee, tea and sugar without the Mark.

This dream will come true if each of us makes it happen. Fairtrade has grown thanks to the power of people – thousands of miles apart across the globe – each deciding that they wanted to make a difference. And as we scale up and develop Fairtrade in new and exciting ways, the engine powering that change will still be people buying, campaigning and living Fairtrade.

People come to Fairtrade from a huge variety of perspectives, all with differing motives for taking action; that's part of its strength. For me, when I buy Fairtrade I am answering the call from millions of organised producers to give them a chance, to give them dignity, to bring about change, to protest against the brutal logic of the global marketplace, to create living justice.

1 buy Fairtrade products because it is simply the right thing for me personally to do. I'm not on a moral high-horse. But, for me, Fairtrade is a way of taking up Gandhi's challenge I absorbed working in India as a young woman – to 'be the change you wish to see in the world'. Of course it's not enough, it's not the only or the total answer; of course it's not and we never claim that. But it is one part of the answer because you and I and everyone can so very easily buy and support Fairtrade – and so connect with farmers and workers across the world. With each purchase, we are helping build that living, more humane alternative. And, at the end of the day, I am a mother who wants mothers the world over to realise the same dreams for their children as I do for mine.

Victor Perezgrovas, manager of one of the earliest Fairtrade coffee cooperatives in Mexico, told me once how, when explaining to farmers how their small crop can be part of an international movement that makes a real difference, he quotes an ancient Indian saying that, 'Many little raindrops falling in the mountains make the mighty rivers flow'. So it's in all our hands to turn the stream of Fairtrade into a torrent.