

## Panel Session: Power Dynamics 1 & 2

Panel Chair: Panel 1: Anna Sting ; Panel 2: Gerda Kuiper

Participants: João Gabriel Rodrigues Telles Almeida, Darryl Reed, Patrick Clark & Anke Kaulard, Allison Marchildon, Anne Tallontire & Stepanie Barrientos, Magdalena Sliwinska, Ruerd Ruben

### Abstracts **PANEL 2:**

1. **Almeida, J.** *Is Fair Trade Fair? Genealogy of Fair Trade in Mexico and the Challenge of Returning to Its Origins*

This presentation examines the historical trajectory of Fair Trade in Mexico, questioning to what extent current Fair Trade practices remain aligned with the movement's original ethical and political commitments. Rather than treating Fair Trade as a homogeneous or inherently progressive model, the analysis adopts a genealogical perspective to trace its emergence, institutionalization, and subsequent transformations in Mexico.

The presentation argues that Fair Trade in Mexico was initially rooted in grassroots struggles linked to smallholder organization, cooperative governance, and broader projects of social justice, particularly in coffee-producing regions. Early Fair Trade initiatives were closely connected to critiques of unequal global commodity chains and aimed not only to improve prices, but also to strengthen collective autonomy, local decision-making, and producers' political agency. Over time, Fair Trade underwent a process of standardization and market integration. Certification schemes, audit logics, and alliances with large buyers progressively reframed Fair Trade around technical compliance and market credibility. This shift weakened its transformative orientation, often reducing Fair Trade to a labeling mechanism that prioritizes traceability and reputational value over structural change. In this process, producers increasingly became subjects of evaluation rather than co-authors of the rules governing exchange.

The presentation critically discusses the tension between Fair Trade as an ethical-political project and Fair Trade as a market device. In the Mexican context, this tension intersects with longer histories of agrarian reform, cooperative movements, and state-led development models. Finally, it analyzes contemporary efforts to reconnect Fair Trade with its original principles, focusing specifically on initiatives oriented toward the national market and allied strategies—such as short supply chains, direct trade, cooperative branding, and territorially grounded commercialization—that seek to reduce dependence on certification-driven export markets.

2. **Reed, D.** *Fair Trade Standards, Practices, Programs and Projects: Conditions and Prospects for Contributing to Structural Change*

Agricultural producers have historically suffered from a variety of economic, political, bureaucratic and socio-cultural structural disadvantages. To address their situation they organized through co-operative structures, first to ensure the basic necessities of life and over time to address the structural causes of their marginalization. These efforts generated regional co-operative movements, in which producers organized economically (through second tier co-ops and networks), politically (through labour and co-op parties) and socially (through movements promoting adult education, protection of indigenous languages and culture, etc.). The ultimate goals of these movements were to develop producer-driven regional economies and discursive democratic structures. This paper

examines: (1) how contemporary small producers seek to leverage their participation in Fair Trade to achieve the same development goals as earlier co-operative movements, and; (2) the conditions that are likely to determine their success.

This paper proceeds in three steps. First, the structural disadvantages under which SPOs operate are summarized. Next, the pathways through which Fair Trade can contribute to overcoming structural disadvantages are identified. These included specific Fair Trade standards (e.g., minimum price guarantees, social premium, democratic organization, etc.), practices (e.g., solidarity-based value chains), procurement programs (e.g., Fair Trade Town/Campus/Schools), and producer capacity building programs. Third, the conditions necessary for SPOs realizing the potential contributions of participation in Fair Trade are problematized.

The theoretical basis for the paper is grounded in Habermas critical theory and the social and solidarity economy literature. The former includes perspectives on the rationality and contradictions of modern social structures (e.g., the theory of communicative action, legitimation crises). The later includes the literatures on decentralized and participatory planning, regional economic development, the popular economy, etc. On the basis of these literatures, an economic “social capital” theory is developed, which aids in developing the argument by identifying key competitive advantages of small producer organizations.

3. **Clark, P. & Kaulard, A.** *Fair Trade, Collective Empowerment and Development Policies in Peru*

A central issue for the Fair Trade model and Fairtrade’s Theory of Change is how to strengthen the collective capacity of producer organizations, such as co-operatives, to expand their operations and scale the impacts of Fair Trade. Peru is one of the countries in the Fairtrade system with the largest number of small producer organizations. In this paper, we analyze the historical and political conditions that have enabled the expansion of co-operatives/ small producer organizations since the Fair Trade movement took root in the country in the 1990s. We draw on original research and experience working with producer organizations, as well as secondary literature, primary sources, and grey literature, to develop a comparative account of the institutional configurations and governance arrangements that have led to the expansion of Fair Trade producer organizations in Peru. We analyze the role that government policies and capacity building have played in driving the growth of small producer organizations in Peru, drawing on the concept of the “developmental network state” to understand how the development of contemporary Fair Trade co-operatives differs from the state-led producer co-operatives that were central to the 1969 agrarian reform process. Most of the co-operatives associated with the 1969 agrarian reform process failed to consolidate and disappeared within a decade of the reform, especially after government support and market protections were eliminated during the economic liberalization of the 1990s. We contrast the earlier model of state-led agricultural co-operativism – embedded in nationalist and import-substitution strategies - with the more recent expansion of small producer organizations formed to comply with Fair Trade, organic, and other sustainability certifications embedded in global networks.

4. **Marchildon, A.** *Empowerment through Fair Trade: understanding how governance practices influence power dynamics in FT*

Empowering producers and workers is one of Fair Trade's main explicit goals, and several studies do show evidence of increased empowerment through FT (Jodrell & De Bruin, 2025; Marchildon & Guertin-Fleurent, forthcoming). However, there is still much to be done to understand what conditions and practices generate such empowerment, as well as how power dynamics can be shifted in a way that transcends punctual and individual empower effects. In this presentation, we will discuss the empowerment effects of two specific types of Fair Trade (FT) governance models - one which involves the intervention of the State in FT and the other one resting on the development of a close partnership between a producer organization and a buyer highly committed to FT – that we observed in the context of a research project conducted between 2019-2025 in Ecuador, Peru and France and financed by SSHRC.

Drawing on the results of this research project, we will suggest that FT governance models and practices that involve the exercise of “power with” and specific types of “power over” are likely to generate particularly interesting empowerment effects on small producers. After presenting these power dynamics and their empowering effects from both conceptual and empirical perspectives, we will discuss how they are also likely to contribute to a more lasting shift in power dynamics between small producers and other actors in the value chain.

To conclude, we will argue that understanding these power dynamics and working towards these changes in power distribution in value chains are necessary in order to lead to more equitable relations in a lasting way between North and South, as well as more broadly between actors who have historically had less power (producers and workers) and those who have had more power (buyers and distributors).

Abstracts **PANEL 1:**

**5. Tallontire, A. & Barrientos, S. *Fair Trade and Just Transitions in Agrifood Value Chains: human and labour rights***

The global food industry is promoting production methods such as regenerative and sustainable agriculture, excited about their potential to improve climate adaptive capacity, sequester carbon, and provide other environmental benefits. Whilst environmentally friendly practices, such as integrated pest management, may reduce chemical exposure they may also increase manual workloads, raising concerns about equity and worker well-being. Conversely, investments in labour-saving technologies (e.g. mechanical weeders, drones) may reshape employment patterns, creating risks of job displacement and wage stratification. Global efforts to promote sustainable agriculture have largely ignored implications for human and labour rights, or what might be a just transition in agri-food (ETI, 2025). Further, small-scale producers in agrifood supply chains and workers are consistently missing from this conversation and decision-making.

Recognising the multiple dimensions of fair trade, this paper focuses on three aspects of how fair trade principles and practices shape and are shaped by sustainability transitions:

First we consider how fair trade advocacy is highlighting the challenge of a just transition especially with respect to the European Green Deal and more specifically the EU Deforestation Directive (e.g., Ponthieu et al., 2023; Coulibaly-Ballet and Loconto, 2024 )

Second, we examine how Fairtrade standards engage with the need for more environmental practices through standard-setting, including how the languages of social and environmental aspects of sustainability are translated through standards and their

implementation, recognising that fair trade standards may create barriers as well as solutions in terms of just transitions. Third, we consider human and labour rights experienced by small-scale producers and workers within fair trade systems that are undergoing sustainability, or green transitions, how their voices are heard, or could be heard within fair trade processes.

Through this we explore the potential for fair trade to be a vehicle for ‘new translations’ where fair trade practices mobilise agency of small-scale producers and workers.

6. **Sliwinska, M.** *Fair Trade as a Dispersed Hybrid Markets. Implications for Policies and Market Regulations.*

Fair Trade constitutes a social-business initiative that plays a crucial role in the transition towards a ‘sustainable market economy’, countering the major challenges of the 21st century. This research reveals the mechanisms behind this process. It argues that Fair Trade constitutes a new type of market, ‘a dispersed hybrid market’, that due to its specific features contributes to a more pro-social functioning of the entire market and taking responsibility for sustainable development by different market participants. This study demonstrates, therefore, what was underestimated about Fair Trade, and which is extremely important, that it can have a positive impact on the market in terms of sustainable transformation. It contributes to better understanding of sustainability challenges explaining specifics of Fair Trade market, revealing paradoxes and barriers of its development and showing mechanisms of its spill-over effects. It also develops arguments about the need to change the role of the state in the face of global challenges and to support such grassroots international initiatives as Fair Trade. Therefore the practical recommendations address both the desired directions of development of the self-governance of this initiative, as well as the expected role of the state towards it, in particular possible ways to strengthen it.

7. **Ruben, R.** *Bringing Justice to Fair Trade*

Whereas Fair Trade intends to improve smallholder welfare through higher and guaranteed farm-gate prices, far less attention has been given to justice-oriented strategies that modify the distribution of value added within the supply chain of tropical products. The farmer’s share in the end price of coffee, cocoa and bananas remains low and the structure of markets remains largely unchanged.

The transformative impact of Fair Trade on the functioning of commodity markets still deserves much attention. It is therefore important to look beyond the farm gate and to assess the organization and performance of the exchange relationships between farmers, traders and international companies throughout the value chain. Long-term contracts that reduce the farmer’s risks and include cost-sharing arrangement for better input use are hardly used. Large companies still operate on future markets and are reluctant to engage into commitments for upstream contracts.

This paper outlines the implications of applying a justice lens to Fair Trade operations, based on a detailed analyses of the institutional factors that determine the farmer’s share in the end price in the value chains of coffee, cocoa and bananas. We discuss several strategies to enhance the opportunities for strengthening smallholder’s bargaining position through structural changes in value chains organisation and governance, with the ultimate aim to improve their livelihoods and welfare position.

We present some challenging examples of partnerships that involve farmers as long-term associates and eventually may end up with shareholder participation. Important components of such strategies rely on some sort of (un)conditional cash transfers that guarantee farmers stable income streams and permit them to engage in complementary activities for income and risk diversification. Redistribution of value added towards upstream partners and profit-sharing arrangement throughout the supply chain are critical for guaranteeing that farmers are able to reap a larger share of the market surplus.