

## WCA Webinar No. 5 Summary

### Fair Trade for Women Producers: Role of Collective Enterprises for Market Access

On Thursday, April 12, 2012, **Elaine Jones** and **Carol Wills**, two of the authors of the WIEGO study, "Trading Our Way Up: Women Organizing for Fair Trade", presented findings from an action research project that examined the experiences of women producers in collective enterprises in seven countries in Asia, Africa and Latin America between 2009-2011.

#### **Background**

Elaine Jones and Carol Wills explained how engagement with global markets can be positive, despite the conventional wisdom of how globalization marginalizes the working poor. Their research has shown that, in spite of structural barriers, there is a strong fair trade movement mobilizing to address the inequalities of the global market system. Their study reveals how the mobilization of women's collective action groups in the informal producer economy can strengthen women's position in society by serving as a catalyst for the achievement of gender equity and social justice. They highlight the global economic context within which they conducted their research, emphasizing: (1) the lack of resources and assets, limited skills and market knowledge + gender-based attitudes and practices, make women informal producers especially vulnerable to exploitative trading practices and weak bargaining positions; (2) Globalization plus neo-liberal economic policymaking have especially affected women informal producers, as many new opportunities for trade are low-return and high risk for those with little power in trading relationship.

#### **Methodology**

In the publication, "Trading their Way up: Women organising for Fair Trade,"<sup>1</sup> Jones *et al.* designate their project as "action research": a method of study that "seeks to empower people ... through the process of constructing and using their own knowledge"; mainly, they stress that this type of research is not about extracting information for use by third parties, even though knowledge gained through the process may be useful to others. They also applied the Oxfam GB typology (Baden and Pionetti 2011)<sup>2</sup> of women's collective action to analyze groups along four dimensions: (1) characterisation of the organisation, i.e. structure and organisation; (2) degree of women's involvement; (3) degree of formality; and (4) degree of external support.

Further to their evaluation of what characterises successful cases of women's organising, Jones *et al.* analyzed the services and activities undertaken by each country case study, separating community level sub-groups from the "parent" or secondary organizations they are linked to. "Success Factors" were grouped into three areas: (1) factors related to the dynamics and functioning of groups; (2) factors related to the achievement of commercial success; and (3) local and global linkages.

#### **Results**

Through first-hand interviews, personal narratives (recorded or written, photographic and video formats), as well as group discussions in local, national, and international workshops, women producers described the changes that have occurred in their lives as a result of their participation in collective enterprises and fair trade markets. The women involved in the study represented a wide range of ages, with young, middle-aged and older women represented. Interestingly, Elaine and Carol reveal that doing this research had an impact on networks' perception of female producers; fair trade networks came to realize that, despite systemic marginalization, the women they work with are workers in their own right, strong, capable, and empowered to a certain degree.

#### **Key findings on how collective action generates gender-related benefits for women included:**

- Improved income through a greater ability to diversify and shared knowledge to improve products;
- Stronger negotiating power through combined resources;
- Increased status in the household related to greater income earning, contributing to domestic stability and improved self-esteem.

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<sup>1</sup> See Jones, Elaine, Carol Wills & Sally Smith, "Trading Our Way Up: Women Organizing for Fair Trade." [<http://wiego.org/wiego/trading-our-way-women-organizing-fair-trade>]

<sup>2</sup> See Baden, Sally & Carine Pionetti, "Women's Collective Action in Agricultural Markets: A Synthesis of Preliminary Findings from Tanzania, Mali & Ethiopia." [[http://womenscollectiveaction.com/file/view/Oxfam+WCA\\_Phase+II\\_+synthesis\\_paper\\_28.10.11\\_final.pdf](http://womenscollectiveaction.com/file/view/Oxfam+WCA_Phase+II_+synthesis_paper_28.10.11_final.pdf)]

**Key findings on success factors related to group functioning and dynamics included:**

- Registration with relevant authorities, although not *necessary*, is seen to increase access to resources and services, and can help garner the attention of policymakers.
- For groups involving both women and men, having a strong commitment to gender equality and equity at central and community level is critical in bringing about change for women. In part, this arises from an embrace of Fair Trade values - key to shaping policies and practices for all groups participating in project; however, dependency on Fair Trade markets is also a substantial risk factor (especially in a context of economic recession.)

**Questions Featured During the Webinar**

**In terms of consumers, what markets were these women reaching?** (Christian Pennotti, CARE)

- “All of the women we worked with were connected, one way or another, with fair trade markets, locally, regionally, and internationally. There are about 4000 or more of those fair trade shops, such as Oxfam, for example. These shops connected the products of these women producers to ordinary consumers like you and me. Products like coffee into mainstream markets in many countries as well.” (Carol Wills)

**Was the research a comparison highlighting the benefits of collectives for women as opposed women working individually, or working in non-collective businesses?** (Thalia Kidder, Oxfam GB)

- “No, in this relatively small piece of research, that was one of the limitations of the project, we did not do a comparison; all women were in self-managed cooperative groups in the 17 countries we looked at.” (Carol Wills)

**Was there a disaggregation of women by age in the study, following older or younger women and asset management over a woman’s lifetime?** (Marina Churm, Oxfam GB)

- “This was a short project over two years; we identified the countries we wanted to work with and within them the fair trade networks that were our partners. We left it to the networks to identify the women we worked with, so there was not any specific age group. We worked with young women, quite old women, and followed them for the two years.” (Carol Wills)

**Are the results from this study equally applicable to producer groups working outside fair trade?** (Liz Kirk, Oxfam GB)

- “It would depend on the convergence of a number of factors as to whether there would be further application. The fair trade relationship [is something] we found to be important.” (Carol Wills)

**Regarding scale, how are these initiatives making an influence at the 'systemic' level?** (Anuj Jain, Coady International)

- “Working through the fair trade networks in 5 countries (and self-organized women’s cooperatives in Nicaragua and Mexico)- these organizations take a lot of time to work with the women in the field, building trust, and creating a safe space in which women could talk about their own lives and their experience in the collective. From 2010 onwards, the networks themselves began to carry out an analysis of the situation in which they found themselves in relation to trade and gender policy in their country. One of the things that emerged which we found really interesting was doing this contextual analysis had a lot of impact for the networks. One was how they perceived women producers. Those of you who are familiar with Fair Trade will recognize the image of a woman who is very poor and disempowered. I think this project began to change the perception of the networks with regards to these women, and they began to realize the women they work with are workers in their own right too, making a significant contribution their households, their communities, and indeed their national economies. It also enabled the networks to look at how gender policy was framed and implemented in their country, and also to draw up policy ask’s in their country.” (Carol Wills)

**How solid (in terms of management and financial viability) are these formal organisations? Does this have an impact on how women can grow in numbers?** (Hugo Sintes, Oxfam GB)

- “Looking at the number of variables that come into play there are certain factors, internal and external, that affect the solidarity of the organization. In the experience of the 2.5 years, what we experienced in light of the downturn of the economic crisis, some of the groups were able to respond innovatively and diversify their markets. In the example of the Turkana Women’s Group

in northern Kenya, where in fact just a small amount of income from their sale of baskets allowed them to acquire fishing boats and become involved in fishing. So sometimes groups have demonstrated they've become stronger in the face of adversity. However some groups have not been so lucky, and their dependence on fair trade markets has been difficult for them when the market is negatively impacted." (Elaine Jones)

**Given that the benefits listed included improving 'domestic stability / self-esteem', does this mean that resentment from producers' husbands/partners in response to women's increased 'status' has not been a feature at all? Did this study have the chance to look at the impact of outside work on women's household burden, control of income, time, etc.?** (Liz Kirk, Oxfam GB)

- "This question has come up time and again in relation to the potential impact on increasing domestic violence. In actual fact we did not hear anything about this occurring, but we were not looking at household dynamics in our research. In fact, the increase in income had led to more harmonious relationships within the household based on what we heard from the women. Given that we did not pay explicit attention to household dynamics, we cannot fully answer this question." (Elaine Jones)

**What sort of support do fair trade networks provide in overcoming some of the barriers being discussed, particularly with regard to market linkages, access to information, etc., things that one would expect a well-functioning cooperative would be able to take on? What about access to affordable credit?** (Christian Pennotti, CARE)

- "Clearly, the fact that fair trade networks are proactive in addressing the kinds of values we are talking about, then, [means that] linkages with those networks are effective in influencing I would say that the fair trade relationship helps organizations to become stronger and more able to function well, eventually, outside of the fair trade network- that is a measure of success." (Elaine Jones)
- "There is an organization in the UK called 'Shared Interest' which provides affordable credit to FTOs, it has about 45 million USD of funds which it lends to FTOs in a number of ways; for example, to buyers in the North to fund purchases from producer organizations in the South; 'Shared Interest' also loans to producer organizations themselves, 3-year loans for raw materials or fertilizer, whatever they may need. These loans are made at relatively low interest rates." (Carol Wills)

**How did the project manage to engage or have an effect on social protection (one of the research findings)?** (Ralph Roothaert, Oxfam International)

- "Where women have been brought into networks such as the producer organizations in India, they had actually been able to become registered (usually informal workers are not registered as workers and have no access to state provisions) but through membership in these organizations, they have been given access to pensions and welfare." (Elaine Jones)

**Regarding the 'approach' and 'role' of the intermediary organisation - and how that is part of the 'change fabric': what is the connection between fair trade networks as intermediary organizations and the collective groups of women producers?** (Anuj Jain, Coady International)

- "We did an analysis of the different organizations (there is a table in the publication, a matrix on p. 38 of 'Trading Our Way Up') to characterize the variety of services provided by the organizations, and the functions they fulfil in relation to the roles they *need* to fulfil for informal women producers to improve access to markets. For example, the functions of marketing, product-related services, financial services, and input supply, organizational development, and commercial activity. Each of the organizations included in the study are analyzed in that matrix. What we've found was the stronger the organization, the stronger they are in responding to market needs. It's a mixture of business support services, practical input (for example the actual supply of raw materials), financial support in terms of access to banking, and the education and awareness raising functions that these groups support." (Elaine Jones)

**How was 'empowerment' measured in this study? What specific indicators were used?** (Christian Pennotti, CARE)

- "On this point, we assigned Caroline Moses' practical and strategic needs matrix (on p. 83, Table 7.1 of 'Trading Our Way Up') and so we did an analysis of the ability of women to influence the

wider environment. Particularly important here is what WIEGO means by 'empowerment.' WIEGO defines it as the process of change that gives working poor women, as individual workers and as members of worker organizations, the ability to gain access to the resources that they need, to alter their ability to influence the wider policy, regulatory and institutional environment that shapes their livelihoods and lives. And that particularly important element here is 'agency.' That ability to influence that environment of policy. So the table summarizes the key changes that emerged through the case studies, and demonstrates that women did experience significant progress through being linked to fair trade markets and in collective forms of enterprise; it allowed women to learn from each other, received product training and diversification. More broadly, their increased income through enterprise in collective and FTOs also contributed to women's self-esteem and their status of women in the household how they were perceived in their communities. However we did identify many challenges that remain." (Elaine Jones)

**At what level were these collectives operating? Were they producer/marketing groups at the producer level? Or were they aggregated into secondary-level organizations to access high value markets?** (Yogesh Ghore, Coady International)

- "At both the primary and grassroots level, and also through intermediary organizations with their secondary functions. In some case in the example of Nicaragua, where the collectives acted as a federation of cooperatives- intermediary organizations are providing that higher level of market access." (Elaine Jones)

**Regarding the description of women getting income and then 'diversifying' into a range of microenterprises/ income-generating activities: what are the (dis)advantages of these microenterprises? Are they more risky than diversifying the collective operations?** (Thalia Kidder, Oxfam GB)

- "The stronger the collective operation, the less likely this is to happen, and that does not just depend on markets. For example, the Turkana Women are in a desperate situation for much of the time and the market for their palm leaf baskets is in decline; they used to be able to sell in bulk to Nairobi, but possibly due to the increase in cost of transport, etc., that market is in decline. In some situations, such as the women in Djombe (between Tanzania and Malawi), that would have had the women diversifying in the individual level, but in the case of Turkana, it meant they organized together to buy a boat for fishing. And now these women are making more money through the sale of dried fish than they did from the sale of baskets... The disadvantages of microenterprises could be that women spend more time on their own businesses than on the activities of the group. But if the group is strong, they can hold together even if the market is declining..." (Carol Wills)

**From a sustainability standpoint, what is the role of intermediary organizations moving forward, to 'exit' or to remain part of the business?** (Yogesh Ghore, Coady International)

- "The groups that we've studied are approaching sustainability in terms of market diversification. We are seeing more of a development of national and regional markets more than the development of traditional fair trade markets. Many organizations certified as fair trade markets in Latin America are turning their efforts onto strengthening their positions regionally. It is about opening new markets and opportunities both within and beyond the region. Being on trend when it comes to changing market needs is how intermediary organizations assist groups in being sustainable." (Elaine Jones)

**What further recommendations do the results from this research implicate for development practitioners? Particularly for people designing agricultural markets programmes, what are the key changes in practice suggested by the findings?** (Thalia Kidder, Oxfam GB)

- "We developed different categories of policy recommendations in terms of building the agenda for change. The top recommendations we made to government are relevant to some extent to our recommendations for development practitioners. Particularly the consideration of women in statistics and reports identifying economic trending and policies. There is also a need for increased participation of women informal workers themselves in programming and policy formation...We have also made recommendations to the fair trade movement itself, in terms of a paradigm shift in how we view producers; there is a need to account for the nuances and differences among producers, rather than viewing them as a homogenous group." (Elaine Jones)

**Participants**

| <b>Name</b>          | <b>Organization</b>              | <b>Location</b>         |
|----------------------|----------------------------------|-------------------------|
| Colleen Smith        | CARE                             | Port-au-Prince, Haiti   |
| Alexa Roscoe         | CARE                             | London, UK              |
| Jaime Stewart        | CARE                             | Kigali, Rwanda          |
| Annastacia Olembo    | CARE                             | Kampala, Uganda         |
| Nicola Jones         | Overseas Development Institute   | London, UK              |
| Sloane Hamilton      | Oxfam GB                         | Oxford, UK              |
| Thalia Kidder        | Oxfam GB                         | Oxford, UK              |
| Bernard Gouw         | Oxfam GB                         | Oxford, UK              |
| Claudia Canepa       | Oxfam GB                         | Oxford, UK              |
| Cailin Crockett      | Oxfam GB                         | Oxford, UK              |
| Hugo Sintes          | Oxfam GB                         | Oxford, UK              |
| Chris Anderson       | Oxfam GB                         | Oxford, UK              |
| Liz Kirk             | Oxfam GB                         | Oxford, UK              |
| Sally King           | Oxfam GB                         | Oxford, UK              |
| Colin McQuistan      | Oxfam GB                         | Oxford, UK              |
| Catherine Pettengell | Oxfam GB                         | Oxford, UK              |
| Lauren Conway        | Oxfam GB                         | Oxford, UK              |
| Ralph Roothaert      | Oxfam International              | Dar es Salaam, Tanzania |
| Monica Gorman        | Oxfam International              | Dar es Salaam, Tanzania |
| Naomi Makota         | Oxfam International              | Dar es Salaam, Tanzania |
| Anuj Jain            | Coady International              | Canada                  |
| Yogesh Ghore         | Coady International              | Canada                  |
| Sophie Romana        | Oxfam America                    | Boston, USA             |
| Mara Bolis           | Oxfam America                    | Boston, USA             |
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| Patricia Carney      | WIEGO                            | Cambridge, MA, USA      |
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