

The Face Behind Your Shirt!

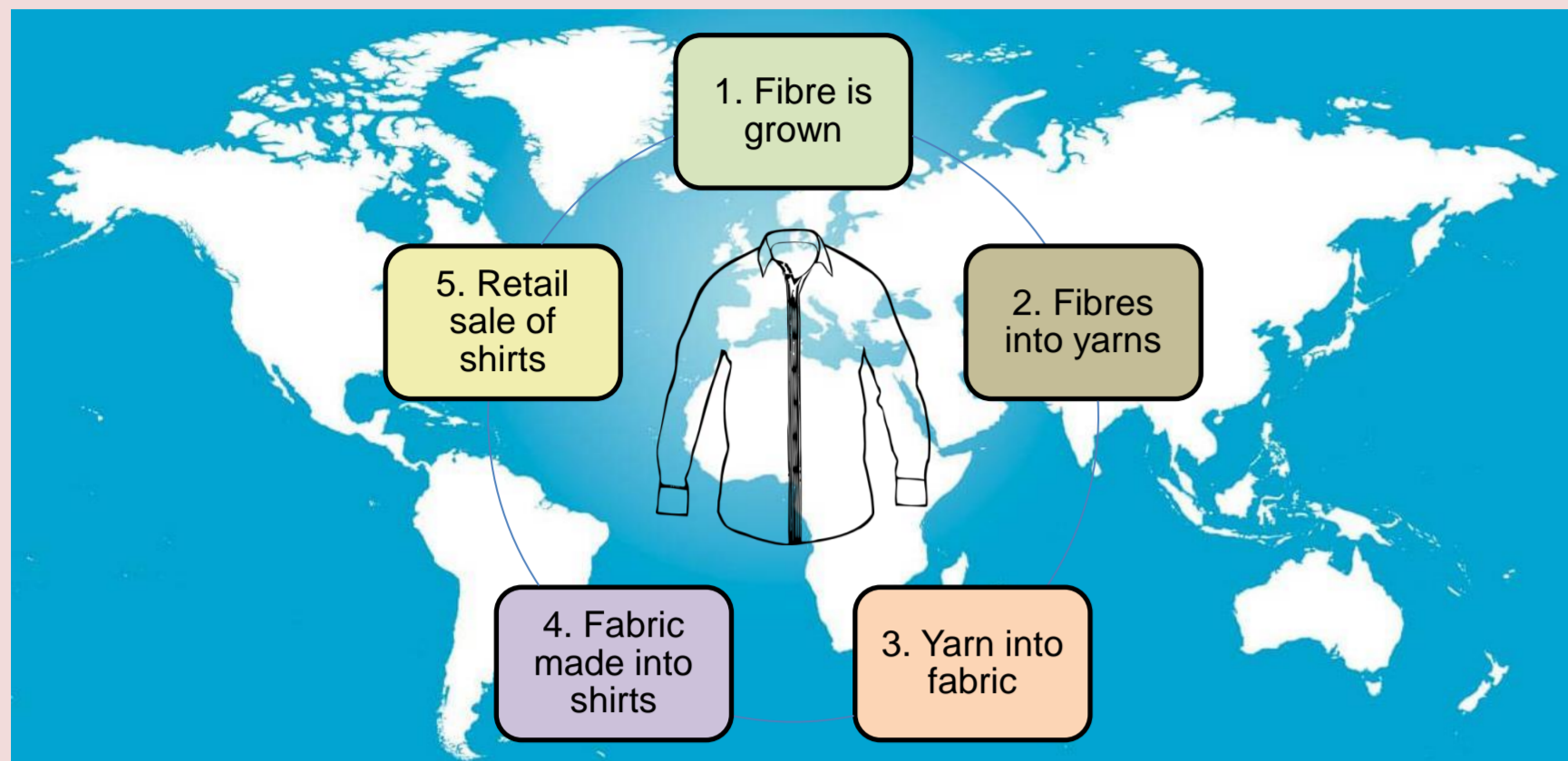
Global Governance: The Role of Government and Fair Trade Initiatives in Cotton Textile Industry in India

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Research Purpose

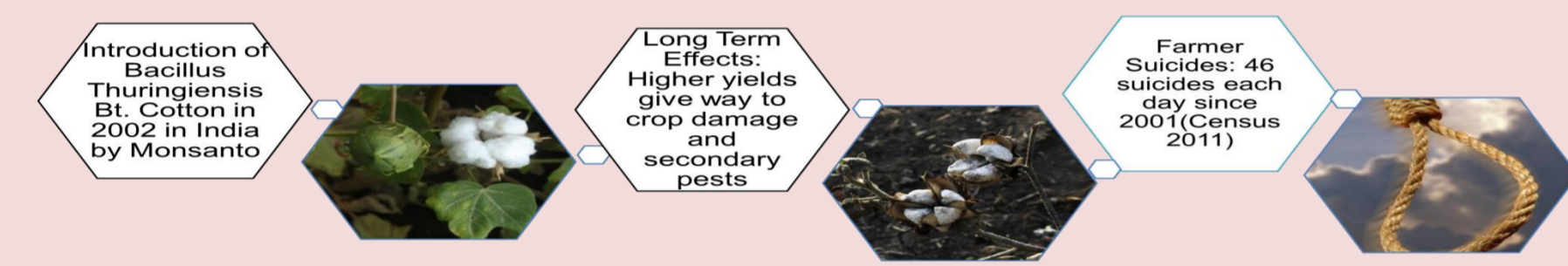
To integrate lowest strata, small-scale cotton growers in the global production networks (Stage1)



Research Background

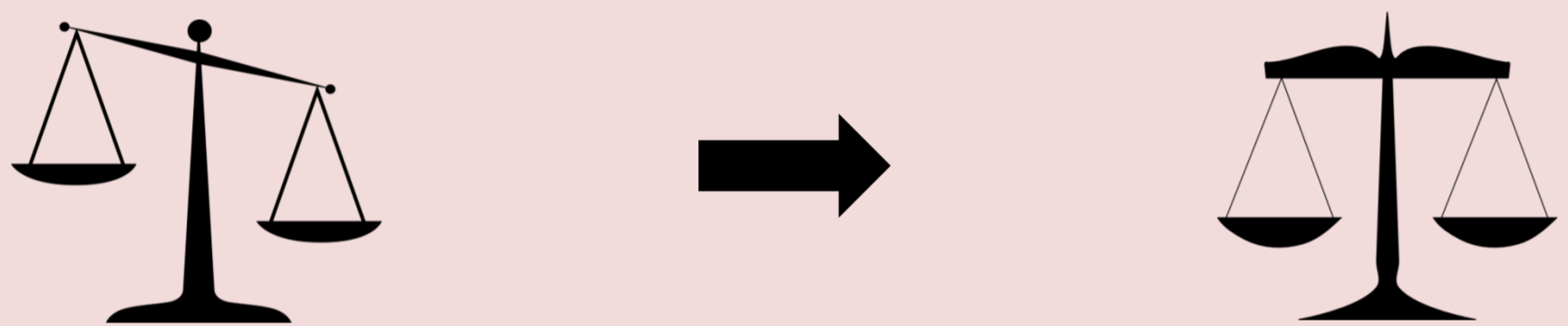
India has become from third largest importer of cotton in 2002-2003 to second largest exporter of cotton in 2016-2017

How did this change take place?



Research Objectives

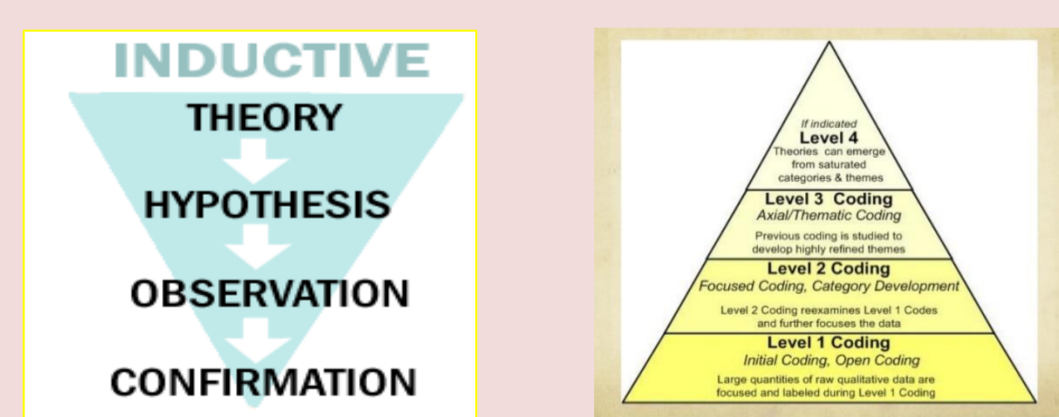
Proposing a hybrid model of global governance for socially sustainable development in India



- How can the India conceptualize and achieve economic success as well social and environmental prosperity in its policy formulations?
- To assess the impact of these policies on the lowest strata of the supply networks.
- To examine alternative solutions embodied in Fair Trade brought about by private and civil society international organizations.
- To explore future possibilities of public private alliances or directions in which the state can align these interests for the benefit of local stakeholders.

Research Methodology

Secondary Data Analysis: Inductive Approach and Grounded Theory (Six Months)



Inductive approach to data analysis

- The general rule is to always collect data at the lowest level of analysis possible as it assists in building analytical models from the very elements that are its foundations.
- Grounded theory
- To understand the motives and reasoning between the public and private policies with respect to cotton production in India to reveal the full extent of the dynamics at work in this domain..

Broader Impact and Implications

Academic and Beyond

- The research has importance beyond academic merit.
- Essential in influencing the present policy initiatives of the state towards economic, social and environmental sustainability within the domain of cotton production.
- Incorporation of Fair Trade and emic perspective of local farmers into public policy debates, the research can build community capacity and help direct changes more effectively and efficiently which have remained unsuccessful since the 2000s.



Research Summary

What is known

Small scale farmers have been at the losing end of global production networks since liberalization of the Indian economy

Government has failed in its multiple attempts to balance *farmer interests* and manage its *global economic foothold*.

The crux of the issue is that the problem is GLOBAL

India has been integrated into the global economy. The new world order requires global governance systems

The state is one unit in this global governance and the farmers have lost faith in the government due to a history of bad policy choices.

Government Initiatives are *national* and *legally binding*
Fair Trade initiatives are *transnational*, *micro* and *not legally binding*

The answer to resolve global issues lies in *transnational co-initiatives* with the government

Fair Trade and government initiatives complement each other.
Fair Trade provides a transnational model of governance to government
Government provides widespread reach and institutional support to Fair Trade

Fair Trade and the government together can provide a hybrid model of governance for the cotton industry

Government Policies and Initiatives in India

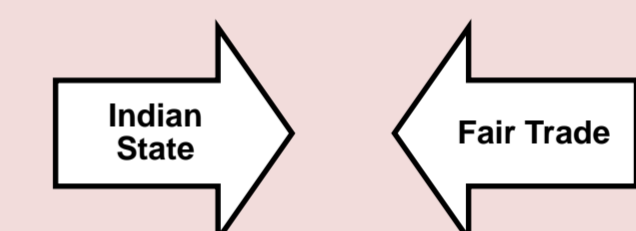
- Minimum Support Price: Subsidies providing fixed price for cotton much higher than international markets.
- Pressed unsuccessfully for removal of subsidies for developed nations in World Trade Organization's Doha negotiations in 2008.
- National Agricultural Insurance Scheme covers only 3 per cent of production disadvantages in India.

Rise of Private Transnational Initiatives: Fair Trade

- Focused on a new international trading system based on social justice.
 - Benefits marginalized producers with guaranteed prices higher than conventional market prices with a premium to finance broader community projects.
- However, conversion to Fair Trade reduces income in its early phases (two to three years). It is a micro level arrangement.

Research Findings

Regulation and Accountability in Global Governance



- Fair Trade Premium and Government's Minimum Support Price have worked in competition with each other when they both want to incorporate the lowest strata in the global economic order.
- Global economy requires transnational private initiatives that extend beyond the state.
- Global private initiatives are not representative of the national population as they are not voted in.
- National state structure can provide democratic entry to private initiatives.
- Underdeveloped nations need powerful associations with transnational networks to level the global economic playing field.

References

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4. <http://static.atimes.com/uploads/2016/03/farmers-1.jpg> (picture credits)

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Thank You!