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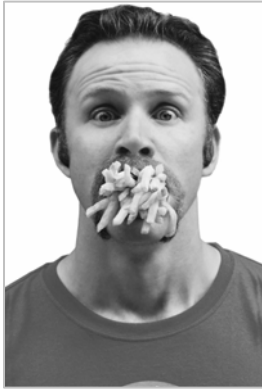
Food Fight

Food is one of the most basic necessities of life. In 2006 an estimated 800 million people are suffering from under-nourishment and more than 5 million children will die as a result of under-nutrition. The 33rd Annual Session of the UN's Standing Committee on Nutrition convened in Geneva in March to consider the problem of malnutrition. For the first time this network of governments, UN agencies and non-governmental organisations focused on 'over-nutrition' as well as under-nutrition. Their concluding statement noted that 'Childhood obesity is becoming a recognized problem even in low income countries. More than a billion adults worldwide are overweight, of which 300 million are obese.'¹ Obesity increases the likelihood of succumbing to non-communicable diseases such as diabetes, heart disease and cancer. These contribute about 47% of the burden of disease around the world.² 300,000 people are reportedly eating themselves to death every year in the United States.³ What is new is how it is a problem in lower-income countries. With one in three men overweight or obese, and one in two women, obesity levels in South Africa are now the same as in the US.⁴ China already has 90 million obese people, with 200 million predicted within a decade.⁵ Professor Philip James, chair of an International Obesity Task Force, says 'childhood and adolescent overweight and obesity already present massive problems ... in many other parts of the developing world, which are already on the fast track to a massive explosion in type 2 diabetes. The economic burden from this will act as a brake on development, which depends on

having a healthy and productive population.'⁶

The reasons for this explosion in obesity include physical activity and food intake. Migration into cities is resulting in less-active lifestyles, while growing consumption of processed foods is leading to higher intake of salt, sugar and fat. Today supermarkets share over 50% of global food sales, and processed food sales now account for about three-quarters of the total world food sales.⁷ This market is being consolidated in the hands of fewer companies, with the largest 50 accounting for almost 30% of the global packaged food retail sales.⁸ This is not a phenomenon limited to the industrialised world. In China, for example, food industry sales took off from under 100 billion yuan (€9.2 billion) in 1991 to well over 400 billion yuan (€37 billion) just ten years later.⁹ Around the world, corporations increasingly comprise the food chain. From the maxim 'we are what we eat', whether we are fat or thin, healthy or sick, hungry or well nourished, hyperactive or lethargic, corporations are involved in shaping what and who we are more than ever before.

Such power commands attention. Civil society has often questioned the role of corporations in harming our nutrition. Chemical flavours and fast-food fats, mad cows and baby-milk marketing—the issues may differ around the world but a common concern has been the use and abuse of the power that corporations have today and the varying independence of public institutions from that power. In the past three years attention on the role of companies in the



obesity pandemic has grown. Companies involved in the production and marketing of products containing high levels of sugar and fat have been criticised for complicity in the pandemic. Legal challenges against fast food and fizzy drink companies led *Fortune*

magazine to ask, 'Is fat the next tobacco?'¹⁰ Popular media also picked up on the issue, highlights including the film *Super Size Me*, in which the documentary maker **Morgan Spurlock** wrecked his body by eating nothing but McDonald's fast food for a month; and celebrity chef Jamie Oliver's TV series on school dinners in the UK. The response from the food industry was mixed. The sugar industry's trade associations lobbied hard at the World Health Assembly to prevent any agreement between governments on adopting new regulations to reduce sugar content.¹¹ Many corporate representatives argued that food consumption is a question of individual choice and responsibility, and that, as multiple factors lead to obesity, specific food products should not be singled out for regulations on salt, sugar or fat content.

A focus on personal responsibility led to responses such as obesity reports on pupils by their schools.¹² However, the argument that a principle of personal choice and responsibility should determine policy responses was somewhat hollow in relation to children bombarded by advertising. Both the 'cognitive frames' of both right and left—the 'strict father' and 'nurturing parent' mind-sets described by George Lakoff¹³—have a special place for intervening on the behalf of children's well-being. No surprise, then, that since 2005 a major shift in perceptions in North America and Europe seems to have occurred, with the role of the mass media and food companies in influencing children's consumption choices coming into focus. In France the government banned vending machines from schools, and the UK government announced new stringent rules on food sold in schools to be introduced during 2006. The food industry also began to respond in more positive ways. Drinks giants Cadbury Schweppes, Coca-Cola and PepsiCo agreed a deal with the William J. Clinton

Foundation and the American Heart Association (AHA) so that only unsweetened juice, water and low-fat milks will be sold in elementary and middle schools across the US, with diet drinks allowed in high schools.¹⁴ The voluntary action of these companies may be partly explained by a desire to appear as responsible adult-type organisations caring for the well-being of children, and therefore reducing the extent of social concern and regulatory intervention more broadly in terms of the marketing and sale of products to children, the content of products themselves and their consumption by the wider population of adults. However, as schools are nodes, or 'connector points' in society, so it is probable that more families will be discussing obesity and fast food and so the potential for ideas and practices to change is there.

Rather than being defensive, food companies could mobilise their market position in support of nutrition goals. There are now numerous examples of corporations becoming involved in food- and nutrition-related work, including partnerships aimed at delivering food, fortifying food, and advocating healthy eating. The 'Moving the World' partnership between TNT, an express delivery and logistics services firm, and the World Food Programme (WFP) was launched in 2002, with the aim of supporting WFP's fight against world hunger through knowledge transfer, on-the-ground logistical support and advocacy work. TNT's in-kind and financial commitments (more than US\$12 million in 2005) have generated 27 projects in some 60 countries, most recently also in tsunami-affected areas of South-East Asia. Not being a food company itself, TNT has less internal issues to consider in relation to food. Some food companies have, however, also begun addressing these issues, illustrated by their participation in the new 'Healthy Eating and Active Living Global Partnership' (HEAL). This initiative aims at facilitating business action as 'part of the solution to the massive increase in chronic lifestyle-related diseases around the world linked to obesity, poor diets and a lack of physical activity'.¹⁵ In March they co-published a report profiling companies that are beginning to take health issues more seriously and the business benefits of doing so.¹⁶

Yet progress is sufficient neither for public health nor for managing strategic threats

and opportunities facing the food industry, according to a report published in the same month by Ethical Investment Research Services (EIRIS). 'Our research revealed little evidence of obesity-related improvement targets and key performance indicators from the multinational food and beverage firms we analysed', said report author and EIRIS research analyst Heleen Bulckens. 'Food and drink producers are waking up to the business risks associated with obesity, but significant challenges remain.'¹⁷

Those challenges are systemic. More voluntary action from companies in

supporting changes in behaviour, and improving the nutritional content of their products, is needed and welcome. However, complex social, economic and cultural factors influence people's nutrition and physical activity. To achieve widespread public health benefits, and related benefits for economic activity, will require an open assessment and trial of a range of public policy tools to influence patterns of food production and consumption. It would be sensible for companies to start planning now for this healthier future.

Fair Fight

Not only are food and drink important for what they contain but also the way they are produced. Controversy over the launch of Nestlé's first product certified as 'Fairtrade' in the UK in October 2005 continued into 2006. The association between the company awarded the 'most blatant case of corporate irresponsibility' award at the Public Eye awards in Davos in January 2005¹⁸ and the green and blue Fairtrade label raised important questions about the future of the fair trade movement.

The responses to the introduction of 'Nescafé Partners' Blend', a Fairtrade brand by one of the world's four largest coffee roasters, were a mixed bag. Some campaigning NGOs were sceptical of the Fairtrade certification of one product out of over 8,500 Nestlé brands, affecting the working conditions of only a small ringfenced proportion of the three million coffee farmers dependent on the Swiss food giant: the World Development Movement, based in London, argued, 'if Nestlé really believes in Fairtrade coffee it will alter its business practices, lobbying strategies and radically overhaul its business to ensure that all coffee farmers get a fair return for their efforts'.¹⁹

It was argued that Nestlé is using the Fairtrade label as a shield to deflect criticism about its contribution to the suppression of world coffee prices (as flagged up by Oxfam in 2002),²⁰ its labour standards and its aggressive manner of marketing baby-milk substitutes in low-income countries.



However, **Harriet Lamb, Director of the Fair Trade Foundation**, which is responsible for awarding the

Fairtrade label in the UK, was enthusiastic about the development, declaring 'this is a turning point for us and for the coffee growers'.²¹ *Ethical Corporation* columnist Mallen Baker argued that Nestlé had been 'unfairly roasted'²² by these critics and that a breakthrough of the Fairtrade label into the mainstream should be welcomed by all.

The Fairtrade label is a certification awarded to products whose production and form of trade adheres to standards set by the Fairtrade Labelling Organisation International (FLO-I), an umbrella organisation which supports licensing of products for sale in 19 countries including the US, Japan and a number in Europe. Certification requires that producers integrate a range of environmental, labour rights and community development interests, and that those who purchase from such producers offer more supportive and stable contracts at prices usually above market rates.²³ Producers of coffee, tea, sugar, bananas and other products in low-income countries are given a stable, sustainable price for their products and investment into community development programmes. The Fairtrade label also acts as a signal of 'ethical' credentials to consumers on supermarket shelves; both ends of the

supply chain are addressed by this movement, which has attracted the support of business and campaigning NGOs alike.

While Fairtrade products make up only a tiny percentage of their respective markets, recent years have seen a strong growth in their popularity. In Europe, the net retail value of sales of Fairtrade products in over 79,000 outlets, including 50 supermarket chains, grew to €660 million in 2005, achieving an increase of 154% on sales at the turn of the century.²⁴ Over 5 million producers and their families in Latin America, Asia and Africa are said to have benefited from Fairtrade relationships²⁵—the number of certified producers is growing rapidly, increasing by 25% in the year 2005 alone.²⁶ The green and blue Fairtrade logo issued by the FLO-I is now recognised by 50% of the adult population in the UK.²⁷

'Fairtrade Fortnight', an annual awareness-raising event in the UK in March was marred this year by publicity surrounding the Nestlé controversy and also by news that McDonald's, another common target of consumer boycotts, is now publicising the sales of Fairtrade coffee in 650 US east-coast stores.²⁸ The issue is one of trust; informed consumers and activists who have supported the growth of the fair trade movement and the Fairtrade brand feel that the movement is being co-opted by those powerful companies that it seeks to challenge. *New Internationalist* magazine argued that 'the allure of the mainstream is largely illusory. Tributaries do not change its course; they disappear into it.'²⁹ Whether and how to engage powerful actors in social systems, and to focus on incremental but tangible change or more transformative but often unlikely change, has been a central dilemma for social actors throughout history, and debates around the fair trade movement are one recent illustration.

The more broad your view, the more complicated and challenging this becomes. Over Valentine's Day 2006, those romantics giving their well-informed, 'ethically' minded sweethearts Fairtrade roses from Kenya may well have been rebuked for not considering the environmental damage caused by the cut-flower industry around the Lake Naivasha area. The introduction of Fairtrade certification has seen increases to workers' wages and an expansion of businesses, but local ecosystems and water supplies are

being put under severe strain by the increased production and the migration of workers from northern parts of Kenya, attracted by the higher wages.³⁰ In addition, sweethearts may have turned their noses up at the amount of pollution caused by flying flowers in from another continent, given the growing impacts of climate change.

The growth in popularity of 'fairer trade' initiatives, such as Equitrade³¹ chocolate from Madagascar and Just Change tea from India,³² which market themselves as providing better, more stable conditions than the Fairtrade brand for only small and medium producers, reflects the growing mistrust many consumers feel towards Fairtrade.

But alternatives to Fairtrade have not all been welcomed in this way. The plethora of copycat 'fairly traded' brands and standards supported by big business—such as Kraft's 'Sustainable Development' coffee brand, produced in conjunction with the Rainforest Alliance initiative—springing up on supermarket shelves in the US and Europe have also led to concern over confusion between different 'ethical' products. These other brands may not meet the standards set by the FLO-I or uphold elements of empowerment that the Fairtrade brand seeks in relationships with producers, but are competing with Fairtrade products to produce the brightest halo to attract consumers. This echoes the banana disputes between the Rainforest Alliance and Fairtrade movement during the 1990s, which also revolved around the dilemma of whether one step forward, a better banana, was helping or hindering a leap forward towards a sustainable and responsible one.

The question of governmental involvement in regulation of the 'ethical' market has arisen, in order to standardise the certification process and reduce conflict between the numerous emerging standards. In France, Fairtrade products are certified with the Max Havelaar label, but a number of private certification processes have also emerged over the past few years. A system of definition and qualification of Fairtrade products is expected to be introduced by the French government in 2006,³³ aiming to standardise the meaning of 'Fairtrade' and reduce consumer confusion. This move has been opposed by Max Havelaar as regulation would mean the lowering of 'fairness'

standards and would also detract from the awareness-raising and lobbying aspect of Fairtrade.

Similarly, regulation of the increasingly popular market for organic food produce has raised concerns about the lowering of standards of certification. The Soil Association, one of the certification bodies of organic produce in the UK, argued that, as demand for organic produce continues to increase, 'product integrity is potentially threatened by dilution of standards world-

wide'.³⁴ The European Commission announced new EU-wide regulations governing the certification and labelling of organic produce in December 2005, which will 'allow a certain amount of flexibility' in production methods.³⁵ Friends of the Earth (UK) have taken issue with the inclusion of a clause that allows products that contain a small percentage of genetically modified organisms to be labelled as organic, arguing that economic concerns are being prioritised ahead of human health and protection of the environment.³⁶

That's just not fair!

In January the Just Change (India) Producer Company Ltd was launched in Tamil Nadu, India. The company is the brainchild of Stan and Mari Thekaekara, who have been working with the Adivasi ('original inhabitants' or tribal people) communities of the Nilgiri Hills in India since the 1980s. It is the latest step for Just Change, an organisation promoting alternative trading mechanisms that will benefit poor communities in both high- and low-income



countries. *'We try to achieve this by directly linking poor communities and encouraging them to trade among themselves,'* explained **Stan Thekaekara** to JCC.

Thekaekara found that, in spite of the successful leap from labourers to producers, the Adivasis he has worked with found they were catapulted from a local wage economy into a global market economy that is extremely vulnerable, due to the market forces determining the price of their produce. For instance, tea prices at the producer level have dropped to nearly half of what they were four years ago. 'It has become evident over the years that the strategy for poverty reduction based on the traditional approach of gaining control over assets can no longer, on its own, guarantee success,' explains Thekaekara, who is also a trustee of Oxfam GB and Visiting Fellow at Oxford University. 'We believe that lack of

power and control in markets contributes significantly to poverty all over the globe.'

The launch of the company is the result of connection made in 1994 when the Thekaekaras spent a month in the UK researching community work. In the UK, Stan and Mari found large numbers of long-term unemployed people almost completely dependent on social welfare, living in pockets of extreme deprivation. In spite of government investments into these areas, the condition of these communities did not improve significantly. The New Economics Foundation (NEF) argued that the situation in these deprived areas of Britain is somewhat similar to those of the Adivasis in India, to the extent that, despite public investments, much of the money leaks out of the local economy into large national and global economies.³⁷

The Thekaekaras also noticed that poor Britons like their tea, and pay a relatively high price. As the tribal groups in India grow tea, so they thought of making a direct link to the benefit of both poor communities, by establishing a co-operative of producers and consumers. Trading began with the help of the Matson Neighbourhood Project (MNP) in Gloucester, who were working with the residents of a council estate. The Adivasis of Gudalur send their tea directly to the residents of Matson, who package and sell it both to their own community and to other local customers such as the Council.

This initiative is prototyping a new way of doing business. By sharing the ownership of

the value chain, and thereby spreading the risk along that chain, the consumers and producers involved are gaining greater control of their participation in the market economy. Producers can retain ownership over their product all along the market chain and can therefore benefit from the final retail value of the product. Consumers can work directly with producers to establish a price for the product that is based on direct communication and hopefully principles of equity, rather than fluctuating and speculative markets.

It is a prototype of a new approach to both business and social change. If communities across the globe could link up to trade directly with each other, they could form a social chain which could be a powerful force for economic, social and political change. 'People need to believe in themselves and in their capacity to take control over their own economy,' states the Just Change website.³⁸ Their work recognises the problems and potential of disadvantaged people and communities no matter whether they live in hot or cold, rich or poor countries. As such it hints towards a new approach to international development work, as well as a different form of trade.

Three broad concepts of more responsible trade are emerging. 'Ethical trade' describes the work of large companies, such as those involved in the 'Ethical Trading Initiative', which focuses on improving workplace conditions, but does not yet address power

relations and revenue distribution in value chains. 'Fairtrade' includes the same concern for better workplace conditions, but also addresses the buyer-supplier relationship, as described above. As the consumer is asked to pay a premium, there is an element of charity to fair trade. The Just Change initiative does not involve a premium. In fact, the prices paid by poor consumers can be lower than the market price, as savings are made through cutting out the middleman and the payment of surplus to distant shareholders. The principle is solidarity, not charity. As such, this small initiative suggests a new form of solidarity trading could emerge as a new paradigm for people interested in working on trade for social goals. We could call it 'Just Trade'. The power of naming it thus may arise by provoking us to question what we have hitherto assumed is either 'ethical' or 'fair' in the area of trade.

Just Change is the latest example of the forms of innovation possible as information and communication technologies spread further for cheaper. Business-to-business (B2B) and peer-to-peer (P2P) applications may become side-shows to new community-to-community (c2c) collaboration in shaping 'Globalisation 2.0' by flattening power hierarchies on our planet.³⁹ Our global village may be creating itself a virtual village market. If successful, in the years to come the best tea in the West may be found on poor council estates, not high-class cafes.

Incredibly India

The emergence of Indian business as a confident, powerful competitor on the playing field of global commerce was confirmed by the prominence of Indian companies and culture at the 2006 World Economic Forum in Davos in January. Fareed Zakaria reported in *Newsweek*⁴⁰ that 'no country has captured the imagination of the conference and dominated the conversation as India in 2006'. The omnipresent slogan 'Incredibly India: the Biggest Democracy for Global Investors' attempted to whisk the red carpet from beneath China's feet, as the presence of the Indian business people and Bollywood music and dancers dominated the conferences and social events.



Subsequent state visits to India by US president George Bush, France's Jacques Chirac, Australia's John Howard and Saudi Arabia's King Abdullah to talk business in February and March 2006 confirmed India's 'star' status. **British Foreign Secretary Jack Straw** affirmed the increase of trade with India as a priority for the UK in 2006 in a key government white paper launched in March.⁴¹ It is being courted by America, for the pivotal role it could play in negating China's likely dominance in future decades.

India's well-educated labour surplus, its booming internal markets and carrots dangled to business such as tax breaks, tariff reliefs and exemptions from certain labour and environmental regulations in 'special economic zones' across the country work to attract foreign investors, just as promises of exotic spices, glittering colour and noisy adventure entice tourists from all over the world. Tesco,⁴² which controls of 30% of the UK grocery market, is one of the latest big names to be looking to expand into the Indian market.

Although home to over a billion people, India's 'corporate welfare' efforts to attract investment have built economic wealth on a narrow base, largely in New Delhi, Mumbai and the IT centre of Bangalore. Looking beyond the boom of foreign interest in 2006, which is underpinned by news of strong economic growth of 7.5% in 2005, the rest of India tells a different tale.

In a country as vast and diverse as this, where 17 major languages, 22,000 dialects and all the world's major religions are represented, it is the welfare and standard of living of the 75% of the population that live in rural areas that are reflected in India's low position of 127 out of 177 countries in the 2005 United Nations Human Development Index.⁴³ Over 300 million people in India live on less than a dollar a day. Water scarcity is considered the most pressing environmental issue followed by air pollution and loss of biodiversity. Fourteen per cent of the population still do not have sustainable access to suitable water source and 20% are undernourished.⁴⁴ Caste and gender continue to play a significant role in determining social status and lifestyle.

The infrastructure for government in India is stretched over 28 states, each with its own governance structure and each typically burdened with a history of corruption cases and a culture of inefficiency. Recent high-profile efforts by the government to address wider social problems include an anti-poverty deal, launched in February 2006, which aims to provide income for 60 million rural households⁴⁵ and a joint programme implemented with assistance from the US to increase efforts to eliminate child labour, announced in March.⁴⁶ However, the annual

total the government spends on public health amounts to 200 rupees, or US\$4 per capita. A bustling civil-society sector attempts to fill the gap; for example, SEWA (Self Employed Women's Association),⁴⁷ a trade union-based national organisation originating in Gujarat, continues to roll out health, education and food security programmes assisting some of the poorest rural communities.

As the prominence of Indian business has sky-rocketed, a parallel spotlight has been focused on corporate social responsibility (CSR) issues in the country. The perception of the role of corporations in social concerns is said to be undergoing a shift away from the traditional ideas of philanthropy—inspired by modern interpretations of religious philosophies promoting collective responsibility and the compassion and leadership shown by Mahatma Gandhi, Guru Nanak, Mother Teresa and others, setting up separate 'foundations'⁴⁸ to address particular health or education needs has been a time-honoured premise of Indian business.

But the prominence of activists such as author Arundhati Roy and Amit Srivastava of the campaign group India Resource Center has grown in recent years along with an awakening to the negative social and environmental impacts of the business operations courted by their government's 'corporate welfare' programmes. Even the latest mainstream Bollywood blockbuster *Rang De Basanti*⁴⁹ delivered an inspirational message encouraging activism against powerful corporate interests and corrupt political collusion, albeit through song and choreographed dance.

The future of corporate responsibility in India must involve a wide variety of participants, from the high-altitude executives in Davos to the low-caste entrepreneurs in Gudalur.

Fizzy fight

Just as *The Hindu* newspaper declared 'corporations collectively can make India a better place for every citizen' in March 2006,⁵⁰ campaigners working to expose the harmful impacts of Coca-Cola's operations on local communities in a number of Indian states had been stepping up efforts in India and abroad. Over the past four years, issues of groundwater depletion and contamination and high pesticide levels in products have bubbled to the surface, leading to the closure of a Coca-Cola plant in Plachimada, Kerala, in March 2004 and making the soft-drinks giant's name synonymous with the notion of corporate irresponsibility in households across the country.

The release of Coca-Cola's first corporate responsibility review in the UK in January and its entry into the United Nations Global Compact initiative were marred by a series of high-profile actions against the world's largest brand name in the first quarter of 2006.

While Coca-Cola's report stated that the company is 'putting corporate responsibility at the heart of our business strategy',⁵¹ *Coca-Cola: The Alternative Report*,⁵² produced by London-based campaign group War on Want, focused on droughts and contaminated water supplies in Indian states including Rajasthan, Uttar Pradesh and Kerala, alleged to be caused by Coca-Cola plants there.

The company was nominated for a 'Public Eye' award at the World Economic Forum in Davos for environmental irresponsibility⁵³ in January, just as the University of Michigan added its name to the growing list of US colleges boycotting all Coca-Cola products. In February, court proceedings were brought against the Indian franchise of the company in relation to the suspicious death of the chairman of a village council opposing a new plant in Tamil Nadu.⁵⁴ In March, a long-standing campaign in the UK demanding that the service provider to the National Union of Students boycott all Coca-Cola products in universities came to a head as a motion for a full boycott was proposed at the annual general meeting of the union.⁵⁵

And, perhaps more worryingly for Coca-Cola, a popular Indian television yoga guru has declared that their drinks should be used for cleaning toilets, not drinking.⁵⁶ Swami Ramdev, who has brought yoga into the homes of millions of Indians in India and abroad, referred to the high sugar content and the controversy regarding high levels of pesticides found in the soft drinks.

Coca-Cola's counter-arguments that lack of rain is the main cause of groundwater depletion⁵⁷ have been accepted by some government and court officials, but the company's reputation with markets at home and abroad will need to be rebuilt. In terms of corporate scandals in India, Coca-Cola's infamy across the world has become second only to the campaign to hold Union Carbide (now incorporated into Dow Chemicals) accountable for the chemical explosion at a Union Carbide factory in Bhopal in 1984, which killed 20,000 Bhopal residents and affected the health of a further 100,000.⁵⁸

In comparison, the Tata group, a home-grown conglomerate of 93 companies that make everything from cars and steel to software and consulting systems, are often quoted as examples of best practice of CSR in India, due to their self-proclamation that 'an implicit sense of ethical business conduct has been the cornerstone of the Tata way in the corporate governance sphere'.⁵⁹ In 2005, its revenue grew from \$17 billion to \$24 billion.

But, in January 2006, 12 Adivasis in the northern state of Orissa were killed as they protested against being displaced from their land, which had been sold to Tata Steel.⁶⁰

An ex-employee of Coca-Cola India, who worked as a CSR executive, states, 'CSR is a distant dream in India ... CSR is more an "extra activity" that has to be squeezed in to "look good"'.⁶¹ The key opportunity for India now—as with other low-income countries—is not the numbers of companies talking about CSR and blindly replicating the current 'add-on' Western model focusing on public relations as Coca-Cola has tried to do, but the creation of a home-grown, meaningful, systemic form of CSR that addresses local issues, challenges prejudice and asserts

India's position as a leading player in the global economy of the future.



At a London conference about the future of CSR across the world in March 2006, **Jane Nelson**, former advisor to UN Secretary-General **Kofi Annan**, warned, *'If India and China don't get it right then*

*it doesn't really matter what we do in the rest of the world.*⁶² While her comment should not mean we ignore the fact that so many in the West have got it wrong already, it reflects the realisation that these two very different, vast countries housing nearly half of the world's population will shape the contours of the economic and political landscape in coming decades.

Given the scale of the challenges in India, the corporate responsibility agenda in India must be a systemic one. Therefore it must work to strengthen governance in the country, not sidestepping official processes

citing their corrupt and over-bureaucratic nature in justification. It must address the impacts of small and medium-sized businesses instead of giving special concessions to foreign multinational interests, while giving India the confidence to stand up to global neoliberal processes that will not work for the benefit of the majority of its people—as attempted in the making of cheaper generic antiretroviral drugs for HIV and Aids sufferers, which was eventually in 2005 overruled by the intellectual property protection agreements propelled by the World Trade Organisation.⁶³

India's unique social patchwork of families, communities, NGOs and small and medium-sized enterprises means that such a CSR model will have to look beyond just the urban areas, to incorporate the concerns of local communities with historical ties to land, village councils (*panchyats*) and grass-roots civil-society organisations as well as an understanding of how caste, religion and gender inequalities have pervaded through society to replicate power differentials over the decades.

Appendices

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