

Changing the Rules of Trade with Global Partnerships: The Fair Trade Movement

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We are women working to build our lives.
Together we have overcome many problems.
We will send our children to school with our
earnings.

We purchase our food and clothing,
we plant our gardens and cultivate our crops,
we repair our houses and we plant trees.

By working together, we become united in one
mind.

(working song of the 75 women of the Koya
Palm project in Agailkhara, Bangladesh)

In the face of rapid globalization and increasing international trade, questions and concerns about the damages of market liberalization and the free-trade agenda are being voiced by people throughout the world. From Seattle, to Washington, DC, to San Salvador, to São Paulo, to Paris, to Salzburg, to Cape Town, to Istanbul, to Azad Maidan, to Prague, to Calcutta, and many other cities, people are taking to the streets in protest at the WTO (World Trade Organization), the World Bank/International Monetary Fund (IMF), and the policies and practices of transnational corporations which have rapidly amplified global insecurity and the disparity

between First and Third World nations, and continue to wreak havoc on the lives of the poor.

In the search for viable alternatives to the monolithic draconian policies, a decentralized, grassroots citizen movement born some fifty years ago is burgeoning. The fair trade movement offers producers, consumers, and business people the opportunity to expand economically just and environmentally sustainable international production and trade. The movement is strikingly heterogeneous in composition with a wide variety of small-scale crafts, clothing, and agricultural producers throughout the world trading with US, Canadian, European, Japanese, Australian, and New Zealand fair trade marketers of diverse origins. Together they are challenging the structural conditions of inequality by increasing producers' incomes, empowering their decision making and autonomy, providing opportunities for education and health care, and improving local living conditions.

As a social movement, fair trade is exemplary of participatory democracy.² Women and men collectively negotiate their patterns

of work, mixing the production of goods for sale or cash crops while maintaining and creating individual and community activities and strategies that help to resist their exploitation and homogenization in the global marketplace. Women producers have been especially empowered through earning hard currency, and connecting with other women who may be of a different religion or class, yet share many of the same problems arising from oppression and little or no say in local and national affairs. Fair trade creates a bridge between the peoples of the developing nations and those of the developed ones. For consumers in First World countries, fair trade gives people the opportunity to not only purchase products that support their values of a more socially just and equitable world trade order, but to also learn about the producers' lives, their struggles, and our mutual interdependence.

The Essence of Fair Trade

The roots of the fair trade movement date back to the late 1940s with the founding of Mennonite- and Brethren-affiliated fair trade businesses in the United States. To honor their beliefs and obligations as Christians by assisting those in need, the church organizations began marketing products from impoverished artisan groups in developing nations through their congregations. They established the first network of fair trade stores, organized local fundraisers, and later produced a retail mail-order catalog. As well as selling products, they developed ways of relating consumers the artisans' life stories. In Europe fair trade began with Oxfam, the grassroots community-based development organization. Founded in 1942 as the Oxford Committee for Famine Relief, in the 1950s Oxfam UK sold products made by Chinese refugees which ultimately led to the creation of the first Alternative Trade Organization (ATO) in Europe in 1964. The second arose in the Netherlands in 1967. Over the next 30 years, fair trade expanded in

the United States, Canada, and throughout Western Europe with the birth of several large importing organizations and numerous small retail shops.

In the Pacific rim, fair trade began in Australia and New Zealand soon after Europe, with the first outlets opening in the early 1970s. Oxfam Australia is the largest group in the country with its online shop and 17 retail stores. Tradewinds, the other large fair trade organization, distributes fair trade coffee and tea to numerous health and fair trade stores. The number of retail shops in New Zealand has grown to a current total of 30. The fair trade movement started later in Japan, with the founding of the Dai-San Sekai shop in 1986 as a department within the larger nongovernmental organization (NGO), Press Alternative. In that same year, a citizens' group established the "Japan Committee for Negroes Campaign" and started importing fair trade muscovado sugar in 1987. Currently there are five large fair trade importing organizations and an additional three NGOs that employ fair trade as a fundraising tool. Hundreds of smaller citizens' groups sell handicrafts under the banner of fair trade.

In response to the growing number of fair trade producers and marketers, by the late 1980s and early 1990s the loose association of fair trade groups became formally organized, with the creation of umbrella organizations to link fair traders. The first, established in 1989, is the International Federation of Alternative Trade (IFAT), which links producer associations in Latin America, Africa, and Asia with the marketing nations mentioned above. Today it has over 160 members from more than fifty countries who meet annually at a conference held in a different country each year.³ Within continents, other umbrella organizations have been created, such as the Fair Trade Federation (FTF) in North America, and the European Fair Trade Association (EFTA), the Network of European World Shops (NEWS), and the International Fair Trade Labeling Organization (IFLO) in Europe.

Australasian operated as an umbrella organization for Australia and New Zealand, but folded after a few years primarily due to the small size and number of fair trade shops which lacked sufficient funds and staff to attend meetings. Currently a new initiative is in the works, the Fair Trade Alliance of Australia (FTA), which, with the support of other social responsibility groups and individuals, hopes to unify and expand the fair trade movement in Australia. It is working on creating a branch of the FTA to be the IFLO member initiative for labeling products in Australia similar to Fairfair USA and Max Hwelear in the Netherlands, who certify and label fair trade coffee. Japan has no mother organization, although three of the largest fair trade groups are members of IFAT. In the United States and Europe many of the larger fair trade organizations are members of several umbrella groups; this overlap strengthens the movement as a whole with information and assistance constantly shared.

While each organization has its own specific mission statement and criteria, the following basic principles underlie all fair trade partnerships: The marketers agree to pay fair wages to the artisans and farmers (based on the producers' basic needs, costs of production, and margins for investment); provide advance payments for working capital; purchase goods directly from the producers, eliminating the chain of middlemen and speculators; and provide technical and financial assistance when necessary. The producers agree to work in an economically, socially, and environmentally sustainable manner; ensure healthy and safe working conditions; support democratic participation of all members; and contribute to the development of the community by increasing jobs and by building schools, health-care centers, and other infrastructure projects that a particular community deems a priority.

In general, people involved in fair trade believe that optimizing profits to the detriment of workers and the environment is not only unethical but a shortsighted, naive strat-

egy. They maintain that businesses must champion human rights, highlight labor issues, ensure the wise use of natural resources, promote economic justice and, where pertinent, work to preserve culturally embedded craft traditions. Fair traders recognize the new world order in which the powers of government have shrunk as the unelected officials of the WTO, transnational and financial speculators, have, for the most part, unfettered control of international production, trade, and financial flows. Thus fair traders believe it is up to citizens to create new enterprises which are based on sustainable global partnerships to meet the needs of society. Anita Roddick, founder of the Body Shop, states: "Many governments' economic agendas seem to take no account of caring for the weak and frail and the marginalized. If governments are not interested, then I believe that business – rich, powerful and creative – has to take responsibility. If not us, who?" (Roddick 2000:90).

The Variety of Fair Trade Businesses

One of the strengths of the fair trade movement is its heterogeneous make-up. The number of workers in a fair trade business in North America and Europe range from two to hundreds. While some companies use only full-time employees, others depend on a mix of full-time, part-time, and volunteer labor. Annual gross sales of these businesses range between tens of thousands to millions of dollars. Some groups focus on a particular commodity, such as coffee, tea, chocolate, bananas, sugar, or cotton, whereas others work directly with diverse craft, textile, clothing, and art producers. The political vision of fair trade organizations varies as well, from leftist, activist positions to more moderate ones. For example, at Global Exchange in San Francisco, fair trade is one section of its broader human rights mission, which includes a corporate accountability program (targeting transnationals with

repressive labor practices); the organizing of boycotts, protests, and acts of civil disobedience; and the production of educational programs, such as lecture tours, "reality" travel tours, and printed materials.⁴ At the other end of the spectrum, faith-based fair traders do not organize protests but rather focus on their beliefs of solidarity to change the world with artisan and farmer partnerships and consumer awareness programs. Fair traders as a group tend to be unhappy with the dominant national political parties and are searching for a progressive politics that seriously addresses growing, global social and environmental problems.

The movement is the largest in Europe with 12 large fair trade importing organizations and a network of over 2,700 shops in 15 national associations in 13 European countries. Fair trade commodities are stocked in some 13,000 commercial shops and 30 supermarket chains. A conservative estimate of the annual aggregate net retail value of fair trade products sold in 2001 exceeded \$260 million, through over 64,800 points of sale (Bowen 2001:22-3). The organizations receive some financial support from the European Union and voice their views and concerns through campaigns and petitions when the Union is negotiating trade agreements. Fair trade is expanding so that currently every major town in England and in the Netherlands has at least one supplier of fair trade products, with cities having several.

In the United States and Canada, the Fair Trade Federation's 2002 *Report on the Fair Trade Industry in North America* reveals a large increase in fair trade sales over the last few years, primarily due to a national fair trade coffee campaign in the United States. Global Exchange, Oxfam USA, university student groups, and other organizations began the campaign by threatening Starbucks, the largest gourmet coffee importer in the United States, with protests in front of their cafes if they did not start buying a percentage of fairly traded coffee; the campaign has grown and continues to pressure other coffee buyers and distributors. In 2001

gross sales topped \$100 million, with coffee accounting for \$57 million and the rest for all other fair trade products combined. Outlets retailing fair trade products jumped 271 percent from a total of 2,575 retail outlets in 2000 to 7,000 in 2001, a marked increase, again primarily due to the growth of coffee outlets. In examining all fair trade products except coffee, the two largest organizations, Ten Thousand Villages and SERRV International, account for about half of fair trade sales in North America. The number and volume of sales of smaller fair trade businesses are expanding rapidly, however, most notably with the appearance of more businesses (see Grimes 2000:17-19).

Producer groups differ from one region to another, depending on the number of years in business, the type of good(s) produced and their organizational structure. From the largest association, *Enece Solidario* de Pequeños Cafetaleros de América Latina, comprising 200,000 coffee farmers, to small family-based craft workshops of a couple dozen members, fair trade producer groups include co-ops, associations, family groups, workshops for the handicapped, state organizations, and private businesses. What the groups have in common is meager incomes, lack of direct access to markets, no social benefits, and difficult working conditions—conditions their fair trade partners help them to surmount (Bowen 2001:28-9).

Work and market relations for those producing commodities differ from those producing crafts, textiles, clothing, and art. Fair trade marketers establish minimum fair prices for commodities—regardless of how low the world commercial market price falls.⁵ They provide advance payments so small farmers can avoid borrowing money before the harvest and paying exorbitant interest payments to moneylenders. Apart from these basic principles, particular farmer-market relations differ within commodity-producing groups. For example, the 35,000 cocoa farmers of the Kapa Kokoo cooperative in Ghana not only receive fair payments for their beans but they are also

stockholders in the British Dry Chocolate Company, which turns the beans into Divine chocolate bars. The farmers vote for regional representatives who attend the company's Annual General Meeting to decide policy for the company. As shareholders their income is greater, since most of the profits are made from the finished product. The Dominican cocoa producers, CONACADO (Confederación Nacional de Cacacultores Dominicanos/National Dominican Federation of Cocoa Producers), working with Canadian marketers, receive the guaranteed minimum fair price and, in addition, a bonus to be used for community projects (SERRV 2002). Each group of farmers determines their own terms for sale and support.

For crafts, textiles, and clothing, fair traders work with individual groups to help work out the production cost and fair price of each particular item. Often when a group begins working with fair traders, one of the difficulties is to get producers to increase their prices, since they are accustomed to receiving so little for their products from mainstream commercial buyers. Some producers trade with other fair trade producers to get materials, such as the women's cooperative, UPAVIM (Unidos Para Vivir Mejor/United to Live Better) in Guatemala City, which buys bulk cloth at fair prices from rural Maya women to make into household items (Koschman 2000). Many groups work with NGOs and fair traders, such as several Nepali artisan cooperatives (Maeheny 2000). In other cases, producers sell as much as they can to fair traders and then the rest to regular commercial buyers, since fair trade marketers often cannot absorb all of the goods they make.

"Partnering" with Consumers

The fair trade movement goes beyond producers and marketers, since ultimately it is consumers armed with their dollars, euros, or yen which make the movement grow. The emergence of "ethical" shopping has corre-

ponded to the growing rise in socially responsible businesses and their increase in gross sales. As the Dutch philosopher Michiel Korthals reports:

(Consumers are not only becoming more concerned about the safety of products for humans, animals, and the environment, but also attach moral significance to the way each product is being produced and the norms and values involved. And what is even more striking, they also think it important to express these 'ethical' and political preferences in the market itself and not solely on the political forum. (Korthals 2001:203)

Ray and Anderson's (2000) study reveals that over 50 million adults in the United States and some 80 to 90 million adults in Western Europe are questioning the dominant social order with profound concerns for the environment, for peace, jobs, and social justice; for women's rights; for spirituality and personal growth; and for stopping corporate globalization. Named "cultural creatives," Ray and Anderson found that these adults are in a transition, working to bring their values and beliefs into alignment with the way they live. And part of this transition includes changes in people's purchasing habits, switching to fairly traded goods, organic foods, items made from recycled materials, alternative health products, and spiritual goods. The strength of this new cultural movement is found in its diversity of concerns and strategies for changing the predominant social order. It has grown out of many earlier struggles of the twentieth century, yet no one orthodox or worldview is restraining it.

The media in the mid-1990s began paying more attention to the worldwide problems of sweatshops, unfair labor practices, and enslaved children who weave rugs or pick cocoa beans. Kathie Lee Gifford's tearful admission in spring 1996 of her ignorance of the sweatshop conditions in the factories which produce her brand-name clothes set off a chain reaction in the media. Campaigns

against Nike, Disney, Wal-Mart, and others for using sweatshop labor became news and other prominent media stars, such as Oprah Winfrey, increased consumer awareness of the problems. As a result many consumers are now considering the social conditions in which a product is made. Surveys conducted in Europe and North America reveal that over seventy percent of consumers want the products they purchase to be made in a safe and fair working environment (Bardlow and Clark 2004; Klein 2000; Ross 1997). Labor supporters are urging unions to organize at the international level and to demand core labor standards in hemispheric and global trade agreements (Fruand 2002:37-42). A survey conducted by Christian Aid and Cafédirect in the United Kingdom showed that consumers are willing to pay more for products if the money goes to the producers; they believe that "trading fairly with the developing world is a better way to help poorer countries than giving aid" (Miller 1993:16). One of the issues that the "cultural creatives" agree upon is a willingness to pay more taxes or more for consumer goods if the money supports ecological and social sustainability. In fact, most already do (Ray and Anderson 2000).

For the fair trade movement consumer support has meant rapid growth, even as the annual growth of world trade declines. Rugmark, an international organization that labels fair trade carpets, reports that "ethical" purchases' growth equaled six times that of the market as a whole in 2001 (Rugmark 2002:1).⁶ Many consumers are demanding change and are carefully using their purchasing power to support the various directions of this change. This "global backlash" to the dominant economic order is no longer a "fringe" movement but rather a "hanging" of things to come" (Broad 2002:9).

Creating Equity and Social Services with Fair Trade

As the gap continues to widen between the wealthy and the poor, Third World popula-

tions are hardest hit, because the poorer the country, the smaller the share of national income distributed to the poorest groups in that country.⁷ Moreover, since the 1970s, the percentage of national income distributed to the poorest populations in all countries has been decreasing (Brown 1993). According to the United Nations, women constitute more than seventy percent of the world's poorest citizens. They are even more disenfranchised since patriarchal structures and practices within nations and local communities further magnify their invisibility and exclusion.

Excluded from discussions on issues and decisions that directly impact their lives, more and more producers, especially women, are turning to fair trade to strengthen their positions at home and in the world market. Fair trade helps people to embark on their own path of independent development rather than remain dependant on the exploitative relationships with trans-nationals and middlemen, or the charity of aid-relief organizations. For example, SHIRV International is launching "an innovative model for empowering producer-partner organizations as they seek to overcome obstacles and capitalize on opportunities in the global economy" (Backe 2002:1). The three-part integrated approach includes: expanding the US market for products; expanding capacity-building services by working with individual groups to develop long-term growth plans and a multifaceted package of business development services which will allow groups to achieve complete economic self-sufficiency; and reaching out to the most marginalized groups with the provision of technical and financial support for several years until they can develop their capacity to produce and market products at the international level (Backe 2002). As shown in this example, as fair trade marketing organizations grow and obtain more resources, they continually seek new ways to attack global poverty and create possibilities for their partners to attain self-sufficiency.

One of the most important benefits to producer groups from fair trade is direct access to markets with which they otherwise would never have had contact. Once involved in fair trade, they often meet with other commercial buyers in developed nations while visiting these countries, and at times create direct south-to-south trade by meeting other producers at annual conferences and trade shows. Fair traders encourage the making of many contacts to avoid overdependence on one or a few marketers. Fair pay includes working capital for investment in their organizations to develop new products, meet changing market demands, and survive crises. Prepayment means they can avoid the downward spiral of indebtedness. Along with financial assistance, marketers often provide technical assistance including designers, consultants, research, and training workshops.

Most importantly, fair trade gives producers the confidence to trade in the global marketplace. Many groups at first are literally frightened and lack the knowledge to even approach national trading associations and government officials, whose prejudices make them feel inferior. The producers cannot imagine being able to understand the national export and foreign import requirements needed to participate in the international market. With their fair trade partners, however, the groups overcome these feelings and gain the necessary skills to trade globally.

When producer groups enter the fair trade movement, monies earned are first spent on basic needs: food – since many families are malnourished – clothing, and shelter. Once basic needs are met, most often their next priority is education for their children, who previously had to go out to work at a young age to help support the family. As the amount of time in the fair trade partnerships increases, so too do the earnings that can be used for community-based projects. Each community decides which needs are most pressing and often works on several infrastructure projects concurrently, as demonstrated by the following examples.

The women of UPVIM who live and work in a squatter settlement in Guatemala City have constructed a three-story building to house their craft-making center, a children's center (day care and Montessori preschool), a dental clinic, and a scholarship/tutorial program (Rosenbaum 2000:94-5). They are currently raising funds from the production of angel pins to purchase a tortilla-making business and are buying land to grow herbs and crops in order to lower the costs of food consumption. The use of these facilities and programs are shared with all those in the squatter settlement, not just the members of the craft cooperative.

Maya Traditions, based in San Francisco and Panajachel, Guatemala, partners with three rural Maya weaving groups. Since their partnership began, the groups and Maya Traditions together have initiated a scholarship program and an integrated health program. The women have participated in various workshops on livestock fattening, analysis of human rights issues, development of business skills, and the contemplation of Maya cosmology. One group paid off a loan for land used in common to grow corn and other vegetables (Lynd 2000).

UNICEF and fair trader Ganesh Himal located in Spokane, Washington, partners with Bhaktapur Craft Printers (BCP) in Nepal to market handmade paper products. With the Chinese takeover of Tibet, the papermaking industry was threatened with extinction owing to the loss of the Tibetan market. With a new market, women now gather tree bark to make paper journals, stationery, and other paper goods, and at the same time, preserve the trees in the fragile forests of western Nepal. They use the profits from paper-product sales to fund portable water, sanitation, education, irrigation, forestry, and environmental programs. Over ten million Nepalese rupees were generated between 1987 to 1993 to support the programs (Ganesh Himal 1995).

Fair traders' partnerships extend to marginalized groups within developed nations

as well. The Fairtrading Kitchen, based in Chicago, is a nonprofit organization that provides employment and life skills training to impoverished, and often abused, women who are working toward self-sufficiency and independence. With fair trade partners marketing and providing some development funds, the Kitchen has grown in six years from employing four women with some 100 perware moulds and one hand mixer to 109 employees that produce thousands of natural bath products annually.⁸ The women obtain more than income; they gain self-esteem and the knowledge that they are valuable people. Fair traders in the United States also partner with other impoverished women's groups who make bean and bread mixes or beeswax candles, and Native American communities, selling their teas, honeys, wild rice, and other foods in order to create economic opportunities that can support families on the reservations.

The projects are as numerous as the everyday life problems the groups confront. Fair trade does not promote the "one-size-fits-all" solution to problems in the way that the IMF, WTO, and other free-trade policy-makers do. Fair trade is attentive to communities' differing cultures, environmental situations, and histories, and to the producers' differing religions, churches, and gender ideologies and roles. Appropriate solutions to social, economic, and ecological problems are determined at the local level and assisted at the global level. It is this consciousness that enables fair trade partnerships to dramatically improve people's living conditions and to build a global solidarity that is based on dignity and respect.

The Challenges Faced by the Fair Trade Movement

The challenges the movement faces are numerous. While fair trade sales are substantial and on the rise, they still comprise a small percentage of the whopping trillions of dollars in total goods exchanged globally,⁹

An examination of the major commodities entering world trade during the 1980s shows that just 15 transnationals market 70 to 90 percent of the world's production, and for each particular commodity only three to six corporations dominate the entire market (Brown 1993:50-1). In the 1990s the trend for further concentration of wealth and power in the commodity market continued with mergers and hostile takeovers. The result, for example, in the two markets of coffee and chocolate, are four transnationals controlling each; Nestle, Mars, Hershey, and Cadbury dominate the cocoa bean-chocolate market and Kraft, Nestle, Procter & Gamble, and Sara Lee, the coffee market (Gresser and Tickell 2002:25; SERRV 2002:2). International trade agreements, the expansion of free-trade zones, and the hegemony of global financial and trade institutions continue the trend that began several decades ago to increase richer nations' and transnationals' and their elites' share of global profitability at the expense of impoverished peoples whose countries are drowning under the burden of debt (George 1988).

In a time when neoliberalism is destroying social, ethnic, and political consciousness in the guise of "freedom," fair trade plays an important role in preserving and promoting cultural traditions and the diversity of identities in the world of increasing homogenization. Moreover, it provides a sustainable, proven, global alternative economic model which demonstrates how production and trade can work at the grassroots and international levels and how it can benefit all people, not just the elites of the world. However, in order to have a greater impact to change the dominant economic order, fair trade must overcome many hurdles. First is the need to increase fair trade outlets and sales so that many producer groups who currently want to join the movement can have direct access. It is difficult for marketers to absorb all of the production capabilities of groups with whom they are currently working; let alone take on the many who have yet to find a partner.¹⁰ Thus the push

among supporters of fair trade and fair traders themselves to influence conventional companies, such as Starbucks, to commit to buying fairly traded goods.

The public must be educated and understand what fair trade is exactly and how it differs from free trade. Fair trade standards must be clear to industry and consumers. If not, confusion could cause damaging controversy to the movement. As fair trade increases, companies threatened by it could release misinformation in response. To address this issue of public education, a new organization, the Fair Trade Resource Network (FTRN), was born in 1999 in the United States. Its educational mission is to raise consumer awareness about fair trade by gathering and compiling all the research and data on fair trade; providing fair trade information to schools; universities; the media; and the general public through campaigns, printed materials, and other resources; and hosting an online bookstore. Based in Washington, DC, the nonprofit institution is currently corresponding and working with the movement in Europe and plans in the future to work with Japanese and Australian fair traders in order to educate people worldwide.¹¹

The fair trade movement needs to continue to build coalitions with other labor and environmental groups who share many of the same concerns to reach and educate a larger segment of the general population. The movement also must continue developing fair trade labels for commodities to help consumers distinguish fairly traded products. European fair traders were the first to develop three fair trade seals for food products and have created a specific fair trade labeling institution, the FLO, to address the development of certifications and labels for both food and nonfood products. Transition, the first fair trade certification organization in North America, has developed a seal for fair trade coffee and hopes to expand to other food products over the next few years. An immense fight over the issue of labeling is imminent as the WTO insists that labels give "unfair advantage" to particular groups.

Fair traders will have to mount a large campaign with many other groups who have a vested interest, such as the organic foods movement, if they are to challenge the WTO's interpretation.

Many fair trade producer groups lack sufficient market information, business expertise, and technical skills. Consumer demand can and does change quickly, especially in the clothing industry; producers need to be able to respond as quickly. Some groups that have been involved in fair trade for over a decade have reached the point where they are able to obtain the information they require through their own skills, yet many others do not have this capability. Strategic plans, like the one by SERRV International discussed previously, are addressing these problems, and other marketers are also continuing to increase technical and business assistance. The survival of producer groups depends on this information.

In the marketing countries, fair trade businesses face the hardships of small businesses (which cause half such businesses in the United States to fold in their first three years). Some fair trade retailers who were undercapitalized have had to close. Most people enter fair trade due to their commitments to social justice and their environmental concerns, and they often lack business skills and underestimate the costs of running a retail shop. In the United States, for example, most people do not realize that small businesses have the heaviest tax burden, making up for tax revenues that transnationals avoid by moving their money to offshore accounts and other countries. In Europe, there is more support for retailers with the Network of European World Shops (NEWS) organization, which addresses the needs of retailers specifically with all sorts of business information. The US, Canadian, Japanese, and Australian retailers lack this type of parent organization, although in North America the FTR is working to give current and prospective retailers more professional support, such as the development of a video and booklet

designed to teach people how to start and run a successful fair trade retail store. Overall, networking and parent organizations must increase throughout marketing nations if fair traders are not only to augment sales and the number of outlets, but to also have sustainable businesses that can provide a living for the employers and employees.

Fair Trade in the Twenty-First Century

Poverty is not only about a shortage of money. It is about rights and relationships; about how people are treated; and how they regard themselves; about powerlessness, exclusion and loss of dignity. Yet the lack of adequate income is at its heart.

Mahatma Gandhi¹²

The bipolarity of the struggle between fair trade proponents and those pushing the free-trade agenda marks a critical moment in human history. In the late twentieth century we witnessed a dramatic change in Western consumption patterns in which shopping became more than the means to acquire basic necessities. Shopping now ranks as the number two leisure activity as people search for their wants, desires, and images in the maze of tastes and styles offered by modern consumer culture (Jury 1996).¹³ People's responses in these Euroamerican societies to the flood of products range from one of never-ending desire for more "stuff" to an outright rejection of vulgar consumerism. Fair traders realize that corporations' promotion of material goods as the road to happiness is untrue and unhealthy for people and the planet. Yet they, too, promote the purchasing of goods.

The issue for the movement is one of equity and sustainability. As a fair trade storeowner told me, "We all drink coffee or tea and are gonna buy it somewhere, so why not here, where farmers can be paid enough

so they can have a cup, too?" Another shop owner explained, "If we keep cutting down the rainforest to grow coffee on monocrop plantations, we won't be able to grow anything soon. It should be grown in the rainforest as nature intended it to - heck, there it even produces better-tasting coffee - what more could you want?"¹⁴ The outcry against neoliberal, "trickle-down" economic policies is growing worldwide and more people are looking for a viable alternative. The fair trade movement positions itself as the alternative, one that recognizes the interconnectedness of all peoples in the world and one that wants to create income for the majority rather than concentrating wealth in the hands of a few. It is not anti-globalization, as the media has often incorrectly represented the advocates of fair trade. On the contrary, fair trade partnerships are international partnerships.

For many, the most important question is that of time. Destruction of natural and human resources is proceeding at an unprecedented rate. Advocates of fair trade worry that they are running at too slow a pace and are getting left behind. They are very concerned about their ability to make their alternative model of international production and trade grow fast enough to compensate for and eventually hope to end, the damage that the free-trade system is causing. Just how much influence the movement will be able to assert in the politics of production and consumption remains unanswered. Yet if the vision, persuasiveness, and determination of the variety of peoples and groups which comprise the fair trade movement are any indication, profound change could be right around the corner.

NOTES

- 1 From the brochure for Ten Thousand Villages, the largest fair trade organization in the United States, www.ten-thousandvillages.org, 704 Main Street, Akron, PA 17501, USA.

2 I follow the use of the term as Stephen understands it, in that it "denotes widespread citizen participation. It is not confined to electoral democracies in which the primary exercise of citizenship is voting" (1997:277).

3 For more information on HEAT's mission and program, see www.fairt.org.

4 For more information on Global Exchange's mission and program, see www.globalexchange.org.

5 For example, since the 1990s the set price for coffee has been \$1.26 per pound; \$1.41 for organic. The major multinational that control the coffee market have dropped the price to its lowest in 30 years (US14c per kilo for green beans in 2001). It now costs coffee farmers more to pick the beans than they receive. The coffee crisis has resulted in a dramatic increase in malnutrition, the forcing of children out of school, worsening health-care, and other miseries (Gresser and Tickell 2002). The same is true for the four giant chocolate companies (Nestlé, Mars, Hershey and Cadbury) who control the cocoa bean market. Only in the case of chocolate, children are being enslaved to pick the beans in Ghana and other countries.

6 Rugmark is an international certification program which labels rugs made by fairly paid adults and without illegal child labor; they also have other programs to support rugmaking communities. For more information on Rugmark's mission and program, see www.rugmark.org.

7 In many Third World countries such as Brazil, India, Mexico, Malaysia, and Peru, the poorest 40 percent of households received less than 10 percent of the total income, whereas in First World countries the poorest 40 percent got at least 20 percent (Brown 1993:117).

8 www.thecenterprisingkitchen.org, The Enterprising Kitchen, 4545 North Broadway, Chicago, IL 60640.

9 Off accounts for much of this, since it is the number one commodity traded. (Coffee is number two, which is why fair

trade devotes so much of its time and resources to it. Still less than a million coffee farmers sell to fair traders out of the 25 million producers globally).

10 Page-Reeves (1998) discusses this problem in her research on Bolivian handknit sweater makers who sell about thirty percent of their production to fair traders and then end up selling the rest to commercial buyers who pay unscrupulous wages to the knitters.

11 For more information on FIRN's mission and program, see www.fairtradersource.org, Fair Trade Resource Network, PO Box 33772, Washington, DC 20033, USA.

12 Quoted on the home page of a New Zealand fair trade organization, Trade Aid Importers, www.tradeaid.co.nz.

13 Watching television is the number one leisure activity (Jury 1996). Obviously there is a connection between the two since television's primary purpose is to sell advertisers' products.

14 From interviews I conducted with members of the Fair Trade Federation.

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