

What is Fair Trade?

The background features a dark blue gradient at the top, transitioning into a vibrant red gradient at the bottom. A series of curved, parallel lines in shades of red and orange sweep across the lower half of the image, creating a sense of motion and depth.

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- A system of exchange that honors producers, communities, consumers and the environment.
 - A model for the global economy rooted in people-to-people connections, justice and sustainability.
 - A commitment to building long-term relationships between producers and consumers.
 - A way of life!

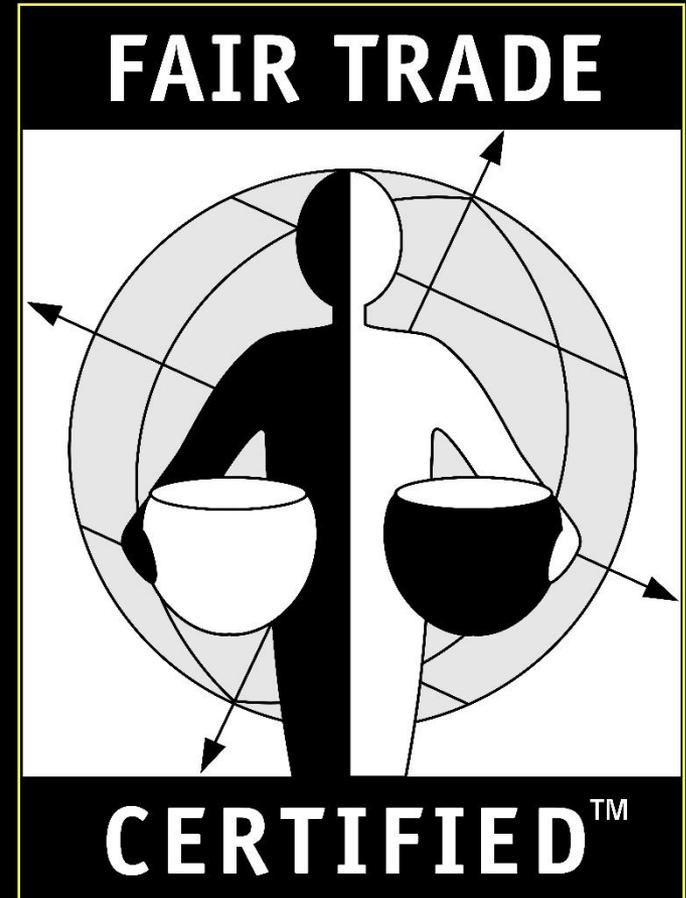
Fair Trade - Criteria

- Paying a fair wage
- Giving employees opportunities for advancement
- Providing equal employment opportunities for all people, particularly the most disadvantaged
- Engaging in environmentally sustainable practices

Fair Trade - Criteria

- Being open to public accountability
- Building sustainable long-term trade relationships
- Providing healthy and safe working conditions
- Providing financial and technical assistance to producers whenever possible

What does the Fair Trade label look like?



What does the Fair Trade label mean?

Fair Price

Democratically organized groups receive a minimum floor price and an additional premium for certified organic agricultural products. Farmer organizations are also eligible for pre-harvest credit.

Artisan groups and cooperatives receive a fair living wage for the time it takes to make a product.

What does the Fair Trade label mean?

Fair Labor Conditions

Workers on fair trade farms and other environments enjoy freedom of association, safe working conditions, and living wages. Forced child labor is strictly prohibited.

What does the Fair Trade label mean?

Direct trade

Importers purchase from Fair Trade producer groups as directly as possible, eliminating unnecessary middlepersons and empowering farmers and others to develop the business capacity needed to compete in the global marketplace.

What does the Fair Trade label mean?

Democratic and transparent organizations

Workers decide democratically how to invest Fair Trade revenues.

What does the Fair Trade label mean?

Environmental Sustainability

Harmful agrochemicals and GMOs are strictly prohibited in favor of environmentally sustainable farming methods that protect farmers' health and preserve valuable ecosystems for future generations.

What does the Fair Trade label mean?

Community Development

Fair trade farmers and other workers who organize collectively invest Fair Trade premiums in social and business development projects like scholarship programs, quality improvement trainings, and organic certification.

History of Fair Trade

1940s

1946: Edna Ruth Byler imports needlecrafts from displaced peoples in Europe

1949: Church of the Brethren establish SERRV International

History (cont.)

1960s

- 1968: UNCTAD embraces “Trade not AID” concept
- 1969: Oxfam & other European organizations open the first “World Shop”

1970s

- 1972: First “Ten Thousand Villages” store opens.

History (cont.)

1980s

- 1986: Equal Exchange established as cooperative, 100% Fair Trade business
- 1988: Farmers and activists launch first Fair Trade certification system
- 1989: IFAT established by Fair Trade pioneers

History (cont.)

1990s

- 1994: Fair Trade Federation formed
- 1997: Fair Trade labeling organizations formed

2000s

- 2004: Producers form national and regional Fair Trade Associations across Asia, Latin America and Africa

History (cont.)

2000s

- 2005: 750 Fair Traders participate in Fair Trade Futures
- 2007: Fair Trade sales in U.S. top \$1 billion; worldwide tops \$2.5 billion
- 2009: 65,000 people at over 450 events around North America participate in World Fair Trade Day, the largest event in North American Fair Trade history

Problems with traditional trade model

- Majority of power rests in the hand of multinational corporations and rich countries
- Minimize opportunities for vulnerable producers and sometimes degrades the environment
- Focuses of short-term profits; evades the full costs of commerce, and overlooks the plight of marginalized people and the environment

What's important in each model?

Traditional = Capitalism / "Neoliberalism"

PROFIT is most important

Nothing else (quality, human rights, environment, etc.) matters as much as **PROFIT.**

Fair Trade Model

Profit = Quality = Human Rights =
Environmental Sustainability = Justice

Free Trade & Fair Trade: Is there a difference?

FREE TRADE

Main goal Increase nations' economic growth

FAIR TRADE

Main goal Empower marginalized people;
improve the quality of their lives

FREE TRADE

Focuses on	Trade policies between countries
Primarily benefits	Multinational corporations; powerful business interests

FAIR TRADE

Focuses on	Commerce among individuals and businesses
Primarily benefits	Vulnerable farmers, artisans and workers in less industrialized countries

FREE TRADE

Major actions Countries lower tariffs, quotas, labor & environmental standards

FAIR TRADE

Major actions Businesses offer favorable financing, long-term relationships, minimum prices and higher labor and environmental standards

FREE TRADE

Compensation
determined by

Market and government
policies

Supply chain

Many parties between
producer and consumer

FAIR TRADE

Compensation
determined by

Living wage; community
improvement costs

Supply chain

Fewer parties; more direct
trade

FREE TRADE

Supporting organizations World Trade Organization;
World Bank, International
Monetary Fund

FAIR TRADE

Supporting organizations Fairtrade Labeling
Organizations; World Fair
Trade Organization



**Fair Trade is closely
connected to the
congregation's two priority
justice issues:**

- **Ecological Economics and**
- **Human Trafficking**



**Fair Trade is an important component
in *ecological economics* because:**

- It strengthens local communities of growers and artisans;
- It allows consumers to purchase justly-produced goods from near and far;
- Fair trade growers use sustainable farming methods that honor and protect Earth; and
- It seeks to establish long-term relationships between producers and consumers.

Fair Trade discourages *human trafficking in labor* by:

- Recognizing the dignity of the human person and the value of human labor;
- Providing sustainable livelihoods for those who might otherwise be vulnerable to traffickers;
- Strictly prohibiting child labor;
- Reinvesting profits in the local community for development and education; and
- Establishing and promoting long-term relationships between producers and consumers.

What You Can Do

1. Buy Fair Trade products!
2. Spread the word about fair trade - tell others the fair trade story and encourage them to buy fair trade food and crafts products.
3. Encourage stores where you shop now to stock fair trade products. Talk to the local manager; write to the company!

Learn more!

- Fair Trade Federation
www.fairtradefederation.org
- Fair Trade Resource Network
www.fairtraderesource.org
- Green America
www.greenamerica.org and
www.fairtradeaction.org
- SERVV International
www.agreatergift.org
- Equal Exchange
www.equalexchange.com
- Ten Thousand Villages
www.tenthousandvillages.com



Sources for information used in this presentation:

- Fair Trade Resources Network
- Green America
- Fair Trade Federation
- Global Gallery Online
- Transfair USA