

barroom topic: fair trade

To get that fuzzy fair trade feeling all you have to do is buy ethically farmed bananas, right? Wrong, says **Linda McCormick**

In the olden days, making your shopping habit benefit the underprivileged involved a lot of work. You'd travel all the way to the foothills of the Himalayas to lug back a woolly jumper knitted by the gnarled hands of a wizened old local woman that would look so awful in the cold light of British day you'd give it to your dad, who, it would turn out, would be life-threateningly allergic to yak hair. Thankfully, now all you have to do is pop to your local Topshop and buy that same jumper through Traidcraft. The lady still gets her money and you can feel all fuzzy without trekking to the Himalayas and back. Maybe.


Last year £290 million was spent on Fairtrade clothing, food and furniture, 46 percent more than 2005. But ethical eyebrows are now being raised over the scheme. In May a Polish worker from a Fairtrade banana factory in Luton announced she was taking her former employer to an industrial tribunal. She had suffered a miscarriage, and claimed the company had refused to put her on light

duties, despite knowing she had problems with her pregnancy. She also claimed staff were sometimes refused toilet breaks during their 10 to 12 hour shifts. The company said it was beginning a "detailed investigation".

Meanwhile, some supermarkets have been accused of marking up the prices of their Fairtrade bananas far beyond the amount needed to help impoverished producers, in order to rake in the extra

'Fairtrade' became a registered trademark of a Netherlands-based charity aiming to get Third World producers a better deal. To qualify to use the Fairtrade label, companies have to pledge to pay farmers higher than the market price for their produce, and this has to be verified by the charity. Farmers are guaranteed payment, live more comfortably, and maybe have a little extra cash for necessities like their children's schooling.

But not everyone thinks it's all sunshine and roses. Producers do get a little more money with Fairtrade, but not enough to buy equipment to farm their lands more efficiently or produce more expensive goods to help get them

out of poverty altogether. Some think of Fairtrade as a token gesture that in the end only profits the large companies, whose profiles are raised because of the Fairtrade endorsement so the socially-conscious shopper buys more from them. So always check the facts and make up your own mind what 'fair' really means. 

'Last year £290 million was spent on Fairtrade clothing, food and furniture'

profit themselves. The supermarkets have refused to comment on their profit margins, but have pointed out that the scheme is "still benefiting Third World farmers," according to *The Times*.

Fair trade is not a new concept; many companies have been trying to trade 'fairly' since the 70s, but in 1988

FAIR TRADERS OR DODGY DEALERS?

What the papers say: *Scarlet* rounds up reported facts on the booming fair trade industry

- **McDonalds** began to serve Fairtrade coffee in the US, and made a big marketing splash over it - until US-based workers demanded their own fairer pay and conditions. The company then cancelled its marketing campaign, reported the *Boston Globe*

- **The World Trade Organisation** (WTO), which oversees 90 percent of all world trade and aims to "help trade flow smoothly, freely, fairly, and predictably", encourages impoverished farmers to grow the cheapest produce possible. This makes it easier for big companies to buy it, but means the farmers are trapped in a low-income cycle

- **Starbucks** is the world's largest supporter of Fairtrade coffee, buying about 14 percent of global imports

- **Marks & Spencer** recently invested £200 million in improving its range of ethical produce and cutting carbon emissions. According to *The Economist*, it will need to generate £1 billion in extra



revenues in order to cover the cost of the scheme. But the gamble may pay off: According to research firm TNS, a quarter of British shoppers claim to be willing to pay more for clothing that comes from firms that pay their employees fair wages or protect the environment

- **Eco-guru George Monbiot** has hit out at the whole idea of ethical buying, saying, "No political challenge can be met by shopping". In a *Guardian* column he said, "Green consumerism

is becoming a pox on the planet. If it merely swapped the damaging goods we buy for less damaging ones, I would champion it. But two parallel markets are developing - one for unethical products and one for ethical products, and the expansion of the second does little to hinder the growth of the first."

- **UK-based Traidcraft** was founded in 1979 to provide an outlet for small companies to sell more than 450 products. It organises charity work and campaigns across the UK to raise awareness of fair trade

- **According to Mintel**, a third of Britons now buy Fairtrade foods when available, despite generally higher prices

- **Of the £1 extra you pay** for Fairtrade bananas, the farmer gets just 4p back. A 99p bar of chocolate? Just under 2p goes to the producer

- **Fair trade accounts** for only 0.01 percent of the £1.8 trillion goods exchanged globally every year