



TEACHERS: SEE INSTRUCTIONS

ON PAGES 6 AND 7 OF TEACHERS' NOTES.  
PUPILS' PAGES ARE PHOTOCOPIABLE FOR  
CLASSROOM USE.

## Trade: unfair and fair

Many of the things that you eat, wear and use have come from other countries. They have been made or grown there. They are brought here by lorry, ship or aeroplane. When we do this we are **importing** them into our country. They are our **imports**.

We grow food and make things in this country. Some of this is sent to other countries for people there to buy and use. We are **exporting** them from our country. They are our exports.

**International trade** is the buying of things from other countries and the selling of things to them. It is the importing and exporting of things between countries or nations.

### What is fair trade?

Many people make or grow things to get a living. All over the world people want to have enough to feed their families, pay for medicines and send their children to school.

Trade is fair when the people who make or grow things in other countries for us to buy can earn a living. They get a fair price for what they grow or wage for what they make.



With a partner add your ideas to make two lists below.

Trade is **unfair** when these people:

Get too little money to feed their families

---



---



---



---



---



---



---

Trade is **fair** when these people:

Don't go hungry

---



---



---



---



---



---



---

... Without fair trade they'd be working but they'd be so poor. They'd get ill, but they wouldn't afford medicines.

... Matthew, age 10

# Growing our bananas

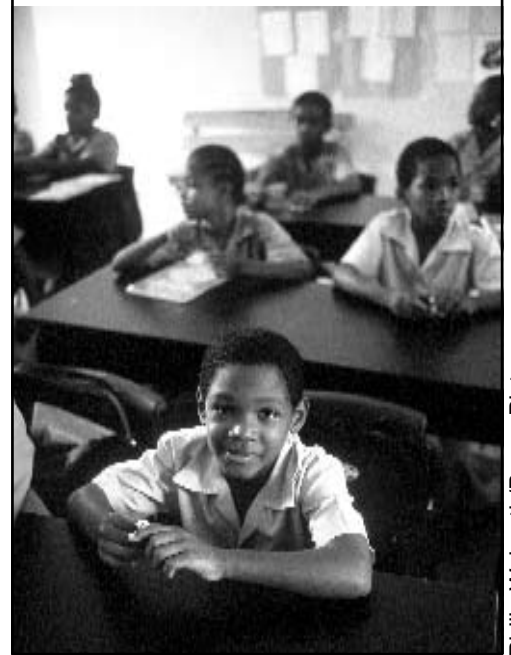
Have you ever bought bananas? Where do you think they come from?



Meet Maudrie Davrou, who lives in Castle Bruce on the island of Dominica, one of the Windward Islands. Here she is selecting bananas at the packing station on her smallholding. She is preparing boxes to send by ship to the UK. Her son and grand-daughter help her. Every two weeks they pack fifty five 43lb boxes for Tesco and Sainsbury's supermarkets.

Maudrie considers herself lucky as she works under the Fair Trade scheme.

This is a classroom at Castle Bruce Primary School, where some of Maudrie Davrou's family go. At one time it had no furniture and children could only attend for half the day. However the school was given a social premium paid for by the export of Fairtrade bananas to the UK. The money was used to buy desks and chairs, and paid for pupils to attend for the full school day.



Other people who grow bananas are not so lucky. This is what it is like on one banana plantation in Ecuador:

In the vast fields men pick the bananas. They work up to 12 hours a day. In that time they get only a one hour break. To kill pests chemicals are sprayed from an aeroplane. This gets on their skin. In the packing station, women clean the bananas. They stand for 10 or 11 hours a day. They put the bananas in chemicals to preserve them. This gets on their hands. Both men and women have health problems. They are not allowed to join a trade union to improve how they work.



Discuss with a partner.

What is the difference between life for Maudrie Davrou and her family and for people on the plantation in Ecuador?

What do you think the school was like before the social premium was paid?

## Be ethical: buy fair trade goods



Oxfam North West

Dr Mutua Waema speaking at a rally organised by the Trade Justice Movement


“Hello my name is Dr Mutua Waema. I grew up in Kilala, a coffee growing village in Kenya. My village is close to Nairobi, the capital city. My family had 300 coffee plants on some of our best land. My mother and I planted and tended them as did other families. When I came home from school I used to enjoy carrying a sack of coffee berries on my bicycle to the local co-operative, where it was processed before export. When the coffee yield increased we used an ox and cart, which I used to drive.


As many families in the village grew more and more coffee, most of the best land was used up for this. I noticed that the village could no longer feed itself. Previously the land taken up by coffee had been used to grow food crops. The price farmers got for their coffee kept falling. There was very little money to buy food and not much food was being grown. People were starting to go hungry.

Coffee was introduced in Kenya by the British colonial government. You were not allowed to uproot it once it had been planted. The law has recently been changed, but uprooting coffee plants is not popular with farmers. This is because the growing of coffee involves a lot of work, money and time, which is lost if the crop is abandoned. The plants take about three years of care before the first crop.

The gist of my story is that coffee farmers are underpaid while European coffee merchants continue to make lots of money from the sale of coffee. The price farmers receive is at an all time low. The underpaid farmers and their families in my village and other villages of Kenya live a life of poverty. They cannot afford basic things of life like medicine and school fees for their families.

Fairtrade goods may be slightly more expensive than other goods available because they are of high quality and the producers are fairly paid. I am aware you may not have enough money at times but I wish to urge you to buy the fairly traded goods. This helps the parents of other children in the world to provide the essentials of life for their children. This is not charity but a matter of justice. What do you think?”

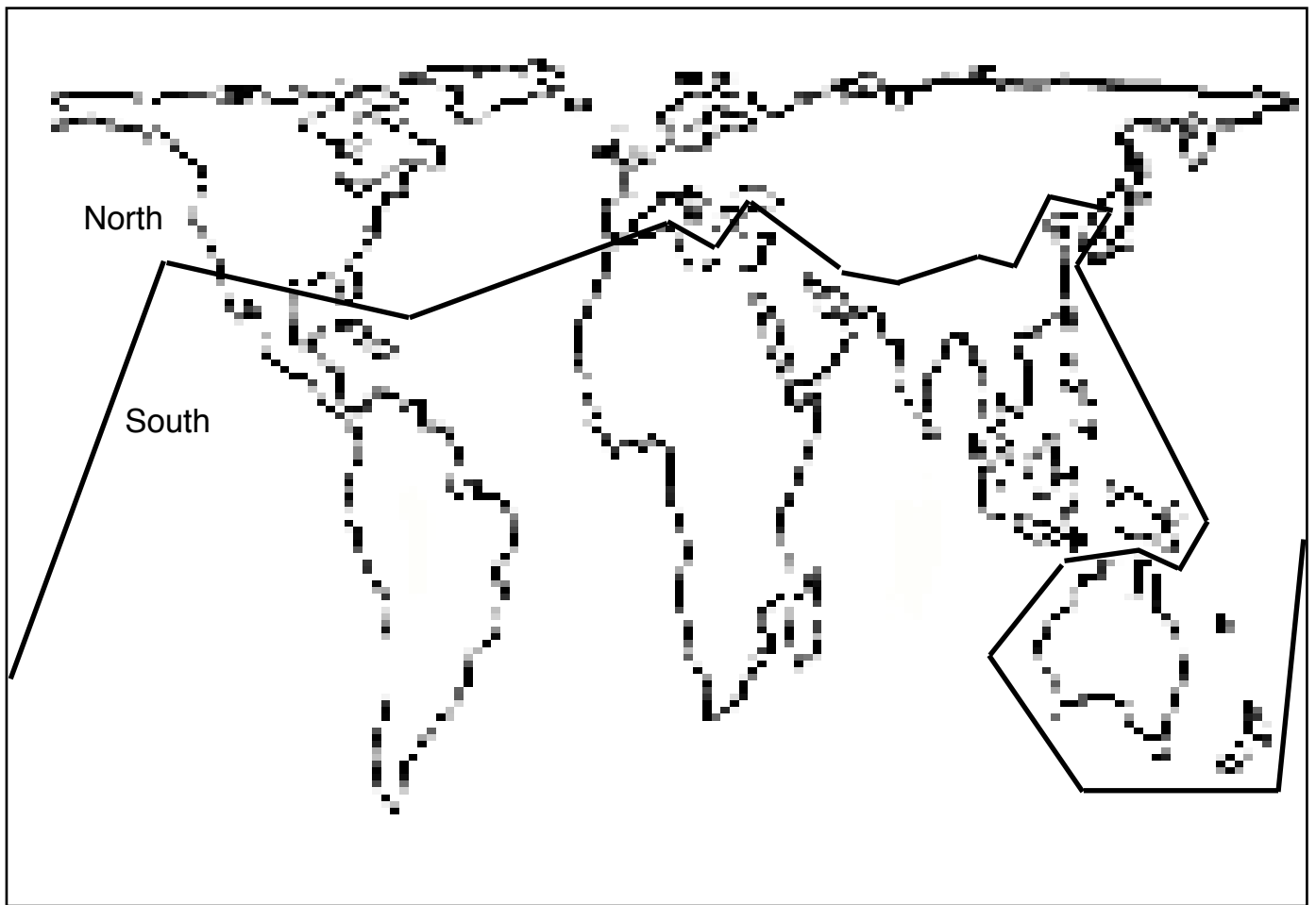
 Why did families who grew coffee start to go hungry? List the reasons Mutua gives.


 “This is not charity but a matter of justice.” What does this mean to you.

... “Before you’ve finished eating your breakfast this morning, you have depended on half the world.” ...


Martin Luther King


# The North/South divide




 Use a globe or a world map to find the following countries. Draw and name them on the map.

	<b>TNCs are based in</b>	<b>Some exporting countries</b>
Bananas	USA, Ireland, Ecuador	Ecuador, Costa Rica, Windward Islands
Coffee	USA, Switzerland	Brazil, Colombia, Kenya
Chocolate/cocoa	USA, UK, Germany	Cameroon, Ghana, Nigeria

 Where are the transnational corporations situated? Which is the one exception?

 Where are the products grown? Why do you think this is the case?

# Trade rules, OK?

 Match each word below with its definition:

1 Dumping    2 Free trade    3 Overproduction    4 Quota    5 Subsidy    6 Tariff

**A** When no quotas or tariffs are put on a country's goods to protect them from competition.

**B** Money from the government is paid to producers; it helps pay some of their costs. It can make their products cheaper to sell. For example farmers in the UK receive this to help keep food cheap.

**C** Each country agrees to produce a fixed amount of a product. It stops overproduction.

**D** A tax on things being imported from abroad. It makes them more expensive to sell, and protects local farmers or industries whose goods will be cheaper than the imported ones.

**E** Too much is produced to sell at a fair price. It is difficult to sell it all. Prices may fall below the cost of producing it.

**F** Exporting at a price below the cost of production by rich countries. It creates unfair competition for local producers. Giving food away as aid is one example.


**Honduras:** Honduran farmers once supplied 100% of the local market for rice. Under pressure to promote free trade, the Honduran government abolished tariffs on rice. Large **US** rice producers, who get subsidies from the American government, took over so that local farmers now only produce 1% leaving people poor and unemployed.


**Mozambique:** The **European Union** has tariffs on processed sugar. So Mozambique has to export raw sugar for which it gets a much lower price.

**Mali:** Thousands of small scale cotton growers are now getting very little money and becoming very poor. Big **US** cotton producers receive big subsidies and have dumped cheap cotton on the world market, causing prices in Mali to collapse.

**Nicaragua:** Family farms have produced coffee for export for many years. Until 1989 there was a safety net to help keep prices steady and quota agreements between producing countries to stop overproduction. Now, under free trade conditions, the world price for coffee has collapsed. Over the past 5 years, these farmers and their families have become very poor. Meanwhile prices of coffee in the **UK** have stayed the same; the big coffee companies are making huge profits.

**Senegal** had a tariff to protect local dairy farmers from cheap imports. Under WTO rules they had to remove this barrier. Many local producers are now forced out of businesses they could not compete with cheap imported milk from the **European Union**.

 Who benefits in each example given above? What is the impact on poverty?


 How might trade rules be altered to improve conditions for poor farmers?

# Being active for justice!



people & planet


People & Planet students campaigning for fair trade

 Look at each of the messages in turn on the posters above. What does each message mean? Why are they making these demands?




Paul Smith/Panos Pictures

Children from the Bal Mazdoor Union (for working and street children) demonstrating for the rights of child workers in Delhi, India

 What are the similarities and differences between these two pictures?

# People benefiting from Fair Trade

 Examples of five of the six Fair Trade principles are illustrated in the boxes below. Put the correct letter in the box.

A

## Kuapa Kukoo

A group of cocoa growers decided to work together for mutual benefit. In 10 years they have become Ghana's biggest cocoa cooperative.

Source: Cooperative Retail

B



Crispin Hughes/Panos Pictures

Dedza pottery, Malawi, providing goods under contract

## Fair Trade principles

- Fair price for products
- Extra money for community projects
- Health, safety and environmental standards
- Long-term contracts for security
- No child or forced labour
- Free to form cooperatives or join Trades Unions

C

By buying Fairtrade chocolate, shoppers at the Co-op will help 25 new water wells to be built and thousands more children to go to school in Ghana.

Source: Cooperative Retail

D

## Arabica coffee

Date	World price	Fairtrade price
3.2.2000	120	126
3.2.2001	70	126
3.2.2002	45	126

[prices in cents per lb]

Source: Fairtrade Foundation

E

## Asoproban

A banana producers' cooperative in Colombia organises waste collection and has built toilets for the community.

Source: Banana Link

Things sold with the Fairtrade Mark meet the principles above. Not all fairly traded goods have this logo.



Looking at each of the examples, say how you think people benefit.



... The most important contribution of Fairtrade is that our dignity as human beings is restored. ...

# It's your choice!


You as consumers may have a million pounds to spend over your lifetime. You may already spend £60 a year on chocolate. But what influences what you buy? Read this recent report:


Not only are we spending more on goods which are organic or fair trade, but we're also more likely to boycott brands and products of which we don't approve. £2.6 billion worth of spending was lost by companies because consumers didn't like their record on the environment or working conditions (such as some clothing brands' reputation for running sweat-shops). Over the year, 52% of consumers have switched brand or boycotted at least one product because of an ethical belief.


Source: Ethical Purchasing Index, December 2003


What do some retailers think about fair trade? This is Kellie Bubble from Unicorn, a co-operative grocery in Manchester, on why they only sell mainly organic and fairly traded food.

"This is because organic foods are healthy and good for the environment, and fair trade makes a positive difference to peoples' lives. In this country, fair trade encourages people to become informed and helps them to understand the chain that links their purchase back to the producer. For producers, fair trade makes a difference by providing security of income and giving them hope for a rosier future for their children. This is how we, as a business, take responsibility for the role we play in global trade. Unicorn recognises that fair and sustainable trade does not involve just imported commodities. It also promotes local production, particularly of fresh produce."

 Does an ethical belief affect your purchasing, either to buy or to boycott? Discuss with a partner.

 Are you persuaded to buy fair trade goods? Or are there other reasons why you decide what to buy? Other influences might be your family, price, your friends, your peer group, convenience, fashion, design, your taste, the brand or an advert.

 Make a list of things you have bought recently. What made you choose these particular things? Discuss with a partner.

 What are your responsibilities as a global citizen? How do you relate to the people who make the things you consume?

The Co-op aims to be the leading supermarket supporter of fair trade.

It wants to bring fair trade into the mainstream of UK retailing. It is offering more Fairtrade goods for sale including bananas, chocolate, coffee, wine, mangoes, chocolate cake and pineapples. It is calling on the big chocolate companies to make at least one Fairtrade product. The chocolate market was worth £3,800,000,000 in 1999; the sales of Fairtrade chocolate are just £3,000,000. It wants its customers to support the chocolate campaign and buy more Fairtrade goods because it helps people's lives in the South.