

# Fair trade: fairness in a cruel world essay examples

[Food & Diet](#), [Coffee](#)



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## **Introduction**

Historically, Guatemala has been a well known producer and exporter of high quality coffee. In recent years, however, stiff competition from other coffee producing nations such as Brazil and Vietnam has driven global prices low. This means that it has become increasingly unprofitable to produce coffee in Guatemala. Despite the ample land and human resources available in the country, farmers have been forced to stop production since they can no longer pay workers from proceeds. For the most part of the country, this has led to poverty and under-development. Incredibly, however, some farmers have vowed to fight on, forming cooperatives to enable them find good prices for their coffee. To fend off the competition, some have resorted to cooperatives which grow organic coffee. This coffee is sold in a system known as “ Fair Trade” which eliminates middlemen to keep the prices favorable for farmers (Lyon 242). Although this coffee undergoes rigorous testing before approval. It is giving farmers something to smile about. They can now afford basic needs, school fees and healthcare for their children. In this context, globalization plays different major roles. This essay describes globalization using the story on the Guatemalan coffee industry.

Globalization may be described as the increasing interconnectivity and flows between different regions of the world in terms of ideas, commodities, cultures, and currencies. Globalization plays different roles in this story. First, there are linkages joining different parts of the world through trade. Before the advent of the free trade concept, Guatemalan farmers had been producing coffee in their farms and selling them to buyers who were middlemen (Lyon 242). These buyers would then sell the coffee to processors who would process and package it before selling to consumers. These different steps were all accomplished in different parts of the world. This was made possible by the existing complex transport and communication networks which epitomize corporation-led globalization. Although there is the advantage of a wide market provided by the linkages of globalization, this comes at a cost. This is because the movement of coffee to far-flung markets increases the costs to the consumer. To keep the world prices reasonably low for the consumer, the costs of buying from the farmers has been lowered consistently. This has continued to hurt coffee farmers to the extent that they can no longer pay the farm workers or ferry the coffee beans to a factory. The quick inter-linkages have led to price and quality control measures in the global market which do not favor all players. In this regard, corporation-driven globalization has negatively affected the farmer.

On a positive note, globalization has enabled the spread of ideas throughout the world. These ideas have shaped the way people conduct their business and also created livelihoods. An example of this from Guatemala's coffee industry is the idea of organic coffee. Today, people are striving to live

healthy lives by maintaining a healthy diet. The idea of organic foods and beverages is a global phenomenon today. The idea has brought about opportunities for the Guatemalan coffee farmers by giving them a lifeline. Since there are ample resources such as labor, fertile land and favorable climate in Guatemala, coffee farmers, through cooperatives, are striving to meet the global standards of organic coffee.

Thirdly, globalization enables cooperation between countries. Today, developed countries cooperate with developed countries to protect their trade. The Free Trade model is an example of this. Guatemalan farmers are selling their coffee in cooperatives through Fair Trade, which enables them eliminate coyotes (middlemen), who have been driving the prices down. Once farmers are in a cooperative, they increase their bargaining power and can access loans to develop their coffee farming processes such as paying for labor and buying implements (Valerie and Pound 13). Fair Trade in Guatemala has been providing farmers with premiums which have enabled them to start living well. Prior to fair trade, farmers were exploited by middlemen and were not in a position to take care of their children and educate them. In a world where corporate-led globalization has been unfair to the lower-class, Fair Trade epitomizes how people-led globalization can improve people's livelihoods (Valerie and Pound 13).

## **Conclusion**

Through story of Guatemala's coffee farmers, globalization lends itself to different interpretations. To keep their coffee farms in operation, Guatemalan farmers have resorted to Fair Trade through organic coffee cooperatives. One negative effect of globalization as seen through the

Guatemala perspective is that it has resorted to unfavorable competition in the world markets. In addition, the forces of globalization such as increased transport costs have driven down coffee prices. On a positive note, globalization has enabled the spread of ideas throughout the world. An example of this is the organic coffee idea which has become a lifeline for Guatemalan farmers. Thirdly, cooperation between developed and developing countries has made Fair Trade possible. Farmers in cooperatives have been able to eliminate middlemen who had previously exploited them. They are now able to sell their coffee straight to processing companies at a better price. This is an example of people-driven globalization which has favored Guatemalans. These examples show that globalization has affected the world in positive as well as negative ways.

### **Work cited**

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