

# [Organizations international](https://assignbuster.com/organizations-international/)

Until very recently it was almost impossible for average supermarket shoppers in New Zealand to support fair trade which offers a fair price to agricultural growers in developing areas.

Supermarkets did not carry such products; anyone with an interest in ethical buying was forced to shop in speciality stores — and pay for the privilege. That all changed in May 2005, when New Zealand’s first mainstream fair trade brand, Scarborough Fair, launched, after six months in the planning. The brand is headed by Finnish American fair trade activist Sarah Scarborough and her business partner, Lighthouse Ventures — run by retail and marketing luminaries such as former Woolworths chief executive Andrew Davidson, ex-Saatchi boss Mike Hutcheaon and ex-Daymon Associates Worldwide CEO Bruce Patton. Its fair trade tea and coffee products are now stocked in 1600 supermarkets in New Zealand and Australia. Hutcheson says that, although it’s early days, sales are going “ really well.

We’ve still managed to exceed sales expectations, with small amounts of advertising and promotional activity. ” The goal is to capture a five percent share of Australasia’s coffee and tea markets, he says. “ Given the good start we’ve made and our umbrella concept, we’re expecting sustained growth, particularly when you consider the nascent state of fair trade in these parts, compared to other geographies. ” (Brown 1991, 2-4) In the UK, where fair trade has been available for around 15 years through the Fairtrade Foundation, there are more than 1500 certified products.

Britain’s fair trade boom is a recent one: it’s worth noting that in 2003 there were just 150 Fair trade products available Now the industry is worth ? 140 million and sales are growing at around 12 percent each year: Fifteen percent of all coffee sold in the UK is now fair trade and certain supermarkets stock only fair trade products in particular categories, such as bananas or chocolate. (Brown 1991, 2-4) Grocer’s Review editor John Corbett says ethical purchasing is “ gaining steady ground” in New Zealand and more and more mainstream companies are moving into fair trade.” Fair trade will certainly continue to expand, and so will the concept of sustainability. ” (Coote 1992) Consumers want the option to support their values with product choices that contribute to the brighter future of growers. We have done a feirly exhaustive evaluation of the international trends and there’s no doubt that increasing awareness will drive demand. Ethical consumerism is currently focusing attention on corporate ethics, social responsibility and sustainability he says.

This is a growing consumer mindset. Millions of Americans reach for coffee each day, but while we’re well versed in its power to give us a little oomph, very few of us have any idea what’s involved in the production of our beloved brew. Long before coffee beans arrive on our shores, a farmer in some far-off land labors to provide citizens in affluent countries their required beverage. You’d think coffee’s growing popularity would mean a pretty good lifestyle for those who produce it.

Think again. (Crocker 1998, 1-3) Unbalanced tradeMany farmers from countries such as Honduras and Guatemala have difficulty maintaining their crops and meeting basic living expenses thanks to the low prices they receive for products such as coffee beans, sugarcane, cocoa beans and tea leaves. While middlemen and corporations prosper, peasant farmers are forced to sustain themselves, their families and their land on as little as a dollar a day. Factors such as corrupt governments, poorly educated farmers and cheap labor (some of it forced child labor in West Africa) contribute to the problem, with the result being a vicious cycle of poverty for the grower.

Finding bananas for a rock-bottom price in Montana is a good indicator that somebody wasn’t paid very well to produce them. But the future for many poor farmers is looking brighter thanks to a movement that’s gaining real momentum — fair trade. (Danaher 2000, 10-12) The fair trade advantage Fair trade ensures that producers in poor countries get more equitable prices for their goods. Fair trade shouldn’t be considered a charity, but rather a market-based solution to the trade imbalances fueling poverty that allows for a more equal distribution between developed and underdeveloped countries. Farmers are guaranteed a price for their product that is well above the standard price paid in a non-fair-trade System.

This allows communities to build homes, hospitals and schools while reducing domestic violence, helping farmers send their children to school instead of the fields, reducing producers’ reliance on aid, improving labor practices and working conditions, and increasing farmers’ ability to pay debts. Working conditions on fair trade farms are considered some of the best in the world because forced labor, the use of dangerous agrochemicals and substandard living conditions aren’t tolerated. It’s apparent that the benefits of such a system extend far and wide. (Grimes 2000, 75-76) Farmers involved in fair trade are usually part of small-scale democratic cooperatives. Since there is strength in numbers, this means increased leverage and bargaining power.

This was mentioned by a member of Equal Exchange, which sells fair trade coffee, chocolate, sugar and tea. The cooperative systems allow farmers to work directly with buyers while avoiding often-corrupt middlemen. What keeps farmers poor is that they usually only control the first link in the supply chain. Thanks to the fair trade movement, according to TransFair USA, more than 26 million extra dollars were put in the wallets of participating coffee farmers around the world in 2004. Fair trade can also mean a better cup of java. Farmers can use the extra money to invest in better technology (e.

g. , better fermentation equipment) and training, which improves flavor and consistency in the final product. (Nicholls 2005, 34-35) You can also thank fair trade’s strict environmental stipulations for improved quality. All fair trade farms adhere to tough environmental standards that limit the use of pesticides and protect surrounding ecosystems. 85 percent of all fair-trade-certified coffee is also certified organic.

The higher prices we pay the farmers allow them to invest in environmentally sensitive agricultural practices and fund organic conversion. Perhaps the biggest success of the movement, according to North, is that it’s increased our connection with the growers of our food. Fair trade has heightened our awareness of the problems facing farmers and reminded the public that someone is on the other end of their chocolate bar. Or even your cup of coffee.

(Roddick 2000, 3-4) Over the past few years, farmers in Latin America, Africa and Asia have received more than $67 million in additional revenue, owing to TransFair USA’s certification of over 100 million pounds of coffee, cocoa, tea, rice, sugar and fruits. (Rice1999, 10-12) Participating businesses can be identified by the fair trade logo displayed on their products. Issued by TransFair USA, this logo ensures that companies adhere to the monitoring criteria and standards set by Fair Trade Labelling Organizations International (FLO) based in Germany. TransFair USA’s main objectives are to connect businesses with producers, as well as to audit and verify the supply chain so that farmers are getting what they deserve. These strict verification requirements help increase consumers’ confidence that what they are buying is indeed worth the extra price.

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