

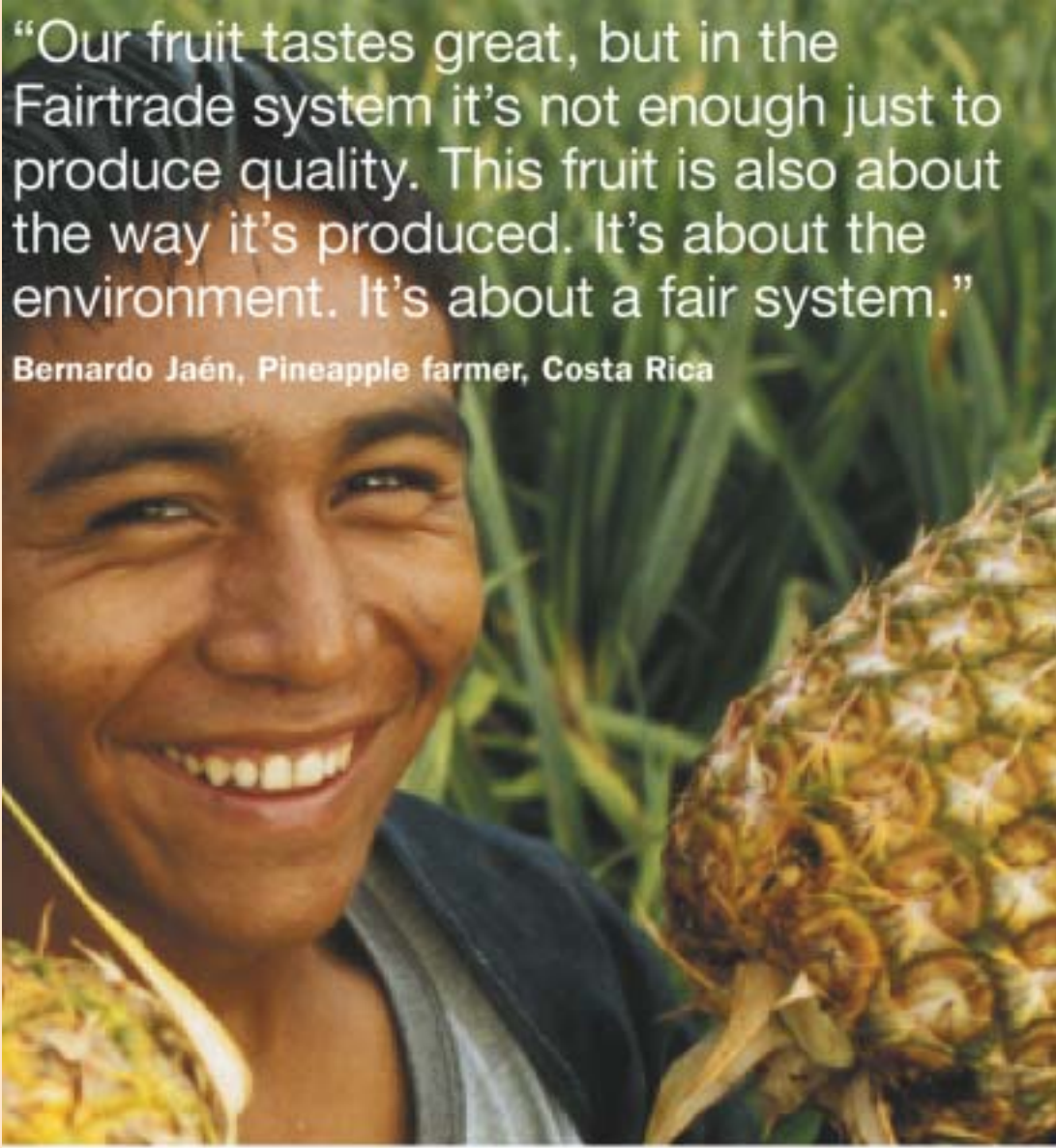
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Fair Trade

INTERDÉPENDANCES
CONFLITS
CONTACTS DES CULTURES

“Our fruit tastes great, but in the Fairtrade system it’s not enough just to produce quality. This fruit is also about the way it’s produced. It’s about the environment. It’s about a fair system.”

Bernardo Jaén, Pineapple farmer, Costa Rica



Guarantees
a **better deal**
for Third World
Producers

www.fairtrade.org.uk

This leaflet was produced by **The Fairtrade Foundation**, the independent body which awards the FAIRTRADE Mark to products that meet internationally agreed Fairtrade standards.

The Fairtrade Foundation supports **MAKE POVERTY HISTORY**

Charity No. 1043808

1. What is Fair Trade?

Fair Trade is an international movement which ensures that producers in poor countries get:

- a fair price for their goods (one that covers the cost of production and guarantees a sustainable livelihood);
- long-term contracts which provide real security;
- support to gain the knowledge and skills that they need to develop their businesses and increase sales.

10 Why is Fair Trade necessary?

The value of international trade has tripled in the last twenty years; but the benefits of this trade are not shared equally. The 48 least-developed countries (which are home to 10 per cent of the world's citizens) have seen their share of world exports decline to a tiny 0.4 per cent during the past two decades. By comparison, the USA and the European Union contain roughly the same number

of people, yet account for nearly 50 per cent of world exports.

Fair Trade vs free trade

Trade liberalization, enforced by the World Trade Organization, makes it increasingly difficult for small traders to compete. "Free trade" supposedly favours increased competition, but when multinational companies are able to benefit from subsidies and protection denied to small economies, this competition is unfair. The Fair Trade movement has been one of the most powerful responses to the problems facing commodity producers. It gives consumers an opportunity to use their purchasing power to tilt the balance, however slightly, in favour of the poor.

<http://www.fairtrade.org.uk>

1. Read the whole text and find the equivalents of (in the right order):

viable – moyens d'existence – fournir – compétence – augmenter – vente – partager – citoyen – minuscule – à peu près – représenter – imposer – être en concurrence – subvention – refusé – matière première – pouvoir d'achat – faire pencher.

2. What are the main characteristics of Fair Trade and free trade?

3. Find the main reasons why free trade is considered unfair.

2. Dumping

The European dairy industry¹ is swimming in a sea of subsidies. Each cow receives \$2 a day just to chew grass. But it doesn't stop there. Not only does the EU dairy industry get a subsidy for producing the milk, it also receives a subsidy for exporting it. Sacks of powdered milk from France, Northern Ireland and even Lithuania can be seen in small shops across West Africa.

The impact of milk dumping is devastating. With 6.5 million cattle², Mali has more livestock³ than any of its West African neighbours, yet 9,000 tonnes of powdered milk is being imported into the country every year.

Before the early 1990s, the Jamaican dairy industry

was healthy, and growing. But when the Jamaican government opened up the dairy market to imports, that changed overnight⁴. Shiploads⁵ of cheap milk powder from Europe, produced and exported with the aid of massive EU subsidies, spelt⁶ disaster for Jamaica's dairy farmers. They are literally throwing away thousands of litres of milk. Many are leaving the industry that has supported their families for generations.

<http://www.maketradefair.com>

1. industrie laitière – 2. ici, têtes de bétail – 3. cheptel –
4. du jour au lendemain – 5. des bateaux entiers – 6. signifier

1. Read the text and explain what dumping is. What are the consequences for developing countries?

2. Describe the document on page 19 (who, what...) and explain Oxfam's aim in launching this campaign.

MAKE TRADE FAIR

EVER FELT DUMPED ON?

Antonio Banderas, actor, is one of many of the world's biggest stars who have been dumped on in support of Oxfam's campaign to make trade fair.



5 million farmers and their families are facing ruin because the US government subsidizes its corn farmers to over-produce and dump the surplus at rock-bottom prices in Mexico.

3. Bearing fruit



1. Use the context to match each of these words with its French translation:

sticker (l. 4) – *globally* (l. 5) – *rate* (l. 7) –
spring up (l. 16) – *dismiss* (l. 19) –
wallet (l. 24) – *path* (l. 26) –
smooth (l. 26) – *breakthrough* (l. 30) –
supplier (l. 32) – *for all* (l. 34) –
threshold (l. 37).

percée – *surgir* – *seuil* – *portefeuille* –
mondialement – *facile* – *malgré* –
fournisseur – *taux* – *autocollant* – *chemin*
– *écarter*

2. In what way are Max Havelaar's bananas different from others?
3. Quote two sentences explaining what Fair Trade is about.
4. Find elements showing that Fair Trade is expanding.
5. What enabled Max Havelaar's sales to grow?
6. Explain the pun (*jeu de mots*) in the title.

At the Co-op supermarket in Davos, just down the road from the Congress Center where the World Economic Forum was held last week, all bananas have a small round sticker proclaiming the brand Max Havelaar. The name may not be as globally familiar as Dole and Chiquita, yet in Switzerland, it has a remarkable 78% brand recognition rate and every second banana sold now bears a Max Havelaar label – probably the highest penetration of any fair-trade product in the world.

Who is Max Havelaar? It's not a real person, but rather a foundation set up in 1992 by six large Swiss charity groups. Named after the hero of a 19th century Dutch novel, it works to improve the terms of trade for small producers of bananas, cut flowers, coffee and other products in developing countries from Ecuador to Zimbabwe. It's just one of dozens of fair-trade groups that have sprung up in Western Europe and the U.S., offering consumers the option to buy everyday products that give farmers and producers a better deal. Once dismissed as a fringe¹ movement, Fair Trade has become too big to ignore. Sales of Max Havelaar-labeled products rose 40% to \$126 million in 2003, and while figures for 2004 haven't yet been published, Paola Ghillani, the organization's chief executive, says sales grew again to about \$170 million. "Consumers are voting with their wallets for something better," she says.

The path has not always been smooth. When Max Havelaar first tried to bring bananas from small Latin American producers to Switzerland in 1998, it was a disaster. Sometimes the fruit that showed up was poor quality; sometimes it didn't show up at all. The big breakthrough came last year, when Co-op decided to dump one of its two multinational banana suppliers, Dole Food, and substitute Max Havelaar instead.

For all the growth, fair-trade products remain a niche² market. Still, they've forced even the biggest players in the food business to adapt. [...] "The moment [fair-trade groups] reach a certain threshold, they exercise an influence," says Ernst Ligteringen, chief executive of the Global Reporting Initiative, an Amsterdam-based organization that sets international standards for companies to report on their social and environmental activities.

Ghillani is still looking to expand, noting that sales of fair-trade products throughout Europe grew some 20% last year to about \$460 million. She hopes to launch cotton and some textile products this year. "I am an advocate of globalization, but a fair and healthy one that serves human development," she says. A growing number of consumers seem to agree.

Abridged from *Time*, February 7, 2005

1. *marginal* – 2. *petit créneau*