



What is Fair Trade?

In today's world economy, where profits rule and small-scale producers are left out of the bargaining process, farmers, craft producers and other workers are often left without resources or hope for their future. Fair Trade helps exploited producers escape from this cycle and gives them a way to maintain their traditional lifestyles with dignity.

Fair Trade Principles

- Producers receive a fair price - a living wage
- Forced labor and exploitative child labor are not allowed
- Buyers and producers trade under direct long-term relationships
- Producers have access to financial and technical assistance
- Sustainable production techniques are encouraged
- Working conditions are healthy and safe
- Equal employment opportunities are provided for all
- All aspects of trade and production are open to public accountability

A Just Alternative

Fair Trade is an alternative approach to international trade that is built on a network of right relationships that respect human dignity, promote economic justice and cultivate global solidarity. The Fair Trade system benefits over 800,000 farmers organized into cooperatives and unions in 48 countries. Fair Trade has helped farmers provide for their families' basic needs and invest in community development; however, these farmers are still selling most of their crop outside of the Fair Trade system because not enough companies are buying at Fair Trade prices. We can help by purchasing and using Fair Trade goods whenever possible.



Because most Fair Trade cooperatives pool their resources for community health clinics and schools, children of fair trade farmers and artisans grow up healthier and have a chance to go to school. Most families in developing countries that do not have the fair trade principles protecting them cannot afford these most basic rights.

Fair Trade Facts

- Fair trade businesses return 1/3 to 1/4 of profits back to producers in developing countries.
- According to the National Labor Committee, a Haitian sewing clothing for the U.S. market may earn less than 1% of the retail price. Fair Trade's purpose is to change this so workers in developing countries receive a living wage for themselves and their families.
- Sixty to seventy percent of the artisans providing fair trade hand-crafted products are women. Often these women are mothers and the sole wage earners in the home.
- Of \$3.6 trillion of all goods exchanged globally, fair trade accounts for only .01% with worldwide fair trade sales totaling \$400 million each year.

Fair Trade Organizations Are Different

- The goal of Fair Trade Organizations is to benefit the artisans they work with, not maximize profits. By reducing the number of middlemen and minimizing overhead costs, Fair Trade Organizations return up to 40 percent of the retail price of an item to the producer.
- They work with producer co-operatives that use democratic principles to ensure that working conditions are safe and dignified, and that producers have a say in how their products are created and sold. Co-operatives are encouraged to provide benefits such as health care, child care and access to loans.
- They encourage producers to reinvest their profits into their communities. Many producers who work with Fair Trade Organizations have committed time and money to build health clinics, schools and support other community projects in their villages.
- Some Fair Trade Organizations work to shift processing and packaging activities to the developing world, so that as much work as possible will remain in the producer country. Often, such activities are performed abroad, depriving the neediest countries of the opportunity to boost their incomes.