Alternative Trade Organizations and the Fair Trade Movement

# FOR A BETTER WORLD

**ISSUES & CHALLENGES IN FAIRTRADE ISSUE 6 SPRING 2013** 

A Free Publication

# May Industrial Industrial Industrial Industrial

Hemp fits well into increasingly popular organic and socially sustainable agriculture and can lead the way for Domestic Fair Trade in the North



Food Sovereignty:
Why the Rights
of Family
Farmers Matter

Special Report: Trade Policy Reform Corner Fairness for Small Farmers: A Missing Ingredient in the US Farm Bill

# REFERENCE GUIDE TO FAIR TRADE CERTIFIERS & MEMBERSHIP ORGANIZATIONS

Fair trade certifiers and membership organizations all agree on these basic fair trade principles:

- ✓ Long-term direct trading relationships
- ✓ Prompt payment of fair prices and wages
- ✓ No child, forced or otherwise exploited labor
- ✓ Workplace non-discrimination, gender equity and freedom of association
- ✓ Safe working conditions and reasonable work hours
- ✓ Investment in community development projects
- ✓ Environmental sustainability
- ✓ Traceability and transparency

Fair Trade validation systems can be grouped into two major categories. The table shows their main attributes and several prominent examples.

3<sup>rd</sup> Party Inspection & Certification 3<sup>rd</sup> party certifiers field-inspect growing and processing, possibly trading operations and compare performance against a set of FT standards.

Fairtrade International (formally FLO); IMO's Fair for Life; FUNDEPPO's Small Producer Symbol; Agricultural Justice Project









\*FWP does not recognize FTUSA as a credible fair trade certifier

Membership Organizations Organization evaluates FT commitment and practice of companies against its membership criteria. No systematic verification of conditions along the value chain.

Fair Trade Federation (FTF); World Fair Trade Organization (WFTO); Domestic Fair Trade Association; Cooperative Coffees









This chart summarizes the logos of several certification programs and membership organizations. A product sold by a company that is a member of a fair trade membership organization may not have gone through third-party certification; conversely, a product certified as "fair trade" under a certification program does not mean that the company that produces the certified product is a dedicated fair trade company.

We acknowledge that other socially responsible systems are available. While they certify for many of the same standards, they do not embody all fair trade principles.

Fair World Project (FWP) no longer recognizes Fair Trade USA (FTUSA) as a credible fair trade label. For small producer organizations (i.e. traditional fair trade producers), FTUSA recognizes the Fairtrade International (FLO) standards and has not developed their own. In this case, we believe that brands should work with FLO directly. For other standards, such as farmworkers on large farms and unorganized producers, FTUSA has developed their own standards, but has ignored repeated requests to dialogue with the larger movement to address serious concerns, for example concerns from small coffee producers that opening up fair trade to large coffee farms will have a detrimental effect on their own operations.

 $For more information on Fair Trade\ Certifiers\ and\ Membership\ Organizations\ visit\ www. fairworld project. o$ 

# Contributors in this Issue -



### Nasser Abufarha, Ph.D

Nasser Abufarha, Ph.D, is the founder and Director of Canaan Fair Trade Company, based in Jenin, Palestine. He has a Ph.D in Cultural Anthropology and International Development from the University of Wisconsin – Madison. Nasser is the author of The Making of a Human Bomb, published by Duke University Press, as

well as a number of articles published on the subjects of development, landscape and political violence.



### **David Bronner**

David Bronner is a ne'er-do-well scion of the notorious Dr. Bronner's Magic Soaps insane asylum. When not frothing incoherently at the mouth, he babbles about business as a catalyst for positive social and environmental change. It's best to run away quickly if you notice him anywhere around.



# Kari Hamerschlag

Kari Hamerschlag is a Senior Food and Agriculture Analyst with the Environmental Working Group's Oakland, CA office. Prior to joining EWG, she worked for nearly two decades with a number of non-profits on fair trade, international development, sustainable food and agriculture policy issues. Kari has a Masters degree from

UC Berkeley in Latin American Studies and City and Regional Planning, and she was a founding board member of the Fair Trade Federation.



### Jason Freeman

Jason Freeman is General Manager of Farmer Direct Co-operative, a 100% farmer-owned, 100% organic and 100% fairDeal co-op consisting of sixty-three certified family farms spread across the Canadian prairies. Their members grow organic, fairDeal grains, oilseeds and pulses for retailers' bulk bins.















# **Table of Contents**

- World Fair Trade Day is May 11!
  Celebrate with Dedicated Fair Trade Brands
  and their Fair Trade Small-Scale Producers
- 7 The Long Way Home to Support Intergenerational Cooperatives by Marcelle Renkin
- 9 Alternative Trade Organizations and the Fair Trade Movement by Nasser Abufarha
- 12 Trade Policy Reform Corner:
  Diverse Groups Unite to Oppose Trans-Pacific
  Partnership
- Fairness for Small Farmers:
  A Missing Ingredient in the U.S. Farm Bill by Kari Hamerschlag
- Food Sovereignty: Why the Rights of Family Farmers Matter by La Vía Campesina
- 17 Hemp Can Lead the Way for Domestic Fair Trade in the North

by Jason Freeman

Why Industrial Hemp?

by David Bronner, Adapted and updated from the 2003 Vote Hemp Report



### La Via Campesina

La Via Campesina is an international movement of peasants, small and medium-sized producers, landless, rural women, indigenous people, rural youth and agricultural workers. They are an autonomous, pluralist and multicultural movement, independent of any political, economic or other type of affiliation. Founded in

1993, La Via Campesina now gathers about 150 organizations in seventy countries across Asia, Africa, Europe and the Americas.



### **Marcelle Renkin**

Marcelle Renkin is an Australian who has volunteered, worked and lived in Guatemala for the past ten years. Currently she serves as Executive Director of Maya Traditions Foundation, where she is dedicated to further developing a holistic approach to fair trade that strengthens indigenous women weavers' entrepreneurial

skills and inspires Guatemalan youth to affect change.



### Ryan Zinr

Ryan Zinn is the Organic and Fair Trade Coordinator with Dr. Bronner's Magic Soaps. Prior to joining Dr. Bronner's, he was Campaign Director for Fair World Project. Ryan has worked in the food justice movement since 1996 at home and abroad, working for the Center for International Law, Friends of the

Earth–Paraguay, Global Exchange and the Organic Consumers Association.

# **Additional Contributors: Cosmic Egg Studios**



Cosmic Egg Studios is an eco-friendly design firm that services many of the like-minded companies in this industry.

Articles written are the view points from the authors and are not necessarily endorsed by Fair World Project. We encourage you to use your own judgement, ask questions, and visit our blog for more information.

# Letter from the Director



Like many fair traders I have spent my adult life dedicated to supporting smallscale producers and promoting fair trade to empower and improve their lives. But fair trade in itself is not a magic pill that will cure poverty throughout the world, and is just one important piece to creating a just economy. True fair trade also supports systemic change in government and international trade policies, to alleviate the depredations of unfettered capitalism bent on exploiting farmers and workers in blind pursuit of profits above all else. As long as we have unfair trade, labor and agricultural policies, we will have poverty and inequality.

In this issue of For A Better World we have included articles on domestic agricultural issues such as the lack of fairness in the farm bill and the movement to grow hemp in the US. These issues may seem a deviation from traditional international fair trade, but to create authentic system change we must connect all of these social justice issues.

As important as promoting fair trade relationships with small-scale producers, we must also address related issues like food sovereignty and the negative impact on food prices and supplies around the world of US farm subsidies, and fuel mandates that divert huge swaths of agricultural acreage into fuel for cars instead of food for people.

The issues are complex and we look forward to deep collaboration in our work towards a truly just economy.

To a day when all trade is fair,

Dana Geffner

Dana Geffner **Executive Director** 

# Distribute Fair World Project's For A Better World

"For a Better World" is a free semi-annual publication that features articles from a variety of perspectives, including farmers, farm workers, consumers and committed fair trade brands. FWP helps consumers decipher fair trade certification schemes and is an excellent educational resource. Distribute "For a Better World" for free at your business or organization. Order now by visiting our website at: www.fairworldproject.org 

### Letter to the Editor

Tell Us What You Think. We would like to hear your thoughts. Send letters to: Fair World Project - PO Box 42322, Portland, OR 97242 or email comments to editor@fairworldproject.org. Include your full name, address, daytime phone and email. The editorial team may shorten and edit correspondence for clarity.

Fair World Project (FWP) promotes organic and fair trade practices and transparent third-party certification of producers, manufacturers and products, both here and abroad. Through consumer education and advocacy, FWP supports dedicated fair trade producers and brands and insists on integrity in use of the term "fair trade" in certification, labeling and marketing.

### Why FWP Exists:

- ▶ Conscious consumers armed with informed purchasing power can create positive change and promote economic justice, sustainable development and meaningful exchange between global South and North
- The Organic movement, with the advent of federal regulations, has lost sight of the social criteria of fair prices, wages and working conditions.
- Family farmers and farmworkers in the developing world are often impoverished by unfair volatile prices, wages and
- North American and European family farmers and farmworkers face similar challenges, and thus we need to bring fair trade criteria home with "Domestic Fair Trade."
- Existing certifiers and membership organizations vary in their criteria and philosophy for the qualification of products and brands for designation as "fair trade." FWP will work to keep the term "fair trade" from being abused and diluted.
- ▶ FWP cuts through politics in the world of fair trade in order to catalyze the rapid expansion of the universe of fair trade products, in particular promoting certification to rigorous standards that give consideration to the local context of a

### **The Fair Trade Movement:**

The fair trade movement that FWP is part of shares a vision of a world in which justice and sustainable development are at the heart of trade structures and practices, both at home and abroad, so that everyone through their work can maintain a decent and dignified livelihood.

**Fair World Project** 

Portland, OR 97242

Cover Photo credit: **Luke Zigovits** 

Dana Geffner

**Kerstin Lindgren** 

Sue Kastensen

# **Fair Trade Timeline**

Contributed by the Fair Trade Resource Network (www.ftrn.org)

Church of the Brethren establishes SERRV, North America's second fair trade organization,

to import wooden clocks from German refugees of WWII

Oxfam and other European humanitarian organizations open the first World Shop in the Netherlands to sell crafts, build awareness and campaign for trade reform



Equal Exchange is established as the first fair trade cooperative in North America, importing coffee from Nicaragua as a way to make a political statement with a high-quality, household item



International Fair Trade Association (IFAT), nov WFTO, is established by trade pioneers as the f global fair trade netwo

**1946** 

**■**1948 **■**1968

**1969** 

**1972** 

**1986** 

**1988** 

1989

**1994** 

Edna Ruth Byler imports needlecrafts from low-income women in Puerto Rico, and displaced people in Europe, laying the groundwork for Ten Thousand Villages, North America's first fair trade organization

United Nations Conference on Aid and Development (UNCTAD) embraces "Trade not Aid" concept, bringing fair trade into development policy



Ten Thousand Villages opens their store, the first fair trade retail outlet in



Farmers and activists launch the first fair trade certification system, Max Havelaar, in the Netherlands to offer third-party recognition and a label for fair trade products



# **News in Brief**

For more FWP News: www.fairworldproject.org/newsroundup



# Factory Fires Highlight Need for Meaningful Safety Standards and Monitoring

In November 2012 more than 100 workers died in a garment factory fire in Bangladesh. Just two months earlier, 262 workers died in a fire in a Pakistani garment factory that received the Social Accountability International SA8000 safety certificate just a few weeks prior. These tragedies have highlighted abusive and negligent behavior by management and the need for basic safety provisions such as sufficient and unlocked fire exits and a meaningful monitoring system for workers.

# Hershey's "100% Certified" Announcement: What Does it Mean?

On October 3rd, Hershey's announced that it would source 100% "certified"



cocoa by 2020. Hershey's is the last major chocolate manufacturer to address child labor and extreme poverty in cocoa growing communities, particularly in West Africa. Advocacy campaigns and organizations, ranging from Raise the Bar to Child Labor Coalition have pressured Hershey's to actively address child labor and unfair terms in it supply chains for over ten years. Absent from Hershey's announcement are details or benchmarks for a definition of "certified"

cocoa. Certified fair trade cocoa was not mentioned.

Hershey's "100% certified" announcement came shortly after Whole Foods Market removed Hershey<sup>1</sup>s Scharffen Berger brand from its shelves due to Hershey's poor track record on ethical and fair cocoa. Over 7,000 network members from Fair World Project and the Organic Consumers Association sent letters and faxes urging Whole Foods Market to encourage Hershey's to source ethical cocoa. Whole Foods Market joins close to 50 natural food stores and co-ops that have removed Hershey's products, including Scharffen Berger and Dagoba, for their lack of commitment to ethical cocoa.

# **Fair World Project Announces New** Campaign Director

We are very excited to announce that Kerstin Lindgren has joined the Fair World Project team as our new Campaign Director! For the last four years Kerstin has been the Executive Director of the Domestic Fair Trade Association, a collaboration of North American farmers, farmworkers,

food system workers, retailers, manufacturers, processors, and non-governmental organizations.

Kerstin says: "I've been a fan of Fair World Project since it started and I am excited to be part of the important work of building a strong community of businesses and activists who care about a just economy, advocating for positive changes in corporate and governmental policies and practices, and contributing to the fair trade conversation through our publication and other media."

# Connected by Coffee Film Announcement

In January 2013, a team of fair trade advocates and business owners journeyed across Central America seeking to document - first-hand - how fair trade practices are affecting their coffee-farming friends. A photo blog,

> video web-series and feature length documentary will teach the public about the core principles, the history, and the current controversies of fair trade, while working to reinvigorate the movement. The web-series and film have been created by Michigan-based Stone Hut Studios, a production company dedicated to making films for a better world. Connected by Coffee will be released this summer.

www.connectedbycoffee.com

# The Best Organic Food is What's Grown Closest to You



The Local Harvest website is a way to find LocalHarvest sm farmers' markets, family farms, and other real community sources of sustainably grown food in your

area, where you can buy produce, grass-fed meats, and many other goodies. www.localharvest.org

# The World Fair Trade Organization 2013 Biennial Conference and the Rio 2013 World Fair Trade Week

GANIZAT

The World Fair Trade Organization (WFTO) 2013 Biennial Conference and WFTO-Global Annual General Meeting (AGM) will be held in Rio de Janeiro, Brazil on May 25-31, 2013. This ORLD FAIR X edition of the Biennial Conference and AGM will be a part of the larger Rio 2013 World Fair Trade Week, where Rio will be nominated as "The Global Fair Trade Capital." The WFTO will coordinate activities, make key decisions and participate in creating ways to promote the international fair trade movement. WFTO members from all over the world will participate in the event.

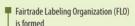
In the current period of economic and social hardship for many fair trade organizations, this conference and AGM will be crucial for sharing experiences, building our common future and strengthening our networking activities in the promising socio-economic context of Brazil.

Three main topics for discussion include: Fair Trade Global Networking, Fair Trade Governance

and Fair Trade Guarantee and Certification. Highlights of the event include the presentation of the new global WFTO Guarantee System and the WFTO strategic plan and governance

A series of important additional events, organized by several international fair trade networks, will take place during Rio 2013 World Fair Trade Week. Participants will have the opportunity to attend the International Fair Trade Fair, where fair trade actors from around the globe will meet to share ideas, strategies and contacts, show products and services and establish fair trade business relations. One especially important event will be the official launch of the "Fair Trade Beyond 2015" campaign, which will take place with a ceremony involving important officials from the Brazilian government. Let's all gather together in Rio!

For more information, visit www.WFTO.com





FLO launches the international "FairTrade" certification mark



The Institute for Marketecology (IMO) begins their "Fair for Life" certification program





**Organic Consumers** Association (OCA) launches Fair World Project, the first fair trade consumer

organization, to promote and protect the integrity of the fair trade movement

**2012** 

**1997 1999** 

**2002 2004**  **2006** 

**2007 2008** 

2010

ir Trade Federation is med as the first network fair trade organizations North America



FAIR TRADE TransFair USA begins certifying fair trade coffee using the TransFair USA label Producers form national and regional fair trade associations across Asia, Latin America and

Fair trade retail sales top \$1 billion in the U.S. and \$2.5 billion worldwide.



Fair Trade USA (formally Transfair USA) leaves the Fairtrade International (formally FLO) system.

Fairtrade International enters the U.S. market with the International Mark.

# **A Fair World Project Initiative**



Over 700 natural products retailers are expected to participate in Fair World Project's 2nd Annual World Fair Trade Day celebration (May 4-18, 2013) sponsored by Alaffia, Alter Eco, Divine Chocolate, Dr. Bronner's Magic Soaps, Equal Exchange, Farmer Direct Co-operative and Maggie's Organics. Participating retailers will feature our sponsors' products on promotion the first two weeks of May, along with sampling events and screenings of Fair Relationships, a new video that highlights fair trade principles and focuses on small-scale producers, in celebration of this year's World Fair Trade Day theme, "Fair Trade Relationships."

This spring, consumers will have a chance to win an all-expenses paid, nine-day Fair Trade Adventure for Two to Peru with Intrepid Travel to visit one of Alter Eco's fair trade cocoa bean cooperatives and one of Equal Exchange's fair trade coffee cooperatives, along with cultural highlights like Machu Picchu. (See our back page ad for more information.)

Our fair trade sponsors are donating a percentage of their sales from participating members of the National Cooperative Grocers Association to Root Capital (www.rootcapital.org), a non-profit social investment fund that is pioneering finance for grassroots businesses in rural areas of developing

The World Fair Trade Organization (www. WFTO.com) initiates World Fair Trade Day each May. This global event reaches all corners of the world and is celebrated by consumers, retailers, non-profit organizations, churches, students, producer groups and advocates for fair trade through thousands of hosted events.

Fair trade was created by and for small producers. Since they are the backbone of the global food supply, the guardians of biodiversity and key players in advancing democratic communities, we are highlighting the important work our sponsors are doing by working with them.

Look for these brands at your local grocery store throughout the year and during this joint promotion:

# World Fair Trade Day is May 11!

# Celebrate with Dedicated Fair Trade Brands and their Fair Trade Small-Scale Producers



Alaffia is on a journey of social change through fair trade. In 2003, Olowon'djo Tchala founded Alaf-

fia as a unique way to empower communities, alleviate poverty and advance gender equality in his home country of Togo, West Africa. Alaffia's journey began with the creation of the Alaffia Shea Butter Cooperative in Sokodé, Togo. Alaffia believes self-empowerment can only be achieved by mobilizing African resources through a moral process that takes into consideration the environment, cultural knowledge and the involvement of African women. Traditionally-handcrafted shea butter fits these criteria, and since 2003 Alaffia cooperative members have been handcrafting certified fair trade shea butter and other indigenous oils that form the base of Alaffia's premium body, hair and face care products. The sales of these products provide stable, fair wages for the Alaffia cooperative members and also fund Alaffia's community empowerment projects throughout Togo.

For Alaffia, fair trade must impact not only the individuals that produce raw materials, but also the communities where they are sourced. Alaffia's empowerment projects address the severe endemic poverty in Togo by focusing on the environment, education and gender equality. Through the fair trade of their indigenous resources, Togolese women are making real change in their communities.



It's September in Peru, and the rainy season is about to befall the Amazon rainforest. Air and

earth are already rife with moisture. In the town of Juanjui, on the Huayabamba River, 31-yearold Alex Becerra and his ten colleagues tend to saplings in the nursery. The young trees are designed for the Objective Carbon Zero reforestation program that was launched in 2008 by Alter Eco through its partner company Pur Projet, the Amazonia Viva Foundation and the Acopagro

The cooperative's 2,000 farming households have been providing Alter Eco with 450 tons of organic cocoa beans per year. With already one million native trees planted, and at least one million more in the planning, the farmers have come a long way. The United Nations supported them in a conversion program in 1994, after some fifteen years of coca cultivation for the drug cartels.

Two hours up the Huayabamba River southwest

of Juanjui, cocoa farmers like Victor Leyva are excited about investing in the diversified revenue stream provided by ecologically-managed lumber: 10% of trees are planted to be sustainably cut and sold. The rest will remain and provide stabilized soils and beneficial shade for the cocoa trees. The restored ecosystem has bolstered tourism and has increased opportunities for local youth, anchoring culture and traditional knowledge for generations to come.



With the farmers of Kuapa Kokoo, the cooperative that owns Divine Chocolate and supplies our co-

coa, we've placed special focus on the empowerment of women in smallholder production. Family cocoa farmers share the burden of work. But death, illness and desertion by husbands and fathers can leave women and their children highly vulnerable.

Kuapa Kokoo recognized this as a particular challenge and instituted in 1998 the Kuapa Kokoo Gender Program. The program trains women to take part in the cooperative's leadership. Women learn batik and soap-making skills to generate additional income. Women receiving this training can then access loans through Kuapa Kokoo's credit union.

The three-pronged approach of building women's confidence, skills training and access to credit has hugely shaped Kuapa. Today 30% of members are women farmers, and the president of the cooperative is also a woman. Women report that being a contributor to household income ensures more goes to their children's education and welfare, and it changes the power dynamics in the home as well.



DR. BRONNER'S For over 150 years and five MAGIC generations, the Bron-"ALL-ONE!" ner family has produced unsurpassed soaps and

natural body care products. Our late founder, Dr. Emanuel Bronner, espoused his visionary "All-One!" philosophy on every bottle of soap, urging us to realize our transcendent unity across religious and ethnic divides. We strive to honor his mission by doing right by the farmers and workers around the world who produce our certified fair trade and organic ingredients. We also cap executive compensation at five times that of our lowest-paid worker, and dedicate all profits not needed for the company's operation and growth to charitable and activist causes.



Since 2005, we have invested heavily in fair trade supply chains in order to work directly with thousands of small producers on fair trade terms, in places ranging from Sri Lanka (coconut oil) and Palestine/Israel (olive oil) to Ghana (palm oil) and India (peppermint oil). We or our partners have also set up primary processing operations in these producing communities that employ hundreds more people on fair trade terms in order to produce value-added oil and other products. The widely respected Swiss certifier IMO annually audits and certifies our projects against rigorous fair trade criteria. You can find the latest information on our fair trade mission at: www.drbronner.com.



Twenty-five years ago, Equal Exchange was founded with a simple but powerful idea: what

if food could be traded in a way that was honest and fair and that empowered small farmers, consumers and the workers themselves? Today, our 100% fair trade co-operative employs over 100 worker-owners, and trades with over forty-five small-farmer organizations in twenty countries to source fairly traded coffee, tea, chocolate, bananas, olive oil, nuts and snacks.

We are especially proud of our success developing the small-farmer supply chains behind our line of fair trade teas. Globally, as many as fifty million people are involved in the tea trade. After water, tea is the most popular drink in the world, most of which comes from plantations in India, Sri Lanka and East Africa, established during the British Empire. Poor conditions on many of these plantations remain virtually the same to this day. Equal Exchange teas come from farmer co-ops and worker-owned plantations, and our tea sales empower those small-scale farmers and their communities.

"The fruits of development must start from the village and move upwards, rather than the trickle-down approach," says Dr. Sarath Raneer, Equal Exchange Partner, Biofoods, Sri Lanka.



Farmer Direct Co-operative is 100%-owned by fairDeal organic family farmers. Located across the Canadian prairies, our sixty-three family farms grow fairDeal organic grains such as spelt, rye and barley,

legumes such as lentils, peas and pinto beans and oilseeds such as hemp, flax and mustard.

The problems of agriculture — heavy reliance





# World Fair Trade Day gives Power to Small Scale Farmers!

on toxic chemicals, labor exploitation, degradation of land, soil erosion and inefficient and unfair distribution of food, to name a few will not be solved by governments and multinational corporations, but by family farms and mission-based manufacturers, retailers, NGOs and consumers, showing the way and leading by example. By supporting our fairDeal organic family farm members, through their purchases of the Farmer Direct brand, consumers empower our members through the redistribution of profits back to the family farm gate. This support provides our family farm members with the resources to implement domestic fair trade practices and policies, develop and implement strategies to mitigate climate change, transition more land into organics, increase soil fertility and organic matter through research and experimentation and reduce our reliance on fossil fuels. When family farms and conscious citizens begin to work together within a paradigm of mutual support and nutritious food, there is nothing we cannot accomplish.



Maggie's Organics works with 2,000 family farmers in Nicaragua and another 250 in the Canete Valley of Peru. We have

been sourcing organic cotton from both of these groups of cooperatives for over ten years, and we have seen their quality and yields improve year after year. In Nicaragua, we actually joined forces with growers, agronomists and an NGO (Jubilee House Community) to develop a specific variety of cotton that is perfect for their local climate. This has enabled a "new" cotton industry to arise from what were once only ashes, and it is exclusively organic.









Market prices for cotton, like many commodities, vary from year to year, at times wildly. Our prepayments and fair contract pricing have enabled these growers to stay profitable every year, and in turn have allowed us to offer stable, affordable prices on basic cotton socks and apparel to a wide array of North American consumers. To us, this is what true fair trade is all about.

The Fair Trade Resource Network will coordinate specific events in the U.S. on May 4–18, 2013. To find a World Fair Trade Day event near you, visit: www.FTRN.org.



Photo Credits (starting from the top left )

- 1. Alaffia: Jenny Hyde, Maman Nafisetou with her twenty-seven grandchildren that she supports on her salary at the Alaffia Cooperative.
- 2. Alter Eco: Luis Reforestation Program Tree Nursery - Acopagro Cooperative
- 3. Dr. Bronner's: Mintwood Media
- 4. Divine Chocolate: Pete Pattison, Juliet Brago
- 5. Equal Exchange: Benita Rai. Mineral Springs Coop. Darjeeling, India.
- 6: Farmer Direct Co-operative
- 7. Maggie's Organic



# The Long Way Home to Support Intergenerational Cooperatives



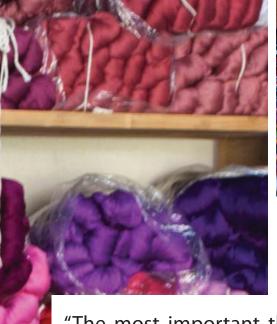
**Contributing Writer**Marcelle Renkin

Settled in the altiplano of Guatemala with views across four volcanoes, the town of Chuacruz is surrounded by cornfields through which the November winds whistle. The site of a massacre during the 36-year armed conflict in Guatemala (where more than 200,000 people were kidnapped, murdered or disappeared in stateled scorched-earth campaigns and assassinations), this Kaqchikel Maya town has been built by the strength of the women and children survivors who were determined to find a way to overcome their traumatic loss.

Antonia is one of the eight founding widows of the WaqxakiKan (Eight Threads) Weaving Cooperative from Chuacruz and has played a pivotal role in establishing and developing relationships with Fair Trade Organizations (FTOs) to help find export markets for the high-quality backstrap woven textiles that the Cooperative has produced since its founding in 1985.

Yolanda, the youngest of Antonia's three children, was born in the midst of the armed conflict in 1978. She represents the new generation of young women in this town dedicated to continuing to help empower women in their community.

For as long as she can remember, Yolanda has attended cooperative meetings with her mother. Even before she can remember, she attended meetings as a newborn snugly carried on her mother's back in the traditional style, as most of the women in the cooperative still do today. Yolanda gained an insight into the advantages for women of working in a cooperative — something that has become even more evident to her as she has grown up and come to know firsthand the multiple barriers that women from her small community face in becoming successful entrepreneurs.





who accomplished this

The majority of men in the community of Chuacruz are agricultural workers. Earning as little as \$6 per day, they struggle to provide for their families' basic needs.

"The most important thing in my life is to have graduated from high school. Without the work my mother did with the cooperative, she wouldn't have been able to send me to high school, and without school there are many things I would never have learned." Married women who participate in cooperatives in Guatemala commonly do so only with their husbands' approval. While it often comes from an economic need for women to contribute to household income, working also provides an opportunity for women to access informal learning opportunities.

The son of WaqxakiKan Cooperative member Matea, 20-year-old Santos, talks about how his mother's participation in the cooperative has contributed to their lives: "I remember my dad giving my mother permission to participate with the other women, as his work couldn't provide enough for us to survive and go to school as well." He adds that the benefits he's seen from the women's participation in the cooperative include their ac-

quisition of new skills and knowledge, which they are passing on to his generation.

The WaqxakiKan Cooperative established a relationship with Guatemala-based FTO Maya Traditions in 1994, dedicated to the self-development of weaving cooperative members in the altiplano of Guatemala. This, in turn, resulted in increased access to education for women and youth in Yolanda's community.

Yolanda's journey has at times been difficult. After graduating as a primary school teacher in 2001, and unable to find a job, Yolanda was forced to move from the isolated town of approximately 1,500 inhabitants to the capital city, Guatemala City, with a population of three million people, to work in a corner store. After five years in the city, Yolanda decided to return home to set up a thread store in the front room of her mother's house in order to further support her mother and the Cooperative.

Yolanda is now an integral member of the WaqxakiKan Cooperative. She was instrumental in registering the Cooperative as a legal association, which effectively permitted the women to receive more support from local non-profit organizations and to become a legitimate business entity. This year, thanks to the support of

newer Cooperative members — all daughters of current members — Yolanda was able to help secure funding to train five women to learn how to sew their backstrap woven material into products for export. The impetus for this came from Yolanda's participation in the Santa Fe International Folk Art Market in July of 2012. The Cooperative made a big investment in sending Yolanda to the event, and she recalls what an enormous responsibility and learning curve it provided for her. She realized that sales were very low due to a lack of understanding of their clientele, as well as the requirement to sell finished products rather than just woven material.

On her return to Guatemala, Yolanda decided that the Cooperative needed to diversify the women's skills. By allowing the group to both backstrap weave material and produce finished products, they could appeal to a wider market and potentially increase income.

The Cooperative currently works with FTOs based in Sweden, Holland, the U.S. and Guatemala, and Yolanda has become a cultural facilitator for the women of her community and their affiliated global organizations. With the benefit of formal education and life experience, she has been able to navigate different cultures and languages (she speaks Spanish and two Mayan languages), helping to bring the voice and skill of rural artisan women to the forefront. Yolanda has been an important part of ensuring that access to incubator services which strengthen indigenous women's entrepreneurial ecosystems can happen for marginalized rural populations in Guatemala.

Reflecting on her experience, Yolanda says she is grateful that she had the opportunity to attend high school, endure her time in Guatemala City, and to have been able to share with her friends and family what it feels like to travel by air to a foreign land, far from her rural village. She feels indebted to her mother, and to the women who worked alongside her, for the opportunities she has had. She is successfully taking on the challenge of bringing the voice and artisanal talents of rural women in Guatemala to the forefront. At the same time, she is facilitating access to an outside world that, at times, is perceived as inaccessible to women in her community.

In returning to her community, Yolanda has assured that the Cooperative can continue to provide fair wages to women in the ever-changing fair trade environment. Future generations of rural indigenous women can now rely on access to education and increased economic freedom, thanks to her.

Yolanda herself has strived to overcome these barriers and reflects on how attending school permitted her to embark on the journey that has led her to where she is today: "The most important thing in my life is to have graduated from high school. Without the work my mother did with the cooperative, she wouldn't have been able to send me to high school, and without school there are many things I would never have learned." Yolanda, her brother and her sister have all graduated from high school.

Yolanda gives thanks to the WaqxakiKan Weaving Cooperative's work in reaching out to other FTOs. Her mother and other members of the group have benefitted from a sense of community and common purpose that is borne out of interwoven lives and a unique connection. Without this, she feels she would not be the woman she is today. Yolanda recounts how, when she was young, it was rare to find a community member who had graduated from high school, much less a woman





# Alternative Trade Organizations and the Fair Trade Movement

"Fair Trade" was originally conceived as a way to address disparities between conditions of small farmers in developing countries ("the Global South") and those of subsidized farms in industrialized countries (the "North") that have greater access to financing, crop insurance and other advantages. The goal was to help farmers stay on their land and build strong rural communities, and not be forced to give up their land and become farmworkers on plantations. These farmers are mostly on their own and face a wide range of marginalizing conditions, both economic and political, as well as environmental challenges. Fair trade pioneers agreed that one could best support small farmers in the Global South by providing them with: direct access to industrialized countries' markets; crop financing; a price floor should commodity prices collapse; and investments in basic community infrastructure such as sanitary water. Thus, fair trade would be a tool to fight poverty and inequality, which, through trade, would create a medium for small-scale producer communities to effectively organize and democratically improve their communities and societies. The fair trade movement had the overarching goal of achieving more equity in the world trade system for the benefit of all small farmers and workers, and sought to inspire companies to become "dedicated fair traders" whose major supply chains were set up and operated on fair trade principles.

These dedicated fair trade businesses, termed "Alternative Trading Organizations (ATOs)," have chosen to take the fair trade path with their business and address issues of social justice, economic equity and poverty in their supply chains. These ATOs are the backbone of the fair trade movement, with respect to both consumers and producers. They advocate for social responsibility in trade, build fair trade markets for small producers at the consumer

level in the North, and are highly effective in helping producers in developing countries organize and reap the benefits of fair trade.

ATOs commit significant financial and human resources to producers' development. The most successful fair trade initiatives around the world have an ATO business behind them. Farmers around the world often do not have the capacity to organize a fair trade supply chain, nor do they have access to fair trade consumers in the North. ATOs help producers organize fair trade supply chains and sustain them through value-added fair trade markets in the North. ATOs can be non-profit or for-profit mission-driven businesses; the former were the true fair trade pioneers, but the latter are making broader, deeper, longer-lasting impacts.

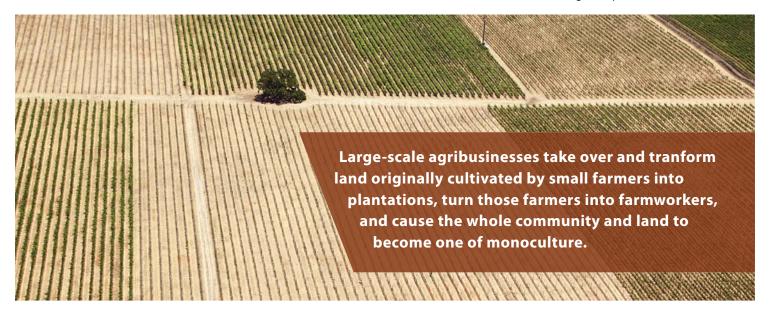
Mission-driven business ATOs, first and foremost, are invested in a sustainable trade model. They can only be successful when the small-scale farmers with whom they are working are successful. They help address the economic and political obstacles faced by farmers, while building effective, profitable and sustainable supply chains.

In recent years, success and growth have caused significant changes within the fair trade movement. This in turn has sparked intense debate, especially in the U.S. where major shifts are apparent. Large multinational corporations are taking an interest in fair trade, and some fair trade organizations have celebrated these developments and introduced what they often refer to as "fair trade mainstreaming." The danger is that these multinationals are generally not dedicated to fair trade per se, but rather they look to exploit market opportunities created by a growing trend towards fair trade among consumers. While the fair trade community should encourage multinational participation in fair trade, we must stay focused on achieving more equity in the world trade system through high fair trade standards — and not dilute those standards in order to cater to large multinational companies that are not dedicated to the reform of global trade.

Unfortunately, major fair trade certifiers have proven all too willing to compromise on fair trade standards in their efforts to welcome these multinational companies. These compromises have been made in two crucial areas: one, through allowing large plantations to produce "fair trade" products that compete with those from small farmers in the Global South for whom fair trade was originally set up to help; and two, through lowering fair trade content thresholds in products that display fair trade seals to as low as 20%, or even 2% in some cases. Regrettably, these moves threaten to impede fair trade from achieving more gains in the future and will undermine the very standards and values that brought these gains in the first place.

It is due to the original ATOs and their fair trade campaigns that major corporations are now adjusting the way they do business — or at least are suggesting they are making such changes. The informational campaigns that ATOs lead and engage consumers with, and the examples mission-driven ATOs present, where trade demonstratively fights poverty and injustice instead of being the cause of poverty and injustice, put pressure on multinational corporations to adjust their practices in order to gain consumer confidence in their commodities. ATOs continue to be instrumental in creating the socially responsible consumer and investor environment that generally demands more ethical buying and investment decisions from business. But major fair trade certifiers should make sure that these large businesses meet real fair trade standards, rather than dilute fair trade standards to meet these corporations halfway, thereby compromising basic fair trade principles!

Accommodating multinational corporations by changing standards to integrate plantation farming into "fair trade" suits their agribusiness approach, while selling out the small farmers for whom fair trade was originally and primarily set up to help. While improving the wages and working conditions of farmworkers on plantations is a worthwhile goal to pursue, this should be termed



something else other than "fair trade" — which is first and foremost about helping small farmers hold onto their land and succeed economically, rather than having to sell their land to become farmworkers on a plantation in the first place.

While it is a gain to achieve better working conditions and better wages for workers at plantations, it is not necessarily a sustainable trade model, environmentally or socially, and it is not fair trade, as it does not involve transactions with small farmers. Countless examples over the past fifty years demonstrate that monoculture is not sustainable: think about the German forests with intensive tree farming, where all other plants were considered weeds to be uprooted, which proved disastrous for a second generation of trees; or the soybean plantations in Brazil, where whole farming communities were turned into farmworkers on vast monoculture plantations often abandoned ten to twenty years later by their sponsors, leaving workers jobless and homeless in the slums; or the watermelon farmers in Palestine who were encouraged by Israeli agribusinesses to plant seedless watermelons intensively as modern crops, without rotation, which caused the land to stop producing any kind of watermelon ten years later.

Large-scale agribusinesses take over and transform land originally cultivated by small farmers into plantations, turn those farmers into farmworkers, and cause the whole community and land to become one of monoculture. As the soil loses its regenerative capacities for lack of biodiversity ten, twenty or thirty years down the road, these corporations pack up and go to a new region, abandoning the land and the community. What happens is what happened in the past in Brazil and elsewhere in South America and Africa: farmworkers' skills become limited to the techniques of the plantation, such that they no longer have the skills or resources to rehabilitate the now depleted soil. They then, as a community of workers, cannot serve themselves and end up in slums.

Even if a large agribusiness pays fair wages at their plantations, the trade model cannot be called fair trade if it is not sustainable and does not last. The savings gained by these corporations who set up plantations, as opposed to working with smallholders farming their own land, is really a price to be paid dearly by the workers' communities and their children.

While the idea of bringing better working condi-

tions and better pay to farmworkers on plantations is good, fair trade, as originally conceived to work with and help smallholders, is the more sustainable trade model, presenting a clear contrast to conventional trade. By maintaining true fair trade standards, we help farmers around the globe stay on their land and preserve strong rural communities. Confusing the fair trade mission by providing certification for plantations also confuses the fair trade message and degrades consumer confidence.

ATOs have been and remain the backbone of the fair trade movement, both in helping build fair trade producers' networks and supply chains in the developing world, and in building consumer awareness and markets in the North. The interest of multinational companies in fair trade products is very important to fair trade producers, as an increase in trade volume on fair terms should be welcomed. But our interest in larger volumes of trade should not sabotage the very foundation on which fair trade indeed rests: helping disadvantaged small farmers in the Global South access markets on fair terms, stay on their farms and build healthy, strong rural communities.



**National Advertising Review Board** Determines that Fair Trade USA's "Fair Trade Certified" Labels Should Reveal **Percentage of Fair Trade Content in Multi-Ingredient Products** 

Dispute Over Integrity of Fair Trade Seals will Result in Increased Transparency on Labels for Consumers per NARB Ruling

On September 17, 2012 the National Advertising Review Board (NARB) panel recommended that Fair Trade USA - formerly TransFair - require users of the organization's "Fair Trade Certified" seal for composite products to provide additional information to consumers specifying the exact percentage of fair trade content on the front of product packaging. Fair World Project (FWP) believes that the NARB ruling will catalyze a new era of "best practices" for 3rd-party social and ethical labeling programs.

The NARB, the appellate review body within the Advertising Self Regulatory Council (ASRC), is composed of top national advertisers, advertising agencies, academics and professionals, including members from Xerox Corporation, Pfizer, Morgan Stanley, Nestle Foods, Campbell Soup Company, L'Oreal USA and Johnson & Johnson. The NARB provides a peer-review group to adjudicate disputes within advertising, which is administered by the Council of Better Business Bureaus (CBBB).

The debate over transparent labeling of fair trade ingredients was brought to the NARB as a result of a dispute between Dr. Bronner's Magic Soaps,

Avon and Fair Trade USA regarding the misleading use of fair trade seals on products with only a minority of fair trade content. Per recommendation of the NARB, Fair Trade USA should reveal the percentage of fair trade ingredients as part of their "Fair Trade Certified" product labels. FWP believes this is particularly important where products contain only a minority of fair trade content. Consumers otherwise may believe a fair trade seal on product packaging means that at least a majority of the product's ingredients are certified fair trade.

Under Fair Trade USA's current "Fair Trade for All" policy, products labeled with the "Fair Trade Certified Ingredients" seal need only contain 20% fair trade ingredients by non-water weight. The NARB's ruling in favor of transparency in labeling puts pressure on brands to increase the quantity of fair trade ingredients in their products. Consumers will soon come to expect similar transparent fair trade labeling for food, clothing and other products not addressed specifically in the ruling. Proactive brands may even anticipate this inevitable demand and begin specifying the percentage of fair trade ingredients on their product labels before a supplemental NARB ruling occurs.

temic fair-washing. Consumers will be better informed as to which products are truly supporting fair trade ingredients versus those that are using only a token amount to justify applying a fair trade seal, and they can then choose to have their ethical purchases reflect their values with deeper impact. Genuinely committed fair trade brands will benefit from the clear contrast between high versus low quantities of fair trade ingredients across similar products.

The official statement of the NARB regarding this decision can be found on their website, http://www.asrcreviews.org/2012/09/narb-recommends-fairtrade-usa-modify-composite-products-seal-to-better-inform-consumers-of-fair-trade-sourced-content/.



# Help Stop Fairwashing!

Last November, Fair World Project started a blog series (fairworldproject.org/blog) unpacking labels with fair trade claims that has included, so far, private label chocolate bars labeled fair trade despite not meeting the labeler  $^{1}$ s own standards and a bottled iced tea where the main ingredient, sugar, was not certified as fair trade despite a prominent label. If you see a product or company claim that does not seem right, please email us at fairwash@fairworldproject.org. Help us stamp out fairwashing and support the companies that do support fair trade producers and play by the rules.

TRADE POLICY SPECIAL REPORT

# MEXICO BY THE NUMBERS

The Mexican Corn Issue Today

Mexico is the center of diversity for corn and its stock of germplasm has contributed in a decisive manner to global production of corn. It is the country's most important staple and an important source of livelihood support. However, the North American Free Trade Agreement (NAFTA) threatens the ability of Mexican farmers to continue to grow this important crop and the ability of consumers to afford it. It also presents a serious threat to Mexican growers' ability to conserve and develop these genetic resources. Short-sightedness and short-term fiscal gains on the part of the Mexican government mean that NAFTA is pushing to eradicate corn's curators from the agricultural landscape. Such a move will have a profound impact on local and global food security in the 21st century." Alejandro Nadal, Coordinator of the Science and Technology Program at El Colegio de México



Mexico is the center of origin for corn. Corn provides the primary source of calories for approximately

BILLION
people in Latin America and Africa.
In 2002 UC Berkeley environmental

science professor Ignacio Chapela published in the journal Science that native varieties of corn had been contaminated by genetically modified (GMO) corn. GMO corn had been banned from planting in Mexico. (Grist) Since NAFTA was signed into law, Mexican immigration to the U.S. has increased by over

300%





Though corn prices in Mexico dropped slightly in the early years of NAFTA, the US adoption and transition to corn-based ethanol raised corn prices in Mexico between

10-30%

in the last eight years. (Reutors/AlertNet)



US corn subsidies allow US corn to undersell Mexican corn

20-30%

below cost of production (Oxfam USA)





19 years after NAFTA, some

2-3

TA, some MILLION

farmers have been forced off their land by corn imports and "free trade" policies. (McClatchy News Service)

40-50%

of Mexican com growers are family-scaled smallholders, playing an important role as the backbone for the local community food security and protecting corn biodiversity. (CECCAM)





104 82%

of U.S. corn exports are controlled by three agribusiness firms- Cargill, Archer Daniels Midland (ADM), and Zen Noh. While family farmer incomes have plummeted during the first 7 years of NAFTA, ADM's profits went from \$110 million to \$301 million, while ConAgra's grew from \$143 million to \$413 million. (Global Exchange)

# FACT:

60% of corn growers are indigenous peoples. The strong interaction between culture and corn's genetic variability is illustrated by the fact that many local languages identify more stages of plant development and a richer plant anatomy than conventional botanical literature.

(Alejandro Nadal/GRAIN)

# TRADE POLICY REFORM CORNER



# **ACTION ALERT**

# Diverse Groups Unite to Oppose Trans-Pacific Partnership

NAFTA has had negative and often unintended consequences for many people in North America, including farmers, workers and consumers. An example of some of these consequences can be seen in the infographic on the previous page.

Right now, there is a similar trade agreement being negotiated by twelve countries, including the U.S., Mexico and Canada, called the Trans-Pacific Partnership (TPP). The TPP threatens to have effects similar to NAFTA, but on a larger scale, threatening human rights, the environment and jobs.

Late in 2012, a group of labor leaders, trade justice advocates, family farmers, environmentalists, food sovereignty groups and others from the U.S., Canada and Mexico created a "North American Unity Statement Opposing NAFTA Expansion through the Trans-Pacific Partnership (TPP)," with the goal of uniting 1,000 organizations in opposition to the TPP.

# The statement reads in part:

"The nearly two decades of economic, environmental and cultural damage wrought by the North American Free Trade Agreement (NAFTA), while by no means experienced equally, have been highly detrimental to the majority of people across the North American region. As a direct result of NAFTA, there are fewer good jobs, more struggling family farms, less stable food systems, and everyday consumer safety measures are weaker and social inequality grows. ... It has degraded the earth and its ecosystems in numerous ways, including from mining and other resource extraction projects, and has had pronounced effects on indigenous peoples' sovereignty. Subsequent trade agreements have similarly propelled a race to the bottom in wages, labor rights and environmental protection, as well as deregulation and privatization, contributing to the worldwide financial and climate crises."

"Halting further damage should be a shared priority of our peoples. ... The world cannot afford this NAFTA expansion package. Instead, we need policies that help build a more just and sustainable global economy, including those that respect and promote fundamental labor rights, including: equal rights for migrant workers; the creation of high-wage, high-benefit jobs; environmental protection; food sovereignty; financial market stability; food and product safety; access to quality healthcare; and local democracy. Together, we call on our sisters and brothers throughout North America and beyond to educate their communities about the TPP and to engage on it now, lest we all have even greater harms forced upon us and the people of many other countries."

Fair World Project signed on early in support of this statement because we believe the expansion of detrimental "free trade" policies through the TPP can and should be stopped, if we all work together. You can learn more and read the full statement here: http://tppxborder.org/.



# Fairness for Small Farmers: A Missing Ingredient in the U.S. Farm Bill



**Contributing Writer** Kari Hamerschlag

The federal Farm Bill is the single most important piece of legislation affecting the food you eat, the kinds of crops American farmers grow, the environment and the nation's food security.

In response to the groundswell of demand for local and sustainably grown food, the proposed 2012 Farm Bill would make modest improvements to help family farmers deliver more of it to market. Yet the bill under consideration in Congress would continue Washington's policy of disproportionately favoring large and highly profitable farm operations growing grain and cotton at the expense of small-scale growers producing healthy food for local markets. If passed, the bill would drastically underfund programs that promote healthy eating, protect natural resources and support small-scale, beginning and disadvantaged farmers who are growing primarily for local and/or organic markets.

This stacked deck is not unique to the U.S. Smallscale family farmers in developed and developing countries struggle with similar challenges in their quest to turn a profit and survive in a policy environment that is rigged against them. Among the difficulties they encounter are: a lack of access to affordable land, credit, capital and technical assistance; poor market prices; and inadequate information and infrastructure needed to aggregate, process and distribute their goods. They also face disadvantages in international trade and obstacles to market access in their own countries.

Fair trade organizations have stepped in to help farmers in many countries organize, improve their production and find direct, better-paying fair markets for their goods. For the most part, however, small-scale producers in the U.S. have been left to fend for themselves - at least until recently, when various non-profits, some with modest Farm Bill support, have stepped in to develop farm-to-table programs and help farmers establish and access new markets.

### U.S. farm policy mostly benefits agribusiness, not small-scale producers

In recent years, some societies have begun to invest more in small-scale producers. Yet government policies the world over tend to favor industrial-scale, chemical-dependent production of raw commodity crops at the expense of smallscale farmers and organic growers who produce real, nourishing food. The U.S is no exception.

For too long, funding authorized under the U.S. Farm Bill has primarily benefited agribusiness and large, industrial-scale farm operations that aren't growing food people actually eat. Instead, they're growing genetically modified crops like corn, soybeans and cotton that get turned into ingredients for animal feed, fuel and highly processed food — at a high cost to Americans' health and the environment. Producers in developing countries often find it hard to compete against these heavily subsidized American farmers.

Meanwhile, only meager public resources have

been invested smartly in building dynamic, local food economies that help link small- and midsized family farms directly to local and regional markets. Research done by the Environmental Working Group between 2008 and 2010 has found that the U.S. government, acting under the authority of the federal Farm Bill, spent \$39.4 billion subsidizing a handful of grains and cotton, more than eight times what it paid out for programs to support research, promotion and purchasing of fruits, nuts and vegetables.

The inequities were far greater when it came to supporting organic farming and small-scale farmers and helping expand local and regional markets. Over those same three years, the U.S. government spent just \$159 million on organic agriculture and \$300 million to build and strengthen local and regional food systems. These funds were channeled through eighteen different programs that support farmers' markets and community-supported agriculture (CSAs), local garden and youth agriculture projects, research, value-added agricultural enterprises, farm-to-school initiatives and other projects that make fresh food more accessible, create new outlets, expand consumer-to-farmer links and return higher prices to local farmers.

### New support for local and regional food systems: a small improvement, but not nearly enough

Thanks in large part to Rep. Chellie Pingree (D-ME), a passionate organic farmer who sits on the House Agriculture Committee, the 2012 Farm Bill is poised to increase overall funding by as much as 50% for programs that will expand local and regional food systems. With support from a growing cadre of local food and farm advocates, Rep. Pingree partnered with Sen. Sherrod Brown (D-OH) to introduce the Local Food, Farms and Jobs Act, a comprehensive package of policy reforms that would boost farmers' and ranchers' incomes by helping them meet the growing demand for local and regional food.

This legislation is Washington's closest equivalent to a "fair trade bill" for small farmers, even though it does little to address directly the unfair pricing issues facing many small-scale farmers and ranchers who often must sell to large corporations known for their oligopolistic and unjust business practices.

In a partial victory for the tens of thousands of people who called and wrote Congress to support the local food bill, lawmakers added several of the measure's provisions to both the House and Senate versions of the 2012 Farm Bill. The resulting legislation, though significant, falls far short of what is needed to address the myriad challenges faced by small- and mid-scale American farmers who are working hard to produce healthy food.

## Public resources for private benefit

The problem isn't just that American policy is under-investing in local and healthy food programs. The bigger concern is that taxpayer resources are going to programs that actually undermine the public interest.

The bulk of farm subsidy payments are channeled to the largest farm operations, many of which are among the most profitable companies in the U.S. 10% of farms receive roughly 70% of all subsidies. The outsized government benefits reaped by large farms are a major factor in their ability to expand further, leading to increased concentration in the agriculture sector. Government subsidies drive land costs up and small farmers out. Farmers of lesser means find it harder and harder to compete with highly capitalized large-scale operators.

Current subsidy policy also undercuts efforts to establish a more diverse and resilient food production system, and, according to new research by the Environmental Working Group and Defenders of Wildlife, published in a report entitled "Plowed Under," it has encouraged planting on twenty-three million acres that were once wetlands, scrublands and grasslands in the Great Plains. It has destroyed vast stretches of natural habitat for wildlife and worsened water pollution due to farm run-off.

# Strong forces oppose reform

Most members of the Congressional agriculture committees, as well as thousands of agribusiness lobbyists who spend tens of millions of dollars per year, consider it their priority to pass a subsidy-laden Farm Bill that advances large-scale agribusiness interests in a few states, mostly in the Midwest and South.

It's tough for us good-food advocates to compete with the deep pockets of the agribusiness lobby. Sadly, however, many in this movement don't even try. Instead, they settle for scraps from a mega-billion-dollar piece of legislation.

But what we in the good-food movement lack in resources, we can make up for in people power. Don't believe for a minute that your call to your member of Congress doesn't matter. It does. We can counter the pro-agribusiness agriculture committees by persuading legislators on the outside to withhold votes and demand real food system reforms. At the same time, we need more courageous leaders like Rep. Pingree and Sen. Brown to advance reform from within these committees.

To create a food system aligned with our values, we can raise our voices and send letters to legislators and policymakers to make sure they know we want our tax dollars to support more equitable, just and sustainable food policies. Equally important, we can vote with our wallets and our forks. Building demand for local farm products can move markets — and politicians. We can support local farmers by buying directly from them when we can. We can keep asking our grocers and restaurants to carry more local, regional and organicallygrown food.

The change we've seen so far has resulted from the active engagement of millions of Americans. Let's keep it up!

Readers who want to join the movement for food system reform can sign up for action alerts at www.ewg.org.



# There is still time to influence the Farm Bill in 2013.

Instead of approving a new bill last year, Congress passed a dismal nine-month Farm Bill extension that cuts all mandatory funding for local and organic agriculture and disadvantaged farmers, while continuing to plough \$5 billion this year into direct subsidy payments. Citizen engagement is needed now more than ever to fight for a new 2013 reform-minded Farm Bill that cuts subsidies and invests in local and healthy food programs, organic and sustainable agriculture and conservation.

# **CROP INSURANCE BY THE NUMBERS:**

Crop insurance is the second-largest program in the Farm Bill, after food stamps. Research published by the Environmental Working Group determined that it has become the primary source of federal subsidies for farmers at a steadily increasing cost to taxpayers — from \$2 billion in 2001 to \$11 billion in 2011. The U.S. Department of Agriculture pays an average of 62% of the cost of a farmer's insurance policy — with no strings attached to protect water and soil. The government forks over another \$1.3 billion per year in payments to insurance companies and agents that sell policies to farmers.

Because crop insurance premium subsidies are doled out without means testing or limits on how much a farm business can collect, the program sets up an unfair playing field that benefits the largest, most profitable farm businesses that least need public support. According to an unprecedented analysis of one million government records obtained by the Environmental Working Group, last year twenty-six policyholders each received more than \$1 million in premium subsidies. More than 10,000 policyholders each collected \$100,000 or more in subsidies. Further, nearly 80% of all insurance funding went to the top 20% of subsidy recipients. In contrast, 80% of premium subsidy recipients

received an average of just \$5,000 each.

It doesn't have to be this way. Common sense reform of crop insurance programs could provide an effective safety net for farmers and, at the same time, pay for much-needed support for local and healthy food programs.

The 2012 Farm Bill is set to now extend the same, flawed insurance approach to dairy farmers. With no limits imposed upon the payouts to even the most-profitable dairy farms, this proposed policy would lead to a further decline in the number of small farms and increased concentration in an already highly concentrated sector.





# Food Sovereignty: Why the Rights of Family Farmers Matter

Even in today's high-tech world, almost half of the global population is peasants or, in our U.S. context, small-scale family farmers. The majority of people in the world still depend upon food produced by peasants. Small-scale agriculture is not just an economic activity — for many people, it is the foundation of life itself. This is why, in order to protect human life, it is utterly important to respect, protect and fulfill the rights of peasants.

### Food Sovereignty and Sustainable Peasant Agriculture: The Peasant Way and the **People's Solution**

La Vía Campesina, an international peasants movement, promotes and defends food sovereignty and sustainable, agro-ecological, peasantbased production. These are among the most powerful responses to the current food, poverty and climate crises.

Sustainable peasant agriculture has been a priority for La Vía Campesina since 2000 when, at its 3rd International Conference, the organization determined that:

"Regarding sustainable peasant agriculture, we are convinced of the necessity of putting forward an alternative agricultural model instead of the large-scale industrial model. The industrial model does not mean 'development' but on the contrary: dependence, increased poverty and the destruction of nature. We are convinced that the system rooted in peasant-based sustainable agriculture is economically viable, socially sustainable and ecologically sound."\*

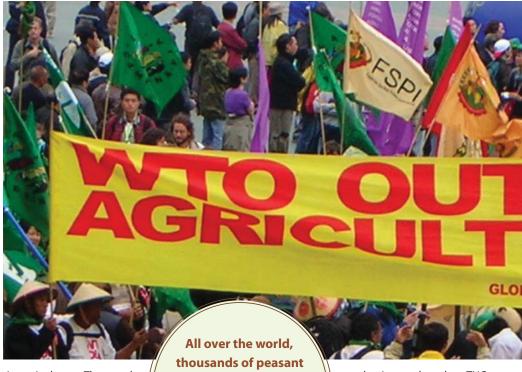
\*La Via Campesina, press release from October 4, 2000, Bangalore, India, "Important Debates in the 3rd International Conference of the Via Campesina"

At a global level, we are confronted by the interrelated climate and food price crises which largely share the same underlying causes. The climate crisis is partially driven by the globalized, corporateled food system which generates 50% of all greenhouse gas emissions. The food price crisis has both long- and short-term causes which overlap broadly with the causes of the climate crisis. The fact that the same corporate-led, globalized model of largescale industrial farming that produces exports for distant markets, rather than food for local people, is behind both crises, actually means that the same set of solutions can address both the climate and food price crises. These solutions can be loosely grouped under the rubric of "food sovereignty," the alternative paradigm developed since 1996 by the peasant and family farm organizations that belong to La Vía Campesina.

# The Globalized Food System Violates Peasant

The violation of peasant rights has increased since the implementation of neoliberal policies promoted by the World Trade Organization (WTO), the International Monetary Fund (IMF), Free Trade Agreements (FTAs), and other global institutions and governments in the North and the South. The WTO, IMF and FTAs force the opening of markets and prevent countries from protecting and supporting their domesing of healthy products produced by peasants through the application of legislated sanitation barriers. The IMF has implemented Structural Adjustment Programs (SAPs), leading to massive cuts in support for agriculture and social services. 1 Countries have been forced to privatize state companies and to dismantle support mechanisms in the agricultural sector.

Many national and international policies directly or indirectly give priority to large TNCs for food



tic agriculture. They push leaders have been arrested for deregulation in the because they are fighting agriculture sector. Free trade policies have allowed to protect their rights and Transnational Corporations livelihood. (TNCs), supported by the governments and subsidies of developed countries, to engage in dumping practices that undermine local production and local markets. As a result, cheap subsidized food floods local markets, thus forcing peasants out of business.

The introduction of biotechnologies, such as the production of genetically modified organisms (GMOs) and the unsafe use of growth hormones in meat production that have been pushed by transnational biotech and agribusiness, are also supported through mechanisms of the WTO and some national governments. Meanwhile, these same governments often prohibit the market-

production and trade. TNCs also practice bio-piracy and destroy genetic resources and biodiversity cultivated and defended by peasants and indigenous people. These polices taken together have dismantled peasant agriculture and caused multiple global food and climate problems.

The violation of peasant rights has now reached an unprecedented level, with news of farmer arrests and assassinations around the world reaching the Vía Campesina head office on a daily basis. A new offensive on resources such as land, forests and water by the financial sector seeking profitable investments is accelerating the destruction of family farmers' territories and livelihoods. This offensive includes land-grabbing for agro-industrial mega-projects, speculative investment and development of extractive industries. 2 Suddenly, the commercialization and monetization of all natural resources has been renamed "environmental services" within the new framework of "green capitalism."

## **Peasants Seek to Uphold and Protect their** Rights

Facing these new realities, peasants — both women and men — are struggling to survive. All over the world, thousands of peasant leaders have been arrested because they are fighting to protect their rights and livelihood. They are brought to court by unfair judicial systems, there are increasing incidents of massacres and extrajudicial killings, arbitrary arrests and detention, and political persecution and harassment are common.



While peasants work hard to ensure the sustainability of seeds and food, the violation of peasant rights undermines the world's capacity to feed itself. The International Human Rights framework, which includes thematic instruments that address the rights to food, housing, water and health, as well as human rights defenders, indigenous peoples, racism and racial discrimination, women's rights and the mechanisms of the Human Rights Council, is fully applicable to the struggle of peasants.

# **Toward an International Convention on the Rights of Peasants in the United Nations**

La Vía Campesina values the central importance of the UN Human Rights Council and its Advisory Committee. La Vía Campesina ratified a proposal for the International Convention on the Rights of Peasants (ICRP) during the 5th International Conference celebrated by the international peasant movement in October of 2008 in Mozambique. 3

Since 2008, La Vía Campesina, along with its allies, has been working with the UN Human Rights mechanisms in Geneva. In August of 2008, in

light of the food crisis, the first session of the Advisory Committee adopted a resolution in which the problems of hunger and the food crisis were analyzed over a longer term. The Advisory Committee also defined the problem of discrimination against peasants, and defined the

rights and roles of peasants.

Free trade policies have allowed **Transnational Corporations (TNCs),** supported by the governments and subsidies of developed countries, to engage in dumping practices that undermine local production and local markets. As a result, cheap subsidized food floods local markets, thus forcing peasants out of business.

alone, as it also responds to a global necessity in the world struggle against hunger, poverty and discrimination.

The Council engaged in this process in response to the 2007-2008 global food crisis. Noting that 80% of people suffering from hunger live in rural areas, and that 50% of them are peasants, the Council determined that particular attention should be paid to them. By protecting their fundamental rights, it expects to reduce hunger in the world.

La Vía Campesina welcomed the collaboration of various countries from Latin America, Asia and Africa, which made the adoption of the resolution possible. However, the peasant movement

> deplores the negative vote of certain European Union states (Austria, Belgium, Czech Republic, Hungary, Poland, Romania, Spain and Italy) and the United States, who opposed the establishment of specific protections for farmers and peasants. These governments, under pressure from

some powerful lobbies, including large economic groups, speculators, agribusiness and extractive industries, did not dare to support their farmers. Instead they ignored the basic rights and general interests of their own citizens in favor of those economic players who violate the rights of family farmers around the world.

# Public Policies Need to Support Food Sovereignty and Peasant Rights

Real shifts in public policy are needed. Achieving such shifts will require lobbying and campaigning by La Vía Campesina organizations and their allies at the national, regional and global levels. This outreach work will be based on making the real achievements of sustainable peasant production and the defense and propagation of peasant seeds more visible. La Vía Campesina will engage in work on these issues in each of its nine regions, and invites its consumer allies in the U.S. to help change the policies of their government that negatively impact all people across the globe.

# **Progress at the UN Human Rights Council**

It is with great satisfaction that La Vía Campesina and its member organization in Switzerland, the peasant union Uniterre, announced that the United Nations has decided to better protect the rights of farmers and peasants around the world. On September 27, 2012, the Human Rights Council adopted a resolution promoting the human rights of peasants and other people living in rural areas.4

Through this resolution, the Council recognized the need for a new international legal instrument that can take the form of a United Nations declaration. It aims to bring together in a single document the specific rights of peasant farmers and to integrate new rights, such as those to land, seeds, the means of production and information, in rural areas. This is not only in the interest of farmers

- ① Structural Adjustment Programs (SAPs) are economic policies for developing countries that have been promoted by the World Bank and International Monetary Fund (IMF) since the early 1980s through the provision of loans conditional upon the adoption of such policies. SAPs often require the restriction or elimination of certain government programs, including healthcare, schooling and other social programs.
- 2 Land grabs are the purchase of vast tracts of land in developing countries by wealthier, food-insecure nations and private investors. They have become a widespread phenomenon, with foreign interests seeking or securing 37–49 million acres of farmland between 2006 and mid-2009. (Source: Oakland Institute.)
- ③ Proposal for the International Convention on the Rights of Peasants (ICRP) during the 5th International Conference celebrated by the international peasant movement in October of 2008 in Mozambique. (See the document here: http://viacampesina.net/ downloads/PDF/EN-3.pdf.)
- 4 September 27, 2012 UN Human Rights Council resolution "Promoting the human rights of peasants and other people living in rural areas." (See the document here: http://ap.ohchr.org/ documents/dpage\_e.aspx?si=A/HRC/21/L.23.)

# **Hemp Can Lead the Way for Domestic Fair Trade in the North**



**Contributing Writer** 

Jason Freeman

Hemp provides the unique opportunity to create an innovative value chain which is both socially just and ecologically sustainable. The percentage of hemp that is organically grown versus conventionally grown is the highest relative to all other grains grown in North America. The price organic farmers are receiving for their hemp is already fair, and many of these farmers are also ensuring fair wages and working conditions for their farmworkers.



Because of strong demand from organic consumers for food that is not only organic but also fair, our cooperative of organic family grain farms is certified to the Food Justice domestic fair trade standard (www. agriculturaljusticeproject.org) by Quality Certifica-

tion Services (www.qcsinfo.org). We chose this social justice standard because it was developed by both farmers and farmworkers.

Every farm with hired labor is audited in person by an inspector, along with a farmworker representative from a local or regional advocacy organization. The farmworker representative is present not only to insure the fairness of the process, but also to provide other support such as guidance regarding further educational opportunities or immigration services. The interview process is integral to verifying a fair worker/farmer relationship. The farmer and all farmworkers are interviewed together, then the farmer and farmworkers are interviewed separately, and finally each individual farmworker is interviewed. This ensures that all individuals on the farm have a voice. The main principles of the Food Justice standard are that farmers are paid fair prices and that farmworkers have access to collective bargaining, are paid fair wages and are working under safe conditions. To ensure the integrity of domestic fair trade, our co-op also initiated the fairDeal program (www.thefairdeal.org).

Mission-based companies and farmer-owned organizations, in solidarity with farmworkers, NGOs and active citizens, are leading the way. Companies like Farmer Direct, Dr. Bronner's Magic Soaps, Manitoba Harvest, Hemp Oil Canada and Nutiva strongly support domestic fair trade hemp. There is also significant commonality between ethical fair trade proponents and hemp consumers, and thus hemp is helping to make domestic fair trade a reality in North America.

For more information about domestic fair trade in North America, visit: www.theDFTA.org.



**Contributing Writer** 

David Bronner, Adapted and updated from the 2003 Vote Hemp Report

# WHY INDUSTRIAL HEMP?

he subject of why or whether to grow industrial hemp in the United States is often debated yet much misunderstood. The controversy surrounding the plant obscures much of its historical and potential impact — and its adaptability to diverse industries.

It never used to be that way. From the first plantings in Jamestown, when it was illegal not to grow hemp, to our Founding Fathers' hemp plantations, to the hemp sails and rigging of the clipper ships that sailed the 19th century seas, to the hemp canvas-covered wagons of the pioneers headed west, to the sturdy hemp Levi's pants of the original 49ers seeking their fortunes in the California hills, to the massive "Hemp for Victory" government program of WWII, hemp has developed a long and illustrious history in America. In fact, hemp has been used extensively for millennia in cultures around the world and belongs to humanity's common agricultural and commercial heritage.

The seed was known for its healthy protein and rich oil. The outer bast fiber from the stalk was used for clothing, canvas and rope. The useful inner core fiber (or hurds) was used for construction and paper production. In fact, the Declaration of Independence was drafted on hemp paper, and the finest Bible paper remains hemp-based even today. In the early 20th

century, some researchers were beginning to look at using the cellulose from hemp as an affordable and renewable raw material for plastics. Henry Ford actually built a prototype car made out of

agricultural fiber biocomposites, including hemp.

# **Industrial Hemp Defined**

Industrial hemp varieties of the Cannabis plant, also referred to as "fiber" or "low-tetrahydrocannabinol (THC)" hemp, should not be confused with psychoactive "marijuana" varieties of the plant. In fact, they are quite distinct varieties or breeds of the same plant species, much like a St. Bernard and a Chihuahua are very different varieties of the same canine species. It is not possible to get "high" from hemp.

The majority of Western countries recognizes this distinction by differentiating Cannabis based primarily on THC content and permits the farming of low-THC hemp varieties for fiber and seed. This distinction is formally affirmed in Article 28(2) of the 1961 United Nations' Single Convention on Narcotic Drugs, to which the U.S. is a signatory party. The Article reads: "This Convention shall not apply to the cultivation of the Cannabis plant exclusively for industrial purposes (fiber and seed) or horticultural purposes."

Hemp has a well-established meaning in the international community, referring to non-psychoactive Cannabis varieties. Regulations in the European Union and Canada conservatively mandate less than 0.2% and 0.3% THC in the flowers, respectively. In contrast, marijuana varieties generally contain between 3% and 15% THC in their flowers. Because of their minimal THC content, flowers and leaves from hemp have absolutely no value as a psychoactive recreational drug.

In spite of this, the DEA continues to intentionally confound non-psychoactive hemp varieties of Cannabis with psychoactive marijuana varieties. The U.S. is the only major industrialized nation in the world to prohibit the growing and processing of hemp. However, non-viable hemp seed, oil and fiber are all currently legal for import and trade in the U.S., and domestic industry has continued to import them for diverse uses every year since the Marihuana Tax Act, effectively making marijuana illegal, was passed by Congress in 1937. Industry estimates put the total North American retail market for hemp products at approximately \$450 million in 2012.

### **Hemp: Controversy and Comeback**

Despite large renewed domestic production during WWII, hemp's cultivation and use in the U.S. was essentially discontinued in the mid-20th century. This was largely due to misinformed and misguided fears that industrial hemp is marijuana, and hemp became demonized during the "reefer madness" craze that swept the country over much of the last century. Despite easily discernible and widely accepted differences between the two distinct plant varieties, serious misconceptions continue to persist to this day.

This is not the case for our "neighbors to the north," however. For the past fifteen years, Canadians have shown that they can distinguish the difference between hemp and marijuana in their farming communities.

Common sense, thankfully, has an ability to shine through even the cloudiest situations. Environmental and economic interests are beginning to cut through the U.S. policy murk, and support for hemp is forming into a broad political base, including:

• Farmers: hemp can help farmers looking to diversify their farm operations. Hemp fits well into increasingly popular organic, low-input and sustainable methods of agriculture.

Industrial

**Products** 

► Geotextiles

► Biochemicals

► Non-Wovens

► Compression

► Pultrusion

► Molding

Reform-Minded Businesses: hemp's valuable fiber and significant biomass productivity can help companies "go green" by creating a wide variety of opportunities and

supplementing or replacing more commonly used, problematic and stressed-out raw material sources.

> Nutritionists and Health Food Advocates: hemp's oil-rich seed has an exceptionally high content of vital essential fatty acids (or EFAs, Omega-3 and Omega-6) that nutritionists have found to be commonly deficient in our diet. A diet rich in EFAs can help alleviate and prevent many common ailments. For similar reasons, hemp oil is increasingly employed in the natural body care industry as well.

Hemp, of course, is not in itself a total panacea for the social, economic and environmental woes that plague our planet today. Indeed, no single crop can be. But, with focused and sustained research and development in both the public and private sectors, hemp and other qualified annual crops are poised to spur dramatic — and certainly vital — change. These renewable resources

> will transition our major industries from depending on non-renewable, fast-disappearing resource bases to being driven and supported on a sustainable economic basis by the annual agriindustrial produce of the Earth's fertile fields.

> With thirty-one other nations growing industrial hemp and the U.S. representing the largest consumer and industrial market for their hemp products, we are poised to take advantage of an unprecedented opportunity. Americans are becoming more aware each day of the significant possibilities and benefits that hemp presents.

> We are in the midst of a sea change on Cannabis policy in America, with both Washington and Colorado recently voting to dismantle Cannabis prohibition generally and directing their state

> > legislatures to enact industrial hemp farming programs in particular. They join other states such as North Dakota that are ready and willing to cultivate industrial hemp as soon as the federal government gets out of the way. Fortunately, Sen. Rand Paul (R-KY) and Sen. Ron Wyden (D-OR) are currently spearheading efforts in the Senate to do just that: direct the Department of Justice to allow states the choice to regulate industrial hemp with-

> > out federal interference. Moreover, due to the strong ethical consumer base that drives the U.S. hemp market, the development of that market is poised to spur pioneering domestic fair trade certification in the U.S., just as it has been doing in Canada via the leadership of the Farmer Direct Co-operative (which supplies Dr. Bronner's Magic Soaps with hemp



► Oils

► Inks

► Paints

Solvents

Varnishes

► Lubricants

► Diesel Fuel

► Coatings

For more information and resources visit Votehemp.com and hemphistoryweek.com

seed oil for various products).

Modern Uses of M Industrial Hemp Whole Stalk Hemp Seed Hemp Oil **Bast Fiber** Hemp Nut Building **Textiles** Foods **Foods Materials** Salad Oils Apparel Breads ► Fabrics ► EFA Food ► Granola ► Fiberboard ► Bags ► Ice Cream Supplements ► Insulation ► Shoes ► Milk ► Margarine ▶ Hempcrete ► Socks ► Saute Oils ► Cereals Protein Industrial **Body Care Technical** Powder **Products** ► Soaps Textiles ► Shampoos ► Animal Seed Cake after pressing ► Cordage Bedding ► Hand Creams ► Netting ► Mulch ► Cosmetics ► Canvas ► Boiler Fuel ► Lip Balms ► Carpeting Foods ► Chemical ► Animal Feed Absorbent **Technical** Protein-Rich **New Use Products** Flour

Energy &

**Products** 

Blankets

Environmental

Ethanol/Biofuels

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- Visit the COCLA coperative, one of the largest organic coffee cooperatives in the world, and one of the coops from which Equal Exchange sources their fair trade coffee



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