

FAIR TRADE vs CONVENTIONAL TRADE CASE STUDIES

FARMER Non- Fair Trade	FARMER in Fair Trade Cooperative
MONEY RECEIVED FOR PRODUCT	
WORKING CONDITIONS	
COMMUNITY IMPACT	
ENVIRONMENTAL IMPACT	

FARMER Non- Fair Trade	FARMER in Fair Trade Cooperative
CHOICES: WHO TO SELL TO	
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Chocolate Production

Where does chocolate come from?

About 14 million people are involved in farming cocoa beans. These farmers are found in Western Africa in countries such as the Ivory Coast, and Ghana, which produce 67% of the world's cocoa, parts of Asia such as Indonesia and Malaysia and South American countries such as Dominican Republic and Bolivia.



What is chocolate made from?

The main ingredient in chocolate is cocoa. In its raw form, cocoa is called *cacao* (pronounced "kakow"). Cacao beans come in pods shaped about the size of a football. When these are ripe, they are pulled off the tree, which can grow up to 15 metres tall and hacked in half with machetes to reveal a gooey white pulp, embedded with up to 45 cacao beans per pod. Cacao trees take 5 years to yield their first crop.



How is it processed?

This white pulp that cocoons the precious beans is then placed in wooden boxes and lined with banana leaves to ferment for about 5 days. This kills the beans and breaks down the sugars while other compounds and enzymes react together to form the precursors of the first chocolate flavours.

After these 5 days, the beans are spread out on mats to dry in the sun and raked over intermittently. In good weather, they will be dry in a week. The beans are hardened and shrunken, and for storage they must contain less than 7-8 per cent moisture to prevent mould growth. The beans are now ready to be sorted, graded

and packed for sale. The rest of the process for the manufacture of chocolate all happens in a factory, usually in a Western nation, where vats, machines and production lines take care of the rest of the work. As with many commodity food items, the most labour intensive work happens before the product leaves the shores.

Fair Trade Chocolate: Fact Sheet

Why the need for Fairtrade?

1. Poor income

The average income for households in West Africa producing cocoa is on US\$30-\$108 per year. This means that the farmers only get about 1c- 7c for each chocolate bar sold, even though 80% of the production was done by the farmers, not the chocolate bar companies.

Because of the very low price received, farmers and their families live in terrible poverty and much exploitation and abuse occurs on the cocoa farms to make sure the work gets done, even though there is little to no pay for the work.

2. Child trafficking and forced labour

A UNICEF study reports that 200,000 children are trafficked yearly in West and Central Africa, particularly the Ivory Coast.

Cocoa farms can abuse children's human rights in two ways: trafficking children and forcing them into labour.

There are about 600,000 cocoa farms in the Ivory Coast. Estimates of the number of children forced to work as slaves on these farms are as high as 15,000.

Besides overworking them, the farmers do not pay the children nor feed them properly. Up to 284,000 children are working on cocoa farms in dangerous conditions. The children are locked up at night to prevent escape. 60% of the children working on cocoa farms in the Ivory Coast have never attended school. The children are also forced to work in dangerous conditions, using machetes, applying pesticides without protective clothing, which can severely burn the skin and work in snake infested fields.

Who could change this?

Six chocolate companies control 80% of the chocolate market. M&M/Mars - the world's largest chocolate company and maker of M&M's, Snickers, Mars Milky Way, and Dove Bar have annual revenues of \$16 billion and their owners are worth \$10.4 billion each. Although an agreement was made in 2003 to work to end child exploitation, nothing has been done to guarantee a fair price for cocoa beans, which is part of the reason why children are used on farms.

The role of Fairtrade:

Fairtrade guarantees US\$0.80/pound, which is a livable income. It also pays an additional amount called a "premium", for the farmers to use for development such as building schools, hospitals etc. Fairtrade also prohibits the use of child forced labour and poor working conditions.

BUT. . .

In 2000, Fair Trade cooperatives produced 89 million pounds of cocoa, but sold only 3 million pounds at Fair Trade prices!

Demand for Fairtrade needs to be created so that farmers will be able to receive a livable income and children will not be forced into labour.

Case Study 1: Fair Trade Cocoa

Kuapa Kokoo- Ghana, West Africa

Mim

near Kumasi

Ghana, West Africa

Hi everyone!

My name is Victor Owusu and I live in the small village of Mim in Ghana. I am 17 and I have two brothers - Albert (11) and Opuke (5) - and one sister, Elizabeth (8). My dad is a cocoa farmer, so I'm pretty well up on what goes on at this end of the chocolate chain. Cocoa farming is very hard work, especially at planting and harvest times, so we all have to help out. It can be fun working with your whole family (even Elizabeth helps), but it can also be dangerous, as there are poisonous snakes and we often have to work in bare feet or sandals. I would love a pair of wellington boots that would make things a lot less scary.

Our lives have been different and much better since we joined the Kuapa Kokoo co-operative - especially for dad, who is now the proud President of the Mim Kuapa Kokoo Village Society! Kuapa Kokoo is really good cocoa - it's the best! We say our cocoa is 'Pa Pa Pa', which means 'the best of the best'. Kuapa give us the best price for it and at the end of the season we get a bonus. But we still don't earn much money - in fact hardly anything compared to you in the 'rich' countries.

Growing up is pretty difficult in a poor country. I started secondary school, and I really wanted to continue studying. I even got top marks in my exams! But my family couldn't afford to pay the school fees, so I couldn't carry on, which was a big disappointment. I love cars and would like to become a driver and see the world, but it's really expensive to learn to drive (and even if I did there's no way I could afford my own car!), so I'm going to be an apprentice motor mechanic instead.

I really don't want to be a cocoa farmer, because it's hard work and you earn so little. The living conditions in the village are tough, too - we don't have any electricity or running water. People don't respect cocoa farmers,

but they should, because it's a really important job and our country needs them. Most young people these days, though, go to the city to look for work, because that's where the money is. My dad understands how I feel. So I'll go to the city and come back to help him on the farm at the busy times of year. I know I'm really going to miss all my family and friends when I go, though!

To make a bit of extra cash I go to Kumasi market on Sundays and sell some handkerchiefs or biscuits. I buy the biscuits in bulk from the supermarket and then sell them a few at a time to people passing by in the market. It is my little business and it makes me really happy when it is going well. I don't sell chocolate, you can't really get it here, it's too expensive. In fact, I've never tried chocolate!

I think that it's great that you can make such a difference to me and my family by being smart about how you shop and by choosing to buy fairly traded products, especially chocolate bars! When I'm helping on the farm I'll think of you eating it, and when you eat it, think of me too!

Best wishes, Victor Owusu



Case Study 2: Fair Trade Cocoa

El Ceibo – Bolivia in South America

El Ceibo is made up of thirty-six smaller co-operatives and its name comes from a tree, which, once cut down, continues to produce new shoots reflecting the strength of its members. The farmers own the co-operative and a rotation system exists where all members spend some time at the cocoa factory in the capital, La Paz, or in the administrative section. This system enables the farmers extra opportunities to develop skills that will help them remain competitive in the market. El Ceibo utilises the Fairtrade benefits of both premium and fair price in the following crucial ways:

Social

The Fairtrade benefits have ensured that there is a collective fund available for community work. A safety fund has also been set up that can be accessed by all members in case of a medical emergency. In fact, farmers are required to reserve some of their revenue for social projects, ensuring community development and technical training is available, and provide a safety fund for medical emergencies. The farmers are generally eager to participate in co-operative initiatives given the strong sense of community spirit and this is reflected in the use of Fairtrade premiums. In 1995, using Fairtrade bonuses and its own resources, El Ceibo began construction of a new factory, equipped with modern facilities.

Environmental

Fairtrade has ensured that efforts have been made to increase the ecological land management techniques. These include shade cultivation, composting and minimising the use of chemicals, with incentives for organic production including a higher price on the market. Ninety five percent of El Ceibo's producers conserve virgin rain forest and attempt to reduce degradation. Natural methods are used to control pests. In recent years, the money derived from premiums has been given directly to farmers as an incentive for organic production.



Case study 3: Non-Fair Trade Cocoa

The Ivory Coast, West Africa

When Drissa was a teenager, he decided to leave his village in Mali to look for work. He was strong, healthy, and committed to working for a better life. There were many boys his age looking for jobs in and the around the village, and precious few jobs available. Although it was difficult to leave his family and friends, he decided it was worth it to try his luck elsewhere.

Drissa crossed the border into neighboring Ivory Coast, where he heard there were many jobs available for people who did not mind working hard. When he arrived in Korhogo, he was pleased to be offered what sounded like a good job on a cocoa plantation. Drissa agreed on the payment and work arrangements, and then went with the employment recruiter to begin his new job.



Drissa's new job suddenly turned into a nightmare. He became a slave.

Drissa and 17 other boys and young men on the cocoa plantation were forced to spend long days tending the cocoa plants and collecting the pods. Besides the back-breaking work, the heat was oppressive, the biting flies constantly swarmed around them, and they had to watch for snakes in the undergrowth. The slaveholder gave them little to eat, and many times only braised banana for months on end. Weak from hunger, they staggered under large sacks of cocoa pods. If they slowed in their work, they were beaten. At night the slaveholder locked them all into a small room with only a tin can to use as a toilet.

Drissa was trapped. He was more than 300 miles from home in a new country, far from any settlement, and he did not even know exactly where he was. One evening before being locked in, Drissa attempted to escape, but the slaveholder caught him and savagely beat him. He still has the scars from those beatings. The next day, Drissa was forced to work, even though the wounds from the beating were still raw. Flies feasted on his exposed flesh.

Drissa and the other slaves on that farm were eventually rescued by an official of the Malian government. After their rescue, Drissa and his friends were given medical care and a safe place to stay until they could return home.

Taken from:

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