



FAIR TRADE IS PEACE

WORLD FAIR TRADE DAY 2005

“Poverty is the worst form of violence.” —Mahatma Gandhi

Fair Trade is rooted in the belief that extreme poverty in the midst of a world of plenty is unjust. Advocates of Fair Trade recognize that while international trade has the potential to benefit the lives of all participants, conventional systems of international trade have not benefited everyone equally.

Enormous technological advances are linking the world together in instantaneous communication bringing people ‘closer together’ across time and space. But in other ways, the paths of the world’s people are diverging. Globalization—in which economic and cultural activity freely crosses international boundaries—has brought wealth and prosperity to some. Unfortunately, the gap between the world’s richest and poorest people continues to grow.

While we shop around for the best deals on consumer products, we rarely spend time thinking where these products came from and who made them. We may spend even less time considering the environmental impact of our purchases. Fair Trade is a response to the cold hard fact that skewed international trade agreements and the trade policies of the governments of wealthy countries have expanded the legal rights of corporate entities while compromising workers’ rights and the health of the environment.

CAN WE BE AT PEACE WHEN SO MANY ARE OPPRESSED?

“Peace is more than the absence of violence. To be sustained, peace must have substance—financial equity, education, participatory democracy, restorative justice, and open communication. Human needs such as food, water and shelter must be met, but also the needs of social and political equity. Without these, peace will not continue.” —PEACE X PEACE, www.peacexpeace.org

World leaders have said time and time again that the fight for global security—stopping war, internal violence, terrorism, and other threats—depends on a successful fight against poverty. According to the United Nations Development Program, about one quarter of the world’s population lives in extreme poverty. Eight hundred million people do not get enough food, and about 500 million people are chronically malnourished. These figures represent a state of fundamental insecurity.

Political scientists and students of peace distinguish between “negative peace” and “positive peace”. Negative peace refers to merely an absence of violence—perhaps a ceasefire or tentative bargain to stop the fighting. “Negative”, as it is used here, is not meant as a value judgment; rather, it denotes simply that a negative peace lacks something bigger—an effective set of mechanisms for sustaining that peace. A “positive peace”, by contrast, is a peace in which social values and institutions meet the needs of community members and where there is a space for everyone to participate in the decisions that guide the community.

In a word, justice is the key to a positive and sustainable peace. Yet justice is fundamentally lacking in many aspects of conventional international trade. The poor suffer more from the environmental impact of commercial activity. Migrant and low-wage workers have little choice but to work long hours in unsafe conditions. Supply chains that span several countries depend upon a “flexible work force” in order to meet changing demands from rich country consumers. These “flexible” workers lack job security, benefits, and adequate child care. The impact of unjust labor practices will have a negative impact on communities for generations to come.

FAIR TRADE

We celebrate World Fair Trade Day because we believe that the purpose of trade is to enhance our lives. Fair Trade depends on partnerships that are based on dialogue and respect between participants at all levels, seeking greater equity for producers in international trade. The impacts of trade can support and promote just, participatory communities.

Aid alone is not enough to lift people out of poverty. The key to achieving peace through poverty reduction is to ensure that each person has the essential means to a productive life. Fair Trade standards and values are aimed at building such a just peace. Paying fair prices for products is the first step. Fair Trade helps artisans and small-scale farmers invest in their families and their future. Improving nutrition and expanding educational opportunities are just two of the benefits. But the values that Fair Trade represents reflect the fact it takes more than just money:

- Fair Trade addresses the need for gender equity by ensuring that women are major players in the decision making and governance of cooperatives. Poor women in the world outnumber poor men, and women suffer poverty differently from men, with less access to healthcare and other resources. Their inclusion as full participants in Fair Trade is an invaluable way for them to gain respect and recognition.
- Fair Trade prioritizes care of the environment through sustainable farming methods and protection of biodiversity. Most Fair Trade agricultural products sold in the U.S. are organic—better for the environment and better for the workers and their families.
- Farmers engaged in Fair Trade projects have access to pre-harvest credit, helping them to avoid a debt trap with creditors who attempt to take advantage of their vulnerability.
- Many Fair Trade projects invest in income diversification projects with money from Fair Trade premiums such as animal husbandry or ecotourism. A diversified source of income protects against the inherent risks of farming and small business management.

Fair Trade is a response to the market, and is itself a version of free trade. It is not charity. Prices for Fair Trade products reflect high quality standards and sustainable production practices, as well as premium for social benefits. Fair Trade is an investment in children, an investment in the health of the planet, and, thereby, an investment in our collective future.

BUILDING PEACE

Fair Trade brings people closer together by building personal connections between producers and consumers. The vision of Fair Trade—a world where a day's labor is justly compensated, the farming and manufacturing methods respect the dignity of creation, and workers have a voice—is a vision of positive peace.

Globalization is not an issue on which we can choose a simple “pro” or “con” position. Rather, we must make sure that globalization supports sustainable human development—improving the lives and livelihoods for all actors in the global economic system. Trade policies and agreements should serve the good of all the world's peoples, respecting the human dignity of all participants in the global economic system. We celebrate World Fair Trade Day to say that poverty amidst plenty is fundamentally unjust, and there can be no peace without justice.

Extreme poverty is “poverty that kills”, according to the United Nations Development Program. Poverty leaves communities vulnerable in the face of hunger, disease, and environmental risks; lacking security and income to cover basic needs, increased hardships from any of these factors could mean the difference between life and death for people in poverty. Poverty shortens life spans and reduces quality of life for people all over the world. People living in households suffering from extreme poverty are estimated to live only half as long as people in the high-income world—40 years instead of 80 years. Children born into extreme poverty are ten times more likely to die before their fifth birthday. Of the 11 million children in the world that die before the age of 5, more than half are from hunger-related causes.



To others, through others.

lwr.org/fairtrade • 1-800-LWR-LWR-2

Lutheran World Relief is a proud sponsor of World Fair Trade Day USA.