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Fair Trade is meant to be a model of sustainable ethical trade that puts people and planet first. It is a conscious-consumption alternative to the neoliberal ideal of free trade that puts corporate profits above all else.

Under current regulatory systems, third-party verified certifications are a consumers' best tool for identifying ethically produced products. But some indicators point to Fair Trade certification as ineffectual at best and a marketing ploy at worst. Is fair trade worth the extra cost?

What Is Fair Trade?

Fair trade as Americans know it today started in the 1990s. Paul Rice worked with Nicaraguan coffee farmers to develop cooperatives. When he returned to the U.S., he founded the organization TransFair, now known as Fair Trade USA, encouraging large companies that sold commodity goods like cocoa, bananas, and tea to get certified.

The fair trade certification process is lengthy and complicated. It requires annual inspections by an unbiased third-party auditor evaluating the company's operations against standards for workers' rights, fair labor practices, and responsible land management.

The Shadow of Doubt

From the very beginning, the fair trade movement was plagued by accusations. Some said fair trade was just another form of greenwashing. Other complained that the high cost of certification made it inaccessible to the smallest producers who needed it most.