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Equal Exchange Does Democratic Business

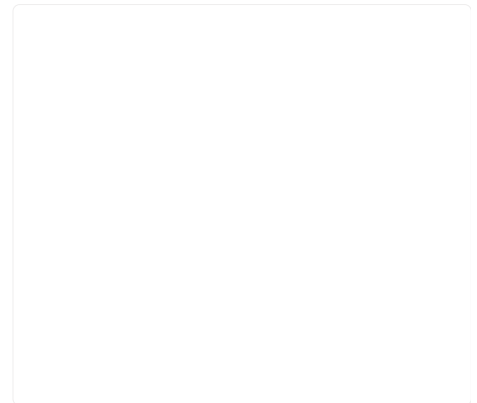


By [Gemma Alexander](#)

© JUL 12, 2021 [cooperatives](#), [equal exchange](#), [small farms](#), [sustainable food brand](#)

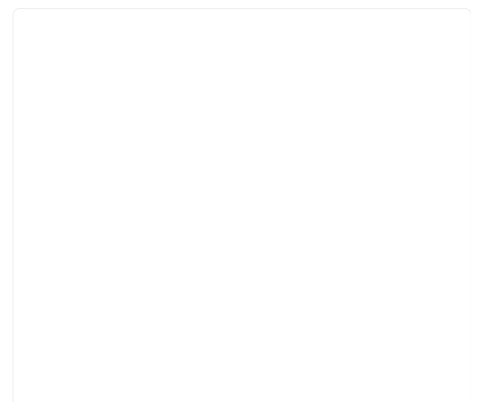


Nobody wants their purchases to cause environmental harm or contribute to human rights abuses. That's especially true for products that we might feel a little guilty about anyway, like expensive food items that aren't particularly healthy. Nobody wants to be tricked by greenwashing, either. That's why we look for certification labels, even though those [aren't entirely reliable](#). If we have time, we might research direct trade options – but suitable options aren't always available, and besides, who has the time? Equal Exchange is one brand



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that tries to get it right for you, using a democratic business model that is not quite like anyone else's.

Equal Exchange

There are literally hundreds of food companies that market their products as sustainable, but nearly all of them engage in some form of [greenwashing](#). Those that don't are transparent about their practices and rely on third-party certification to verify that they meet those standards. Because Equal Exchange was the first company to sell Fairtrade coffee in the U.S. (and the only one for nearly a decade) it is often mistaken for a fair trade certification system. But Equal Exchange is a sustainable food brand. They just take a little different approach from most.

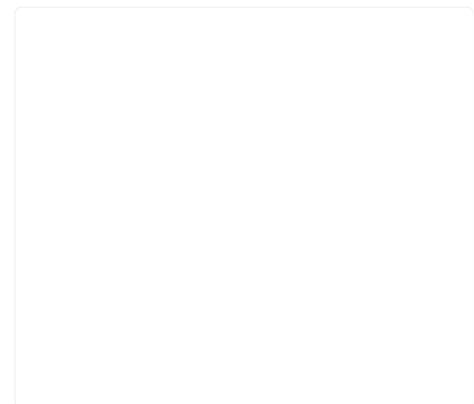
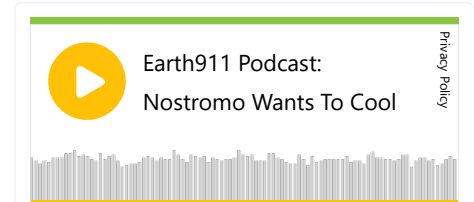
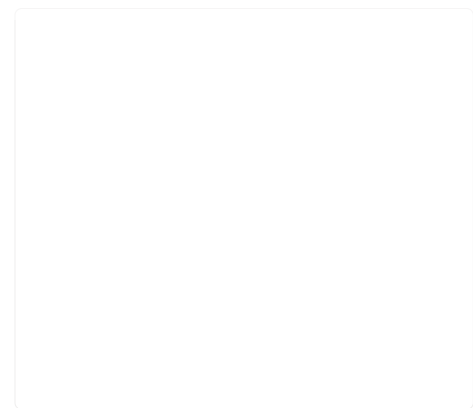
Equal Exchange now sells food products like nuts, dried fruit, and spices, and is working to add [bananas](#). But originally, they only offered coffee, tea, and chocolate – the luxury products most likely commonly made available through [direct trade](#). Founded in 1986 at the dawn of the fair trade movement, they have always worked directly with the cooperatives of small farms that produce their products.



Equal Exchange label

Standards

Direct trade usually bypasses certifications, emphasizing relationships over standards. Equal Exchange takes an unusual hybrid approach. Most of the products they buy are certified organic by [Oregon Tilth](#), a sustainable agriculture standard that predates federal USDA Organic standards by 16 years. While USDA simply verifies that standards are met, Oregon Tilth is also an advocacy and education organization that values social equity as well as organic agriculture.



In the past, Equal Exchange also worked with Fairtrade International. However, when the U.S. affiliate branched off to form Fair Trade USA, Equal Exchange abandoned fair trade certification, choosing to trade directly with small farmers according to its [own set of fair trade standards](#).

Cooperatives

Farmer cooperatives have always been at the heart of fair trade practices. Developing relationships and contracts with enough individual smallholder farms to meet volume demand is impossible for all but the smallest American companies. Much like unions, cooperatives can serve to amplify the power of individuals, especially when engaging with corporations. In international trade, [cooperatives act](#) as a business, but also provide business support to their members, safeguarding human rights and promoting transparency in supply chains.

What is unusual about Equal Exchange is that the U.S. side of the company is [also a cooperative](#). Each of the company's 130 employees is an equal partner in ownership of the for-profit business. Corporate brands may offer fairly traded products as a marketing tool or to satisfy consumer demand. But Equal Exchange has built worker protections into its structure. They aim to prove that a profitable business can be built on democratic, rather than capitalistic, principles.

Fair Trade at Home

Equal Exchange pioneered fair trade principles both abroad and at home, and their model is still one of the strongest. But other companies are making an effort to support sustainable cooperatives. Coffee still dominates, but new items are beginning to be available.

[Cooperative Coffees](#) is an importing cooperative that sells green coffee grown by cooperatives of small-scale coffee farmers to small roasting companies in the U.S. Fair Trade USA has recently partnered with Chobani to develop a certification for the [American dairy supply chain](#) that will provide farmers premiums for sustainable practices. [SPP Global](#) is an international cooperative network based in Latin

America that certifies and supports sustainable small-producer organizations around the world. Even the corporation Cargill is supporting cooperatives, offering the [Cargill Coop Academy](#), an educational program for cocoa cooperative managers that aims to help them achieve financial stability. Decades after Equal Exchange broke new ground as a cooperative, sustainable, international business, consumers are beginning to have more choices for a different kind of supply chain.

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By [Gemma Alexander](#)

Gemma Alexander has an M.S. in urban horticulture and a backyard filled with native plants. After working in a genetics laboratory and at a landfill, she now writes about the environment, the arts and family. See more of her writing [here](#).

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