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**FAIR TRADE: AN ANALYSIS OF THE EFFECTS ON POVERTY ALLEVIATION
AND EMPOWERMENT FOR WOMEN IN DEVELOPING COUNTRIES**

by

Maribel Concepcion Lora
B.A. May 2007, Barry University
M.A. May 2013, Old Dominion University

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Approved by:

David Earnest (Director)

Francis Adams (Member)

Anita Fellman (Member)

ABSTRACT

FAIR TRADE: AN ANALYSIS OF THE EFFECTS ON POVERTY ALLEVIATION AND EMPOWERMENT FOR WOMEN IN DEVELOPING COUNTRIES

Maribel Concepcion Lora
Old Dominion University, 2013
Director: Dr. David Earnest

This thesis approaches the economic development model of Fair Trade with a critical analysis on determining its success in alleviating poverty and empowering women of the developing world. Because international labor regulations are not consistently enforced in all producer countries, the Fair Trade model has established labor standards that ensure above all, a fair wage and safe working conditions for producers participating in the international market. As a recent strategy of economic development, Fair Trade has made great strides to empower poor producers in impoverished countries; however there has been limited analysis focused on its impact for improving the quality of life for women producers. Women involved in the handcraft industry are of particular importance since this type of labor allows for the flexibility needed for them to meet the demands of their dual roles at home and in the labor force. This is accomplished in a two-fold process; the first step is outlining the intended benefits of Fair Trade pertaining to women's lives in theory; and the second step is testing these benefits in practice by examining cases of both success and failure. As a result, Fair Trade proves to be successful in certain aspects, such as an increase in market access; however, there are major gaps in the current model that ignore crucial challenges affecting impoverished women in the developing world. Therefore, a clear conclusion is difficult to be decided upon, which requires further research.

This thesis is dedicated to Stephanie Bosse. Thank you for connecting me to the world of Fair Trade. It has been my conviction ever since.

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TABLE OF CONTENTS

	Page
LIST OF FIGURES.....	vi
CHAPTER 1: INTRODUCTION.....	1
WHAT IS THE NEED	2
MOTHER, WIFE, AND BREADWINNER.....	3
WHAT IS FAIR TRADE	5
ORGANIZATIONS WITHIN FAIR TRADE.....	6
CORE PRINCIPLES	7
WHAT IS CONSIDERED A FAIR WAGE.....	8
SECONDARY BENEFITS	11
FAIR TRADE HISTORY AND PRESENT-DAY	15
METHODOLOGY.....	18
OUTLINE OF CHAPTERS.....	18
CHAPTER 2: WOMEN IN THE MARKET	20
THE FEMINIZATION OF POVERTY.....	21
HUMAN POVERTY INDEX	24
WOMEN’S DEPENDENCY ON MEN.....	26
EMOTIONAL BURDENS.....	31
WOMEN’S ROLE AS CARETAKER	32
HOUSEHOLD CHORES.....	33
WOMEN AS MARKET TRADERS.....	35
CHAPTER 3: MONEY AND MORE: THE BENEFITS OF FAIR TRADE	40
BUSINESS ASSISTANCE	41
FAIR TRADE BENEFITS FOR WOMEN.....	43
CHAPTER 4: FAIR TRADE: LIBERATING OR BURDENING	62
SIGNS OF SUCCESS	62
SIGNS OF STRUGGLE	76
MAJOR CRITICISMS OF FAIR TRADE	78
ALTERNATIVE MODEL	89
CHAPTER 5: CONCLUSIONS.....	96
WHAT IS DEVELOPMENT.....	96
WHAT IS FAIR TRADE	97
DOES FAIR TRADE EMPOWER WOMEN	102
IMPROVING THE FAIR TRADE MODEL.....	107
FINAL THOUGHTS.....	111
BIBLIOGRAPHY	112
VITA	117

LIST OF FIGURES

Figure	Page
1. Fair Wage Guide	10
2. Aid To Artisans' Flatten Distribution Channel.....	13
3. Fairtrade International's List Of Prohibited Materials	15
4. What Does Feminization Of Poverty Mean?	26
5. Woman Cutting Fabric In UPAVIM Central Facilities	74

CHAPTER 1

INTRODUCTION

“I used to think this is my fate, and there’s nothing I can do,” shares Carmela of her life with her abusive husband in Guatemala.¹ Carmela recounts her story of despair and struggle as she tried to make a better life for herself and her children. Though it was a difficult life experience, Carmela’s story had a happy ending. She was able to find resources and learn skills from a Fair Trade organization called Unidas Para Una Vida Mejor (UPAVIM). Yet, though many others share the same struggles as Carmela, unfortunately not all their stories result in a happy ending. The prevalence of poverty and the hardships people encounter in the developing world are daunting and persistent. However, some individuals have found a way to alleviate poverty for themselves through the initiatives of the Fair Trade model. Fair Trade in simple terms means the fair exchange of goods in the international market where both producers and buyers benefit. As the central focus of this thesis, Fair Trade is examined as one possible solution to help people in poverty gain control of their circumstance and better their future. It is especially important to explore what Fair Trade has done for the empowerment of women since they, more than men are oftentimes affected by extreme poverty. In this thesis I will share similar stories of success like Carmela’s, but also stories of disappointment and disillusionment, with the purpose of analyzing the effect of Fair Trade on alleviating poverty and empowering women in the developing world. Therefore, the question at hand is: Has the Fair Trade model succeeded in improving the quality of life for impoverished women in developing countries?

¹ Kimberly M Grimes, and B. Lynne Milgram, *Artisans and Cooperatives: Developing Alternative Trade for the Global Economy*, (Tucson: University of Arizona Press, 2000), 100.

WHAT IS THE NEED

Fair Trade is a chance for women traders in the developing world to take part in the decision-making processes of international trade, rather than simply being acted upon with little or no leverage. This concept of control of power relates to the political term used by Ngaire Woods, “meta-power.”² Those who obtain meta-power determine the rules of the game and where they will be applied. With a few exceptions, it has been the industrialized part of the world that has held meta-power in international trade. As a result, many impoverished people, especially women, have been cheated in trade negotiations and their rights have been ignored. Moreover, international labor regulations are not typically enforced in the global south where the majority of production takes place. Therefore, employers have the liberty to do as they please and treat their employees unjustly without implications. This type of unregulated employment translates into not only long-hours with little pay, but lack of “employee benefits, such as unemployment funds, bonuses, family allowances, health care, training programs, legal aid or credit.”³ Because of this it is especially important to ensure poor producers labor protections, which is offered by the Fair Trade model.

This question of the impact of Fair Trade also needs to be explored because of the insufficiency of past policies to help women in poverty. For decades, millions, if not billions of foreign aid dollars have been invested in programs that have not been successful in helping women breach the barriers of poverty. A critic of traditional forms of aid, David Booth, affirms that, “All the evidence on past performance suggest that aid flows are not what makes the difference between successful developing countries and unsuccessful ones; aid can facilitate-- it

² Andrew Hurrell and Ngaire Woods, *Inequality, Globalization, and World Politics* (Oxford; New York: Oxford University Press, 1999), 24.

³ Louise Dignard and Jose Havet, *Women in Micro- and Small-Scale Enterprise Development* (Boulder; London: Westview Press; IT Publications, 1995), 87.

has never done more than that.”⁴ But Fair Trade offers more than facilitating or managing poverty. There is hard evidence that reveals instances where women have a better economic standing through their involvement in Fair Trade. In this thesis I outline its intended benefits and principles, and also look at specific case studies to measure the implications of the Fair Trade model when it is applied to real-life circumstances. With the purpose of employing a critical approach to the Fair Trade model, I resist positing a normative approach, but instead I will address the issues of the present in order to identify the gaps and further the efforts of Fair Trade. However, before the model of Fair Trade is introduced and analyzed it is important to introduce the role of women, the part they play in economic development, and how the handcraft industry helps meet the demands of their multi-faceted needs.

MOTHER, WIFE, AND BREADWINNER

Looking at the circumstances from a woman’s perspective can prove beneficial in development studies since women have an essential role in the success of the family unit. They fill the roles of nurturer and caretaker, and in recent times they have also become the breadwinners of the household. With the appropriate resources, a woman has the potential to better the lives of her family, and even impact her local community. However, as Stacy Edgar points out, more often than not, “Women the world over are undercounted, undervalued, underserved, and underrepresented.”⁵ Therefore honing in and segregating their experience and activities within this environment can help formulate policies and practices to improve conditions and offer a more holistic approach to development. Recognizing women’s role in

⁴ Christopher D. Wraight, *The Ethics of Trade and Aid: Development, Charity, or Waste?* (London; New York: Continuum, 2011), 129.

⁵ Stacey Edgar, *Global Girlfriends: How One Mom Made It Her Business to Help Women in Poverty Worldwide* (New York: St. Martin's Press, 2011), 165.

development needs to become an integral component in the search for more effective solutions to the complex problems of poverty.

It is also important to highlight the handcraft industry since women tend to dominate in this line of work. Women find their niche in creating products with their hands and selling them in markets; this is the primary way women are able to gain a source of income in many destitute environments. According to a study conducted by the International Labor Organization in 2004, "Trade is the most important source of employment among self-employed women of Sub-Saharan Africa providing 60% of non-agricultural self-employment."⁶ A few of the reasons why women choose to get involved in this industry include the flexibility of labor and hours, their existing knowledge of skills to make the handcrafts, and the longevity of craft products compared to fresh produce.

As mentioned, women have many roles to fulfill-- mother, caretaker, housewife, and breadwinner to name a few. As Linda J. Seligmann posits, "Activities that are often considered to unfold in separate spheres-- for example, in the market or household, in rural or urban spaces, or in local, national, or global domains-- actually interact and shape the activities that take place in all of these domains."⁷ Each role is intertwined and dependent on the other, such that a single mother must also assume the role of working mother to provide for her children. Therefore, without interrupting too much the demands of the household, women can earn some kind of income selling handcrafted goods, even if it is a meager one. The flexibility that it brings is crucial to the continuance and prevalence of women in the market. Catherine Van Der Wees and Henny Romijn use the term "micro and small-scale enterprises" (MSE) to identify the women who sell

⁶ "Unleashing the Potential of Women Informal Cross Border Traders to Transform Intra-African Trade," *UN Women*, accessed June 14 2012, <http://www.unwomen.org/publications/unleashing-the-potential-of-women-informal-cross-border-traders-to-transform-intra-african-trade/>.

⁷ Linda J. Seligmann, *Women Traders in Cross-Cultural Perspective: Mediating Identities, Marketing Wares*, (Stanford: Stanford University Press, 2001), 2.

respectable goods. They explain, MSEs “are particularly important for women since they offer a more flexible and less restrictive form of employment than would be possible in the formal sector.”⁸ Women can work at their own time without having to clock in and out. This does not mean that sacrifices are not made since oftentimes their days begin with the rising of the sun and end well after it has set. However, with the flexibility of managing time based on their own schedules, these mothers and housewives can work once the children are in bed and after dinner is made. Moreover, women are able to make products from their homes without having to travel far distances to a factory or leaving their families to become a domestic worker, for instance.

WHAT IS FAIR TRADE

In the following section, a general overview of the main components of the Fair Trade model will be discussed in order to provide a foundation for what is intended in the particular case of women. As explained earlier, Fair Trade in simple terms is the fair exchange of goods in the international market. This is in contrast to the current trading standards of the liberalized market, which does not prioritize the fair pay to producers. In other words, “Fair Trade promotes forms of trade based on dialogue, partnership and respect, that seek greater equity in international trade, and that contribute to the sustainable development of marginalized and disadvantaged communities involved in production and trade.”⁹ Fair Trade is a chance for small producers to gain some leverage against what Lynne Milgram calls the “sea of capitalist

⁸ Catherine Van Der Wees and Henny Romijn, “Entrepreneurship and Small- and Microenterprise Development for Women,” in *Women in Micro- and Small-Scale Enterprise Development*, eds. Louise Dignard and Jose Havet, 45.

⁹ “Constitution of the Association,” *Fairtrade Labelling Organizations International*, accessed October 22 2012, http://www.fairtrade.net/fileadmin/user_upload/content/2009/about_us/documents/flo-constitution-june-2011-english.pdf.

competition.”¹⁰ The mindless consumerism in which the goal of ever-cheaper goods trumps the wage paid to the producer is addressed by Fair Trade since it encourages buyers to think about the origin of the product. When you purchase a Fair Trade product you become aware of the person or persons who created it. One of the key techniques of Fair Trade marketing is humanizing the producers by displaying their photos and stories with every product. Every item purchased becomes more than just an object bought, a story lies behind it. Moreover, the higher price paid for Fair Trade products distinguishes it as well, especially since basic consumer goods today in the developed world are reasonably cheap. To compare the price difference, a bag of sugar exchanged in the unregulated market may cost three dollars, while a Fair Trade certified bag of sugar goes for six dollars at the grocery store. The personal stories and price help persuade consumers to buy the product because it is more than a product they will consume. They know their conscious purchase of the Fair Trade product contributes to a person’s livelihood. Stacy Edgar, owner of a Fair Trade business captures the difference: “Business may be about competing and gaining market share, but Fair Trade is about making people’s lives better.”¹¹

ORGANIZATIONS WITHIN FAIR TRADE

Fair Trade has grown exponentially since its inception. With its growth different sectors have been established to carry along the mission of Fair Trade. The major players consist of the World Fair Trade Organization (WFTO), the Fair Trade Federation (FTF), and the Fair Labeling Organization (FLO), each with its own mission and purpose.¹² The World Fair Trade Organization has a global mission of being the voice or the platform for small farmers and artisans, specifically

¹⁰ Grimes and Milgram, 110.

¹¹ Edgar, *Global Girlfriends*, 129.

¹² It is not relevant to discuss in depth the role of the Fair Labeling Organization since handcrafts are not certified nor receive any type of labeling from this organization.

“To enable producers to improve their livelihoods and communities through Fair Trade.”

WFTO’s focus is on the needs of the producers and keeping in mind their best interests in terms of policies, governance, structures and decision making within the WFTO.¹³ The Fair Trade

Federation has a narrower focus geared towards providing support for Fair Trade organizations in North America. FTF’s long-term mission and values depend on poverty alleviation through equitable trade where “all people have viable economic options to meet their own needs.”¹⁴

The structure known today dates back to 1994 when it began under the name of North American Alternative Trade Organization (NAATO) and soon after changed its name. The FTF is also a member of the World Fair Trade Organization.

CORE PRINCIPLES

The key concepts of Fair Trade include fair wages and safe working conditions for employees. But more than ensuring labor rights, Fair Trade is based on these fundamental principles:

1. Fair wages to artisans and farmers
2. Opportunity for employment advancement
3. Environmental sustainability
4. Public accountability and transparency
5. Long-term trading relationships
6. Safe and healthy working conditions
7. Technical and financial assistance to producers when needed¹⁵

These principles are derived from the FTF’s perspective, yet the World Fair Trade Organization goes one step further to include principles highlighting the protection of gender rights and the assurance against child labor. However, ensuring a fair wage is the fundamental

¹³ “Welcome to the Source of Authentic Fair Trade,” *World Fair Trade Organization*, accessed June 1, 2012, http://www.wfto.com/index.php?option=com_content&task=view&id=889&Itemid=290.

¹⁴ “Fair Trade Federation: About Us,” *Fair Trade Federation*, accessed June 1 2012, <http://fairtradefederation.org/ht/d/sp/i/177/pid/177>.

¹⁵ Grimes and Milgram, 13.

principle. According to WFTO, "A fair price is one that has been mutually agreed by all through dialogue and participation, which provides fair pay to the producers and can also be sustained by the market."¹⁶ The objective is always to ensure that the farmers and artisans, most often the vulnerable party, have a voice in what is their share in the trade negotiations. Scholars refer to this principle of assuring cash income as a primary benefit.¹⁷ With a higher wage, producers in the developing world have the opportunity to acquire other, secondary benefits that will later be discussed. In order to determine the Fair Trade wage there are different options available since there is no set guideline by either of FTF or WFTO. The wage also varies between agricultural products and handcraft goods.

WHAT IS CONSIDERED A FAIR WAGE

In contrast to agricultural products, it is very difficult to set a fair wage for producers of handcrafts. The kinds of developed processes for price guidelines are absent in the handcraft industry. Stacey Edgar shares the frustration within her own Fair Trade business of Global Girlfriends: "It's harder when you're doing handicrafts and some are done in a work hut and some are done in people's homes and really making sure you have time studies saying how long did this take, how much does it cost, is the woman factoring in all the pieces that cost her or is she setting a price because oh my gosh there is suddenly a market so this seems like a fair price."¹⁸ Edgar here reveals two challenges: the first is experienced by the business in determining the right price, and the second by the producer in asking for the appropriate wage that covers her expenses and gives her sustainable income. These are common barriers in this industry of determining what a "fair wage" should be for both the artisans who produce the

¹⁶ "10 Principles of Fair Trade," *World Fair Trade Federation*, accessed June 1 2012, http://www.wfto.com/index.php?option=com_content&task=view&id=2&Itemid=14.

¹⁷ Hurrell and Woods, 153.

¹⁸ Stacey Edgar, interview by Maribel Lora, April 2 2012.

crafts and the business selling the product. In determining the adequate price for her partners, Edgar says, "The goal is never to get the cheapest price for an item, but to arrive at a fair price for both parties."¹⁹ The fair price would take into account the cost of raw materials, transportation costs for the business transaction, and the time and labor expended in making the item.

One helpful tool in determining the right price comes from an online resource called the Fair Wage Guide (FWG). This method provided by Good World Solutions provides a simplified solution for determining what should be paid to handcraft producers. It also outlines the factors that must be considered in finding the appropriate prices, such as time devoted to the product, and whether the producer paid for her own raw materials. FWG's mission entails developing a "measurable and auditable floor-pricing model for crafts that can be replicated globally and has the potential to lift thousands of artisans above poverty." It does so by analyzing the current wages paid to artisans locally and comparing it to the global "living wage standards."²⁰ The disclaimer enforces that it is a tool for organizations and artisans to set the appropriate and fair minimum wage standard in order "to ensure the ethics underlying market-based pricing and margin decisions," but it should not be used to set market prices. It is solely for the use of Fair Trade organizations, businesses, and the producers. Therefore the fair wage calculator, though not the ultimate guide, still provides a basic solution in the meantime to meet the shortfalls in Fair Trade handcraft pricing.

Below is a chart taken from the fair trade calculator that offers a better understanding of how the appropriate wage for a handcraft producers might be. The chart is set up to reflect the wage for an artisan living in the rural part of Dominican Republic, spending four hours on

¹⁹ Edgar, *Global Girlfriends*, 52.

²⁰ "Fair Wage Guide," *Fair Trade Calculator*, accessed June 1 2012, <http://www.fairtradecalculator.com/about.php>.

each piece and not paying for her materials. With this tool we can see how her wage of \$4 USD per craft piece compares to the national minimum wage, the international poverty line, and more importantly how it measures up to the Fair Trade wage.

Figure 1: Fair Wage Guide

Minimum Wage (National)	6.90	↓ \$2.90 (42%) below	1.45	1h 40min 48sec
International Poverty Line	2.00	↑ \$2.00 (100%) above	N/A	N/A
Non-Poverty Wage	12.66	↓ \$8.66 (68%) below	4.33	2h 44min 24sec
\$4 a day poverty line	4.00	↑ \$0.00 (0%) above	N/A	N/A

Source: www.fairtradecalculator.com

As shown in the chart, the wage of \$4 though higher than the income of the international daily wage, is 47% lower than what the Fair Trade wage should be at \$7.59. More than illustrating the stark difference in wages within what these artisans actually receive and what they should receive, the chart reveals an important reason as to why people remain in poverty. As this chart proves, it is not that labor opportunities are unavailable, but if people are receiving a drastically low wage, insufficient to meet daily needs, then poverty remains. This is true for women working outside of the Fair Trade model and facing the struggles of trying to make ends meet. Through the tool of the fair trade calculator, businesses invested in ethical practices, like Global Girlfriends, are able to learn how much the artisans need to be paid in

order to provide for themselves and their families. Again, the calculator is not a stand-alone measure of what should be paid for all Fair Trade handcrafts, but the principles of Fair Trade must also be taken into account so that all aspects of labor are respected and recognized.

SECONDARY BENEFITS

As mentioned previously, cash income is the primary benefit resulting from involvement in the Fair Trade model. Yet, there are other significant, secondary benefits that result from Fair Trade. One that requires particular attention is democratic participation, which offers women an opportunity to become more involved in decision-making processes. Without the organization and unification offered by Fair Trade, struggling producers do not carry much weight in international trading negotiations. This is especially true for poor women producers who lack not only bargaining power within the international market, but also face the challenge of being silenced within their own communities. Oftentimes, they are prohibited to participate in activities outside of the home; therefore, limiting their capacity to pursue a better life. However, with Fair Trade they are able to find ways to work outside of the home and conjoin with other women to strengthen their political voice. Their increased benefits stem from the formation of cooperatives, which is the conjunction of producers working together within the same industry, and in the Fair Trade organization.

Along with fair wages and democratic participation, increased market access is another great benefit of Fair Trade that is much needed by producers in developing countries. Market access goes hand in hand with higher wages since “better access by small producers to domestic

and international markets means that they can reliably sell more produce at higher prices.”²² Limited market access leaves producers vulnerable and restricted in their options to sell their products and make a decent wage. For the most part, producers in developing countries are located in rural and secluded areas with limited or no transportation avenues. Therefore, when a buyer comes to their village they quickly jump at the opportunity of getting at least a small price for their produce or handcrafts, even if it is well below market price. Something is better than nothing when it comes to survival. On the other hand, increased market access “helps shorten trade chains so that producers receive more from the final selling price of their goods than is the norm in conventional trade via multiple intermediaries.”²³ This is also helpful since the inclusion of more people involved in the chain equals fewer dividends granted to the producer. The well-known wholesale store of Wal-Mart, Sam’s Club, now sells Fair Trade coffee because of this reason. Michael Ellgass of Sam’s Club, says that they are able to afford the Fair Trade price because “We are cutting a number of steps out of the process by working directly with the farmer,” therefore decreasing distribution costs by eliminating the middlemen.²⁴ This is crucial to improving the livelihoods of producers since according to the International Fund for Agricultural Development (IFAD), a specialized agency of the United Nations, in the case study of coffee producers in Uganda it was found that they earn less than one percent of the retail price of coffee sold in stores.²⁵ Aid to Artisans or ATA is one such organization that works in partnership with the United States Agency of International Development (USAID) to help producers. With over 30 years of experience working with handcraft artisans in over 110

²² "Access to Markets: Making Value Chains Work for Rural People," *IFAD: Enabling poor rural people to overcome poverty*, accessed June 1 2012, <http://www.ifad.org/english/market/index.htm>.

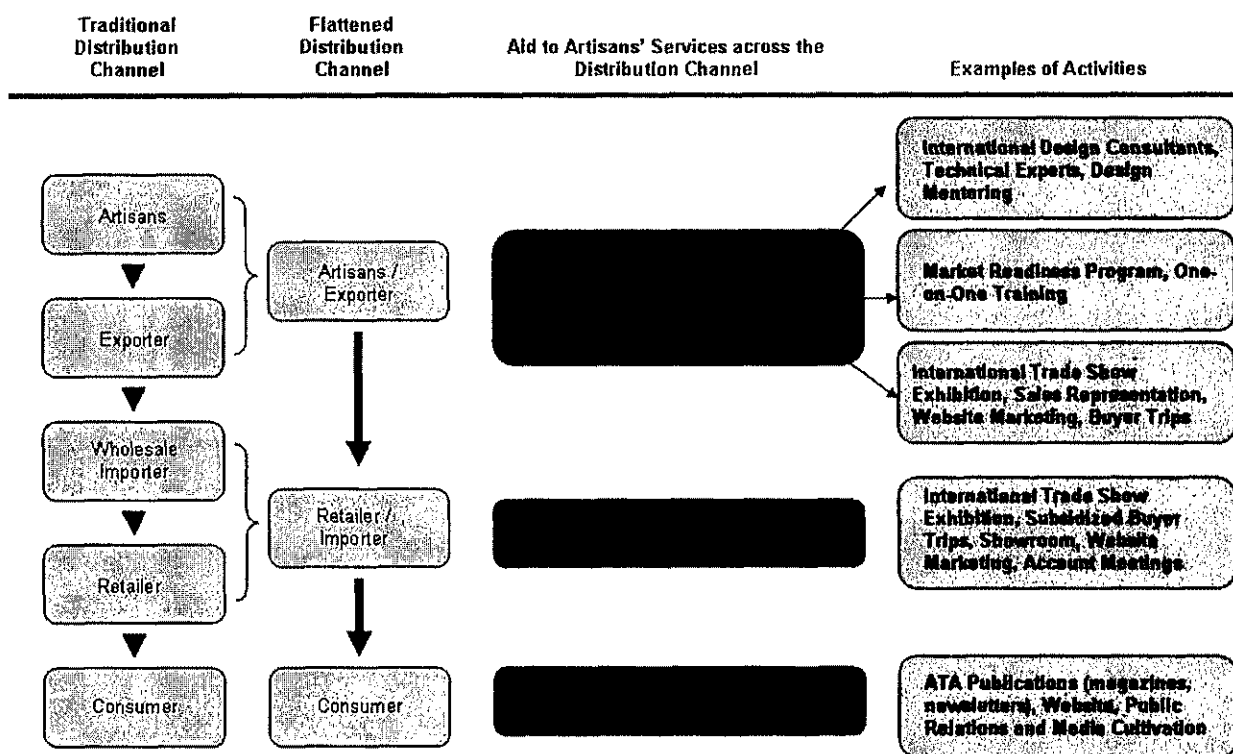
²³ "A Charter of Fair Trade Principles," *Fair Trade Advocacy Office*, accessed October 22 2012, http://www.fairtrade-advocacy.org/images/stories/FTAO_charters_3rd_version_EN_v1.2.pdf.

²⁴ Andrew Downie, "Fair Trade in Bloom," *The New York Times*, accessed June 1 2012, http://www.nytimes.com/2007/10/02/business/worldbusiness/02trade.html?pagewanted=all&_r=0.

²⁵ "Access to Markets: Making Value Chains Work for Rural People," *IFAD: Enabling poor rural people to overcome poverty*, accessed June 1 2012, <http://www.ifad.org/english/market/index.htm>.

countries, ATA has provided effective assistance to more than 125,000 artisans in helping them to shorten the distribution cycle that Fair Trade has abetted. Figure 2 demonstrates where in the cycle ATA provides the assistance.²⁶

Figure 2: Aid To Artisans’ Flatten Distribution Channel



Source: <http://egateg.usaid.gov/resources/175>.

It is a great asset to be able to flatten or shorten the distribution chain and have more direct trade; however, as Aid to Artisans points out, “Even though a player is removed from the

²⁶ Marilyn Hnatow, "Aid to Artisans: Building Profitable Craft Businesses, Notes from the Field No. 4," *The Business Growth Initiative*, accessed June 1 2012, <http://egateg.usaid.gov/resources/175>.

distribution channel, the responsibilities and the associated costs are not removed.”²⁷

Therefore, it is necessary to have the right agencies or organizations that are equipped to fill in for the deficiencies.

Another secondary benefit is safe and healthy working conditions. For example, under the Fair Trade standard of environmental protection there are certain pesticides and harmful chemicals that are prohibited from the production process of goods sold under the Fair Trade label. This not only ensures environmental sustainability, but helps protect farmers and artisans who, outside of the Fair Trade system, are exposed to these harsh conditions. Fairtrade International provides a list of prohibited materials (PML), which include chemicals and pesticides that cannot come in contact with the “production, post- harvest treatment, processing, storage and transportation.”²⁸ There are items on the Red List that cannot be used at all, but those on what they call the Amber List are materials that are currently under the evaluation of Fairtrade International. Below is a sample of what can be found on the PML:

²⁷ Ibid.

²⁸ "Fairtrade International Prohibited Materials List," *Fairtrade Labelling Organizations International*, accessed October 22 2102, http://www.fairtrade.net/fileadmin/user_upload/content/2012-01-10_PML_Red_and_Amber.pdf.

Figure 3: Fairtrade International's List Of Prohibited Materials

Substance
1,2 dibromethane (ethylene dibromide) (EDB)
1,2-dichloroethane (ethylene dichloride)
2,4,5-T (2,4,5-trichlorophenoxyacetic acid) and its salts and esters (dioxin contamination)
3-Chloro-1,2-propanediol (Alpha-chlorohydrin)
Acrolein
Aldicarb
Aldrin
allyl alcohol

FAIR TRADE HISTORY AND PRESENT-DAY

Movements such as Fair Trade usually begin with some impetus event that causes the shift of course; however, it is difficult to pinpoint any one occurrence that brought about the start of Fair Trade. "From crop to cup, a fair trade" has been the idea behind Fair Trade since its inception.²⁹ The first initiators of Fair Trade sought a simple way to ensure a fair trade where the exchange of goods honored the maker or farmer behind the product. Originally it was known as an alternative market, in earlier texts and even today the term used is alternative trade. Although today agricultural products, specifically coffee, are at the forefront of Fair Trade goods, the first products sold in Fair Trade markets were handcrafts. The first establishments of

²⁹ "About Us: Staff," *Cafe Campesino*, accessed June 1 2012, http://www.cafecampesino.com/staff_a/170.htm.

alternative trade originated from the efforts of faith-based groups in the 1940s and 1950s.³⁰

The first Fair Trade “stores” started in the churches themselves with the congregation members being the first customers. According to the Fair Trade Resource Network, organizations with church affiliations in North America are “the oldest and among the largest fair traders.”³¹ Ten Thousand Villages was the first to open a retail store in North America in 1972. SERRV or Sales Exchange for Refugee Rehabilitation and Vocation is also one of the first pioneers in the movement with its roots in the church as well. SERRV continues to be one of the leading sales hubs of Fair Trade products with \$9.5 million in sales.³² Its original focus was on helping refugees after World War II, but since then it has broadened its reach to help eradicate poverty wherever it exists.³³ They used the term fairly traded goods, which in their own words is described as, “a system that not only aims to pay fair wages, but also creates long-term, direct trading relationships based on dialogue, transparency, equity and respect.”³⁴

Those who laid out the foundation of Fair Trade were responding to the dire needs of far off, third-world producers. Their talent and skills were recognized and the idea of alleviating poverty through income-generation was born. In the end as Conceição Peres da Costa, a cooperative member in Brazil clearly says, “Everybody wants to earn as much as he can.”³⁵ According to the Charter of Fair Trade principles, which was adopted by both WFTO and FLO in 2009, Fair Trade is “fundamentally, a response to the failure of conventional trade to deliver sustainable livelihoods and development opportunities to people in the poorest countries of the

³⁰ Grimes and Milgram, 12.

³¹ “Brief History of Fair Trade,” *Fair Trade Resource Network*, accessed June 1 2012, <http://www.fairtraderesource.org/wp/wp-content/uploads/2007/09/History-of-Fair-Trade.pdf>.

³² “Serrv to Enrich and Inspire: Our Story,” *SERRV*, accessed June 1 2012, <http://www.serrv.org/category/our-story>.

³³ The name SERRV is an acronym that stands for Sales Exchange for Refugee Rehabilitation and Vocation.

³⁴ “Serrv to Enrich and Inspire: Our Story,” *SERRV*, accessed June 1 2012, <http://www.serrv.org/category/our-story>.

³⁵ Downie.

world.”³⁶ Today it is a multi-million industry with growing awareness among its clientele. If measured by numbers, Fair Trade has proven to be successful since “More than 1.2 million producers and workers in 58 developing countries now benefit from global Fairtrade sales.”³⁷

Fair Trade goods, though only a fraction of sales in the broader market, are stocking more shelves in grocery stores than ever before. This is in great part due to the pressures and higher standards demanded by Fair Trade proponents and consumers. *The New York Times* compares the growth to the organic movement in that more and more consumers have gained awareness of Fair Trade certification and its implications. According to a study of consumers conducted by the National Coffee Association, 27 percent of Americans knew about Fair Trade and the percentage continues to increase.³⁸ The article points out that more producers are agreeing to the terms of Fair Trade “as importers and retailers rush to meet a growing demand from consumers and activists to adhere to stricter environment and social standards.”³⁹ Moreover, Paul Rice, president and chief executive of TransFair USA confirms its growth, “We see a real momentum now with big companies and institutions switching to fair trade.”⁴⁰ Such large companies include Sam’s Club, Dunkin’ Donuts, McDonald’s and Starbucks. But this also brings about the issue of those companies who sell Fair Trade as only a fraction of their supply, and yet still market their brand as “Fair Trade.” One example is the world’s largest coffee business, Starbucks, with only eight percent of its supply as Fair Trade certified.⁴¹ This goes to

³⁶ “A Charter of Fair Trade Principles,” *Fair Trade Advocacy Office*, accessed October 22 2012, http://www.fairtrade-advocacy.org/images/stories/FTAO_charters_3rd_version_EN_v1.2.pdf.

³⁷ “What Is Fairtrade,” *Fairtrade Labelling Organizations International*, accessed October 22 2012, http://www.fairtrade.net/what_is_fairtrade.html.

³⁸ Downie.

³⁹ *Ibid.*

⁴⁰ *Ibid.*

⁴¹ William Neuman, “A Question of Fairness,” *The New York Times*, accessed June 1 2012, <http://www.nytimes.com/2011/11/24/business/as-fair-trade-movement-grows-a-dispute-over-its-direction.html?pagewanted=all>.

show both how influential the pressures of consumers and others can be and how limited is their ability to compel large companies to fully adopt Fair Trade practices.

METHODOLOGY

Again, the focus of the thesis is evaluating the impact of the Fair Trade model on alleviating poverty and empowering women handcraft producers in developing countries. I use various scholarly articles and books relating to Fair Trade and also touching on gender studies. I include interviews with Stacey Edgar, owner of Global Girlfriends and Anna Richerby, owner of Beloved Beadwork. Additionally, I contribute my first-hand experience with two of the case studies, Beloved Beadwork and Heartworks located in Cape Town, South Africa. In hindsight, it would have been beneficial to have a systematic approach to the research of the four case studies I use for the applied analysis. However, I was not able to use the same approach with all case studies since they were not all available for interviews. In the remaining chapters supporting evidence is derived from second-hand accounts of researchers who conducted interviews with the participants and field research of the Fair Trade organizations themselves. This does allow for risks in providing a non-biased and clear perspective on Fair Trade's impact to poor women producers because of the possibility of the organizations' portraying an unblemished image of themselves. However, the interviews with the individual employees helps shed a more comprehensive and non-biased look into their reality of the circumstances.

OUTLINE OF CHAPTERS

In the following chapters I will focus in depth on the benefits of Fair Trade for women in the context of their responsibilities of caring for their families. I will demonstrate the daily struggles they encounter and the challenges of rising above poverty. Fair Trade will be posited

as a solution for women to gain wealth, political leverage, and self-confidence. Chapter Two offers a more theoretical approach to the study of women in the marketplace. This chapter highlights the demands on women in their roles as mothers, wives, and participants in communal societies. It also highlights the opposition they sometimes face from family members and other challenges obstructing their pursuit to improve their lives and the lives of their children. In Chapter Three, the primary and secondary benefits of Fair Trade mentioned previously will be examined and applied to the unique experience of women. Here I will offer examples of how cash income and the other benefits, including democratic participation, affect the quality of life for women in the developing world. The core of this thesis is found in Chapter Four in which real-life occurrences will be used to determine the applied ramifications of Fair Trade. This is where the research moves from theoretical to applied analysis. By using case studies of both successes and failed attempts of the Fair Trade model, I will assess whether the model has had more positive than damaging impacts. Moreover, in this chapter the business model of Beloved Beadwork, a South African business is offered as an alternative approach to address the gaps in the Fair Trade model.

CHAPTER 2

WOMEN IN THE MARKET

As mentioned before, employment in market trading is a commonality among women. For anyone who has travelled internationally and visited a market, the presence of women traders is apparent. It is easy to find a woman weaving a basket, or a woman selling threaded bracelets. This is not to say men do not participate in this line of work, but traditionally market trading is left to women in many cultures. According to a United Nation's fact sheet of women traders in Africa, "The contribution of women informal traders to national GDP amounts to 64% of value added in trade in Benin; 46% in Mali and 41% in Chad."⁴² This is a small snapshot showing the large number of women involved in the market trading business. Because this type of employment is so common among women, ensuring a sustainable and fair wage through the Fair Trade model for market traders and handcraft producers would have a great impact.

There are various reasons as to why women choose this type of work as a source of income. As the United Nations points out, "Where formal employment opportunities are not accessible, women often seek livelihoods for themselves and their dependents in the informal sector." Accessibility is the key term. Market trading is chosen as a second option most often because they cannot acquire employment elsewhere. It may not be their first choice of work; however, there are certain advantages to home-based employment as mentioned before that appeal to women living in these restrictive environments. Because many women are not only breadwinners for their families, but also hold the responsibility of tending to household chores and childrearing, being able to meet both duties is crucial. Thus, flexibility is an important factor that helps them fulfill the dual roles of housewives and working mothers. Additionally, the

⁴² "Unleashing the Potential of Women Informal Cross Border Traders to Transform Intra-African Trade," *UN Women*, accessed June 14 2012, <http://www.unwomen.org/publications/unleashing-the-potential-of-women-informal-cross-border-traders-to-transform-intra-african-trade/>.

ability to work from home helps those women who are culturally restricted to their homes and cannot seek employment in the public sector.

As we explore more in depth the lives of women in the market it is important to highlight qualities that characterize their roles as not only traders, but also women traders. One distinction is dependence; many women are heavily dependent on male figures. Also women have a cultural pressure, if not an inclination to be solely responsible for the well being of their children. In addition to their dependency and familial responsibilities, women can be emotionally burdened by their circumstances. Moreover, some women face the challenge of families who may not support their work. Or another challenge is women having to care for additional family members, thus tacking on financial burdens to the household. Finally, women in poverty have a particular vulnerability to domestic violence that is perpetuated within an environment of hardship and deprivation. Before these particulars of a woman's experience and household responsibilities are explored further, it is important to highlight the unique effects of poverty on women in contrast to men. Some scholars refer to this distinction as the feminization of poverty, which distinguishes from men the struggles of women living in poverty with the purpose of understanding more clearly the impact of poverty on women and the family unit as a whole.

THE FEMINIZATION OF POVERTY

For decades attempts to bring solutions to solve the world's problem of poverty have existed. Yet, it was the decade from 1975-1985, which was a milestone for the study of women in development. In this momentous period, the United Nations honored the importance of women in development by marking it the United Nations Decade for Women. Hence, more attention was devoted to this area and development studies slowly became aware of the power

of women and their impact on the world economy and community life.⁴³ This was much needed attention since the disparity in the number of poor women compared to men is significant. Women in developing countries face the challenges of poor education and low-paid jobs more than men. According to the United Nations' MDG Report, "Even when women represent a large share of waged workers, it does not mean that they have secure, decent jobs. In fact, women are typically paid less and have less secure employment than men."⁴⁴ Within the larger international trade organizations, such as the World Trade Organization (WTO) there exists a lack of attention to these gender disparities. Author, J. S. Rice makes reference to this issue. She states, "While gender equality is viewed as necessary for the economic development of LDCs, the attention of the WTO and other policymakers to the direct relation between women and trade is limited due to assumptions that gender inequality is a social issue rather than an economic issue." Rice goes on to say that because there exists a misconceived notion that gender talks do not belong in economic institutions this problem has been allowed to persist.

Furthermore, focusing on women's unique case has also helped researchers uncover the truth that lies behind the sometimes "romantic mist" surrounding families in developing countries. When looking at only the surface of the family unit, without consideration for women's particular experience, outsiders tend to idealize and simplify the existing relationships. Diane L. Wolf, a researcher in this area affirms, "The problem with these comforting, consensual images is that they miss entirely intra-household relations of power, subordination and perhaps conflict and dissent."⁴⁵ This is another reason why the focus of this thesis hones in on women.

Research on the Fair Trade model has primarily focused on coffee farmers, who are

⁴³ Dignard and Havet, 29.

⁴⁴ "The Millennium Development Goals Report," *United Nations*, (2010): 1-75, accessed February 20 2013, <http://www.un.org/millenniumgoals/pdf/MDG%20Report%202010%20En%20r15%20-low%20res%2020100615%20-.pdf>.

⁴⁵ Diane L. Wolf, "Daughters, Decisions, and Domination," in *The Women, Gender, and Development Reader*, eds. Nalini Visvanathan et al., eds. (London; Atlantic Highlands, N.J.: Zed Books, 1997), 129.

predominately men in many parts of the world. Therefore, research on women in Fair Trade for the most part, has been limited. The need for this attention to women also extends to policy-making decisions and funding. Sanam Naragh Anderlini points out that without the proper measurement and statistical information it is difficult to convince international institutions and donor countries to realize the need of women and therefore funding is lost.⁴⁶

Additionally, the approach of feminization of poverty provides deeper insight in understanding the underlying effects of poverty on a woman's life and in turn on family life as a whole. In her article, "What Does Feminization of Poverty Mean?" Sakiko Fukuda-Parr explains that this idea departs from the traditional view of poverty, which is measured only as the lack of income. Instead, it measures poverty based on deprivation. She posits, "Poverty can mean more than a lack of what is necessary for material well-being. It is in the deprivation of the lives people lead that poverty manifests itself."⁴⁷ She goes on to say that poverty is the lack of opportunities and the inability to make choices that are basic to human life, which impedes people from living a decent life of "freedom, dignity, self-esteem, and respect from others."⁴⁸ This approach offers a more comprehensive view on the implications of poverty. It is particularly true in the case of women. More so than men, the majority of women in developing countries are often times deprived of opportunities such as getting an education or pursuing employment outside of their homes. Many are required to meet the social expectations of getting married and having children. For the most part men do not face the same limitations. This difference of treatment between genders keeps females restricted and undervalued, with barriers to their future in terms of bettering their lives. There are instances where women have experienced an

⁴⁶ Sanam Naraghi Anderlini, *Women Building Peace: What They Do, Why It Matters* (Boulder: Lynne Rienner Pub., 2007), 209.

⁴⁷ Sakiko Fukuda-Parr, "What Does Feminization of Poverty Mean? It Isn't Just Lack of Income," *Feminist Economics* 5, no. 2 (1999): 99-103, 100.

⁴⁸ *Ibid.*

improved quality of life because of their involvement in Fair Trade. This is beyond the material and primary benefit of cash income, but addresses the notion of the power of choice and freedom from dependency on men. In the following chapter the benefits of the Fair Trade model, in particular this issue of self-esteem and opportunities for growth will be addressed.

HUMAN POVERTY INDEX

Another important contribution to this specialization of poverty is the human poverty index (HPI), which provides a way of measuring poverty in terms of the availability of opportunities and choice. HPI was introduced by the United Nations and entails four key dimensions, including survival, knowledge, decent standard of living, and social participation. These elements of measurement broaden attention beyond poverty based solely on income to include non-income aspects, such as opportunities for education. The chart below shows the stark difference between developing and industrial countries in each dimension. Fukuda-Parr assesses this as a more thorough method of measuring the feminization of poverty because “Empirical studies of poverty focusing on income can mask poverty of choices and opportunities.”⁴⁹ This is proven true in certain situations such as when the female-headed household has a higher income than the male-headed household. If solely income is considered, it may appear that the higher income household is better-off, but this is not always the case. When applying the categories of HPI, the study can reach deeper layers of poverty to determine such things as whether the female-headed household has access to healthcare facilities, or if she have political participation opportunities available to her. Also, as Fukdada explains, in situations where women are excluded from such realms of decision-making opportunities, this can have deeper, more harmful effects on the lives they lead than does their income differences. To offer

⁴⁹ Fukuda-Parr, 101.

a final emphasis on the issue of women's unique experience in poverty, the World Health Organization states, "To look at the world through the eyes of women is to bring hidden issues into the open. It suggests different priorities and alternative solutions."⁵⁰ Therefore, once these issues are brought to light then new and more efficient solutions can come about. With a better understanding of the deep-rooted impediments encountered by women in poverty, we, as researchers have an opportunity to uncover possibilities of growth and transformation in the area of development. Moreover, power can be given back to women in development who are oftentimes regarded as vulnerable and meek. Particularly in looking at the model of Fair Trade this can also prove beneficial to help further the empowerment of women. As Jeanne Koopman evokes, what we need is a "portrayal of Third World women as active participants in social change in their own right."⁵¹

⁵⁰ "Women's Health: WHO Position Paper, Fourth World Conference on Women, Beijing, China, 4-15 September 1995." *World Health Organization*, (1995): 1-61, accessed June 1 2012, <http://www.who.int/iris/handle/10665/59527>.

⁵¹ Visvanathan et. al, eds., 132.

Figure 4: What Does Feminization Of Poverty Mean?

WHAT DOES FEMINIZATION OF POVERTY MEAN?		
	<i>HPI-1 (developing countries)</i>	<i>HPI-2 (industrial countries)</i>
<i>Dimension</i>	<i>Indicator</i>	<i>Indicator</i>
Poor survival	Likelihood of dying before age 40	Likelihood of dying before age 60
Exclusion from knowledge	Illiteracy	Functional illiteracy (level 1 in IALS)
Decent standard of living or lack of material means	Malnutrition, lack of access to health and water	Income below poverty line
Social exclusion	–	Long-term unemployment

Source: Fukada-Parr, 101.

WOMEN'S DEPENDENCY ON MEN

Although it is a right that should be exercised by all women, having the option of complete independence and autonomy from male figures is not a reality for all women across the world. This is one of the debilitating factors that impede women from moving forward and pursuing opportunities to get out of poverty. As mentioned before, women have the power to make great strides in poverty alleviation, yet they can be held back by the gendered restrictions imposed on them. Such barriers or impositions can be as extreme as threats on their lives. For example, Sarah Lyon points out that in cases where women have attempted to make a living for themselves in market trading or having participated in artisan associations, incidences of harassment or even murder have been recorded. Lyon states that this is primarily due to

gender roles being challenged.⁵² Obviously these are extreme cases, but nonetheless many women still face resistance from their husbands or fathers to better their situation. Even within the Fair Trade model, opposition from husbands and community members has been a challenge for women who engage in it.

According to Hilary Standing, “No assumption can be made that the capacity to command a wage automatically guarantees women access to a major or equal share of fruits.”⁵³ In many situations, men hold control over the finances and determine how much is allocated for the needs of the household. Even if a woman does contribute to generating income for the family, she may be restrained from managing her own money. Moreover, Standing, who focused her research in in Calcutta on women’s employment and their relationship with families, found that “Women’s contributions are often culturally evaluated as less important than those of men and that this may produce conflict rather than unity in decision making.”⁵⁴ Not only do these women encounter criticism and judgment from others, but at home tensions can arise from husbands who find it a threat when their wives have their own money to fall back on. To illustrate this even further, Stacey Edgar, as an experienced businesswoman working with women artisans in the developing world and owner of Global Girlfriends, describes an example relating to the power struggle of men over women. She shares that there was a group of women crafters in a village in Kenya, who unlike other women in the surrounding area, had never sold products in the local markets and were unfamiliar with the craft-making business. However, through a project initiated by one of the partners of Global Girlfriend the women began making crafts and earning a wage. This caused a disruption to the accustomed way of village life. As a

⁵² Sarah Lyon and Mark Moberg, *Fair Trade and Social Justice: Global Ethnographies* (New York: New York University Press, 2010), 135.

⁵³ Hilary Standing, *Dependence and Autonomy: Women's Employment and the Family in Calcutta* (London; New York: Routledge, 1991), 87.

⁵⁴ Ibid.

result, Edgar explains, the women were showing up at the doorsteps of the project location having been beaten by their husbands. Astonished by this backlash and concerned that the women were now worse off, the project staff threatened to shut down the program. Soon after, they received an unexpected visit from the tribal men, with the husbands of the women artisans among them, exclaiming, “why have you stopped the program, my wife was earning money and now she’s not.” The project workers stood firm and told them that they would not continue the project unless all the men in the village committed to not laying a hand on their wives. In realizing the financial advantages of the project and the potential for improving their families’ living conditions, in three days time the men came back and agreed to change their behavior towards their wives.⁵⁵

Although this story has a happy ending, it reflects the common reality of women often impeded by their husbands. Women are oftentimes held back by their husbands. Standing offers a possible reason as to why male dependence is so prevalent within impoverished communities. She argues that it is in part due to the misconception that a woman’s contribution to the house, whether from wages or doing household chores, is perceived to be less significant than that of men. Therefore, women can be made to feel of lesser value and forced to rely more on their husbands not only for financial support, but also for a sense of worth. This unhealthy dependence on men can create great barriers to achieving a better quality of life. Moreover, Johanna Lessinger points out that women who work outside of the household must juggle the roles of “domestic women” and “employed man,” and yet they face the even greater challenge of “an underlying patriarchal ideology that defines men and women as different orders of being⁵⁶” This struggle of balancing gender roles is oftentimes unrecognized and unappreciated.

⁵⁵ Stacey Edgar, Interview by Maribel Lora, April 2 2012.

⁵⁶ Seligmann, 75.

Therefore, women continue to face challenges in breaking free from dependency on male figures.

In contrast to male-centered homes, there are instances where women who do not have husbands in their households are actually better off. One such example comes from Carmela whose story was related in the first chapter. She shares that her husband, even though he worked, never gave her or her children any money. "Well finally I kicked him out of the house... I've been alone for five years, and I've changed so much," she exclaims. Carmela now works for UPAVIM's primary school.⁵⁷ Although faced with the challenge of being the sole breadwinner and caretaker of her family, this single-mother manages to overcome the odds and make a better life for herself and her children. It has been found that impoverished women give a greater portion of their income to provide for their children in contrast to men, who use their income for their own personal benefits. Hilary Standing in her research in Calcutta observes, "In some households, food may compete with liquor, while in others, educational and health priorities are a contested issue. These conflicts are often gendered, signifying different social investment priorities for women and men."⁵⁸ This is one of the reasons why Fair Trade can be so powerful. Fair Trade gives women the opportunity, if not the guarantee, to obtain extra money. This at times also translates to women having control over their own money, although this is not a benefit that is guaranteed. The following chapter discusses the different investments women make with their income, including using it for their children.

Another study comes from Sylvia Chant, who conducted various interviews of female-headed households in Queretaro, Mexico. In these instances the husbands had either died or left the house. What she found was that the women's economic situations had improved. Some women explained that this was due to having control over the house budget and being able to

⁵⁷ Grimes and Milgram, 100.

⁵⁸ Standing, 109.

allocate monies weeks ahead according to the needs of the family.⁵⁹ This is in contrast to men who tend to spend their earnings on themselves, buying alcohol, gambling, or other vices. According to Chant, "Many women who lived with volatile husbands stressed that they could never budget effectively because of the variable amount that their husbands gave them for 'housekeeping' each week."⁶⁰ Chant uses the term "secondary poverty" to describe the level of poverty women and children face when the male-head of the household withholds a portion of his wages to spend on his personal uses, which results in deprivation for the rest of the family.⁶¹ However, when women have control over the family finances they are able to manage money more consistently to meet the needs of the household. This is perhaps due to the fact that the women are the ones encountering first-hand the necessities of the house day-to-day, such as clothes, food supply, and house maintenance.

In addition, according to other studies found in *The Women, Gender, and Development Reader* women who make an income for themselves contribute their monies more to the needs of the family and providing for the household, rather than spending it on themselves.⁶² Jeanne Koopman emphasizes, "Recent research has revealed a positive correlation between women's monetary incomes and children's nutrition. It has not been able to establish a similar correlation between increases in men's incomes and improvements in children's nutrition."⁶³ Therefore, "Women's enterprises and incomes are more explicitly oriented toward the maintenance of household food security than are men's."⁶⁴ It is important to note that this is not the case across the board. Every household is different, but this is what has been revealed in various studies. Consequently, more emphasis should be placed on creating income opportunities for women

⁵⁹ Visvanathan et. al, eds., 157.

⁶⁰ Ibid.

⁶¹ Ibid.

⁶² Ibid.

⁶³ Ibid., 137.

⁶⁴ Ibid.

because of its tremendous and positive ripple effects. Familiar with these ripple effects in the Fair Trade model, Stacy Edgar points out, "When women have an income, they reinvest it in their children's health, nutrition, and education, creating stronger families and communities over time."⁶⁵

EMOTIONAL BURDENS

Living in destitute conditions of limited food supply, limited or no access to water, and other challenges of poverty can be emotionally burdening to the family as a whole. However, it is particularly painful for a mother who must look into her child's eyes and tell him or her there is no dinner that day. This emotional burden of not being able to provide for her family can have long-lasting and serious implications on a woman's mental health. One possible effect is depression. While the research done in this area of study is limited and lacking data in developing countries, the World Health Organization (WHO) found that female cases of depression are about twice the male rate.⁶⁶ The WHO highlights possible factors affecting women's mental well-being as including poor socioeconomic livelihoods, the responsibilities and pressures that arise from maintaining a single-parent household, the victimization of physical or sexual abuse, and other stresses. Women in developing countries are more vulnerable to these factors and at many times feel trapped in a perpetual cycle of hardship and despair.

In cases where women find an outlet to better their living conditions, whether it is through earning their own wages or socializing in the market, they can still feel like second-class citizens. Fettered by cultural expectations and male-dominated ideologies it is difficult for a woman to feel that she is worth something, especially when all those around her and her

⁶⁵ Edgar, *Global Girlfriends*, 5.

⁶⁶ "Women's Health: WHO Position Paper, Fourth World Conference on Women, Beijing, China, 4-15 September 1995." *World Health Organization*, (1995): 1-61, accessed June 1 2012, <http://www.who.int/iris/handle/10665/59527>.

circumstances paint a contrasting image of despair. In many developing countries, women are brought up to depend on the male figure in their lives for everything- from their fathers to their husbands. As a result, women sometimes feel inadequate to engage in things traditionally considered part of the “men’s world,” such as politics and leadership opportunities. A good example is given by Johanna Lessinger who did research with female market traders in Chennai, India. She observed that the women stepped down from roles of organizing and leadership and left them to the male traders. She suggests, “These women who have some economic autonomy nevertheless still see themselves primarily as wives and mothers who are sojourning, temporarily, in the male world of work and politics.”⁶⁷ Instead of trying to get more involved in these kind of activities that may lead to higher-standing positions, they oftentimes shy away because they lack confidence in themselves and feel that they cannot change their circumstances, or choose not to endure the negative consequences that may arise from assuming those roles.

WOMEN’S ROLE AS CARETAKER

One of the most important roles women assume is the role of caretaker, caring for the home and the family. It is not uncommon for women in developing countries to become caretakers for not only their immediate family, but distant family members as well, such as parents, nieces and nephews, and in-laws. According to the United Nations, women in the informal sector of West and Central Africa “support on average 3.2 children as well as 3.1 dependents who were not children or spouses.”⁶⁸ It is common for women to have in-laws or children of siblings who have died to live in their household in addition to their own children. An

⁶⁷ Seligmann, 79.

⁶⁸ “Unleashing the Potential of Women Informal Cross Border Traders to Transform Intra-African Trade,” *UN Women*, accessed June 14 2012, <http://www.unwomen.org/publications/unleashing-the-potential-of-women-informal-cross-border-traders-to-transform-intra-african-trade/>.

artisan from a Mumbai slum describes the burden she had to assume when her father died. Since her sister had gotten married and her mother was ill, she had to take over the responsibilities of her parents' household in addition to her own.⁶⁹ Some of the responsibilities include, cooking, cleaning, fetching water, and laundry, all of this for five or more people. In a cooperative in India, the artisans in the group have an average of 5.3 members in their family, with at times having anywhere from two to thirteen extended family members in the household.⁷⁰ It is not enough that they struggle to find work outside of the home, but in addition they carry the burden of caring for extended family members. This informal work as a caretaker can stand in the way of women attempting to earn money to better their families' situation. Lynne Milgram stresses that because it falls on the women to take "care of children and the domestic sphere, they often find their mobility severely restricted. As a consequence, they have limited access not only to jobs but also to education, training opportunities, and, in this case, foreign markets."⁷¹

HOUSEHOLD CHORES

In addition to caring for the family, women must tend to the maintenance of the household. They are responsible for the daily necessities, such as fetching water and fuel and preparing food for meals, such as mashing corn. Moreover, a woman's work in developing countries can also consist of farm work for those living in rural areas, which entails the harsh work of plowing, cultivating, and harvesting. It is difficult to imagine that all of these duties can be accomplished with the limited time and resources of women living in conditions of poverty. Though it has been described before how difficult their circumstances are, it is important to

⁶⁹ Mary Ann Littrell and Marsha Ann Dickson, *Artisans and Fair Trade: Crafting Development* (Sterling, VA: Kumarian Press, 2010), 94.

⁷⁰ *Ibid.*, 90.

⁷¹ Lyon and Moberg, 139.

highlight the extent of difficulty these additional tasks entail. Firsthand, the tools used for farming activities are generally outdated and inefficient, which means it takes more time and hard labor to complete the job. There has not been a substantial effort to create and equip rural women with advanced tools to make their labor more productive and efficient. Even the necessity of water is a daily hassle requiring a walk to the well or nearby river and carrying the jugs back home. Some are fortunate enough to have water resources close by, but others must walk miles to fetch water. This can amount to a task of two hours a day, cutting into time spent doing more productive work for income generation. Getting fuel for cooking and heating is another time-consuming task that is necessary for daily survival. For meal preparation, it is obvious that impoverished women do not have the convenience of pre-cooked meals and grocery stores at their disposal; therefore cooking requires much time that limits their time for other tasks. All of these tasks are additional barriers to improvement and development. One Nepalese woman, when asked how her health could be improved, responded, "What we really need for our health is a bridge across that gorge. It would cut two hours off the trip for firewood."⁷² Her response is an indication of how burdensome these tasks can be. Others have expressed that they find most difficult the chores of carrying water, finding wood, doing laundry, working in the fields with inefficient tools, preparing food, and cooking with fuels and antiquated equipment.⁷³

⁷² "Women's Health: WHO Position Paper, Fourth World Conference on Women, Beijing, China, 4-15 September 1995." *World Health Organization*, (1995): 1-61, accessed June 1 2012, <http://www.who.int/iris/handle/10665/59527>.

⁷³ Jasleen Dhamija, "Handicrafts: A Source of Employment for Women in Developing Rural Communities," *International Labour Review* 112, no. 6 (1975): 459-465, 460.

WOMEN AS MARKET TRADERS

Some women also must play the role of breadwinner. At times women must provide financially to the household due to insufficient income from their husbands, or perhaps they are the only ones able to work. As a means of employment, they commonly resort to selling in the market. This is a viable solution for many women in these situations because of the flexibility it offers. Flexible work is of high priority to women who are also homemakers, since as Linda Seligmann says, women enter the market as mothers and, "Their activities at home and in the workplace are not separated from one another."⁷⁴ Therefore, they need a job where they can manage to bring in money, but also care for their families simultaneously. This is another reason why working in the Fair Trade market is so appealing to women. Within most Fair Trade businesses, women have the opportunity to work at home, taking the materials home to create handicrafts and returning the completed product to the central location and get paid for their work. Other job sectors are not so flexible; however, and women may be forced to work in the locale of business for 10-12 hours a day and afterwards go home and tend to their families. In contrast, market trading cultivates a better environment where women can provide sustainable income for their families without sacrificing their roles as caretakers. Seligmann emphasizes, "Women will enter the market as an extension of household tasks they perform as well as to make possible the economic survival of those household and, particularly, to secure the survival of their children."⁷⁵

The other and less desirable job alternatives include farming and working in factories located in the distant urban areas. Farming can be bountiful and flexible enough for women to tend to while taking care of daily needs of the family; however, a major setback of farming is its volatility. It is too dependent on uncontrollable elements, such as the weather, pests, and

⁷⁴ Seligmann. 11.

⁷⁵ Ibid., 3.

market prices. If the produce does not sell it goes to waste, which means time is wasted, resources are wasted, and the opportunity to gain income is wasted. Furthermore, as Sarah Lyon points out much of the time the labor is paid per harvest, and thus the income does not go directly to the women.⁷⁶ As mentioned before men dominate this line of work, therefore, it is the men who collect the wages. Another substandard alternative for women in these circumstances is working in a factory. As mentioned before, working in factories requires daily transportation and also it removes the women from their homes. In addition, working conditions in factories are less than adequate, imposing long hours and little or no breaks. Flexibility of time does not exist in this type of work since the women feel increased pressure to get the job done, regardless of how many hours they have to work. Authors Carmen Deere, Helen Safa, and Peggy Antrobus mention the long list of reasons why working in factories is a less preferred form of employment. Some of the downfalls include, "The lack of public transportation, proper eating facilities, adequate medical services and child care."⁷⁷ It is important to note that though working in factories is not the primary choice of labor for these women, the majority of factory workers, especially in garment factories are women.

The opportunities available through handcraft trading are comparatively better for women and their families. The occupation offers the opportunity to earn an income while not neglecting the responsibilities of caring for the family. The United Nations highlights the importance and potential of this industry among women. According to a survey conducted by their department of Entity for Gender Equality and the Empowerment of Women, women traders across countries in Africa indicated that the earnings from their work is the main source

⁷⁶ Sarah Lyon, "We Want to Be Equal to Them: Fair Trade Coffee Certification and Gender Equity within Organizations," *Human organization: Journal of the Society for Applied Anthropology* 67, no. 3 (2008): 258-268, 261.

⁷⁷ Visvanathan et. al, eds., 272.

of income for their household.⁷⁸ Therefore, there is little doubt of the great weight this industry holds in development. This is true in the case of a woman named Mercy who lives in Kenya. She has four children and makes money weaving baskets. Although it takes about eight hours to complete just one basket, she is able to use the money to buy her family food, clothing, and pay school fees. What is significant is the fact that Mercy is able to tend to cooking, caring for the farm animals, and fetching water while she weaves a basket that will bring home money.⁷⁹ Yet, although participating in handcraft trading can be beneficial to a woman, such as Mercy, there are major impediments that stand in the way of success. Specific challenges for this type of employment will now be explored.

Market Access

The market in which most women try to sell their handcrafts is very small with limited exposure to international customers. For the most part these women may walk miles to the local market and sell their items informally using a table or blanket on the ground. Those who are fortunate enough to have access to tourist areas are able to bring home a larger amount. But still they face challenges. Sara Lyon, in her study of wives of Fair Trade cooperative workers, describes the hardship the women face in finding a market for their crafts- "Juana travelled to local communities and approached the owners of several large hotels to sell on the grounds of the hotel where a flow of foreign tourists was consistent, but she was repeatedly rejected and denied access to market opportunities."⁸⁰ Also there is strong competition in this industry and there is also the problem of hagglers. Since there are so many other vendors in the same area

⁷⁸ "Unleashing the Potential of Women Informal Cross Border Traders to Transform Intra-African Trade," *UN Women*, accessed June 14 2012, <http://www.unwomen.org/publications/unleashing-the-potential-of-women-informal-cross-border-traders-to-transform-intra-african-trade/>.

⁷⁹ Edgar, *Global Girlfriends*, 258.

⁸⁰ Lyon and Moberg, 138.

selling similar items, the customers have a chance to haggle for a lower price. Thus, the women vendors face the challenge of either making a smaller profit for their handicrafts or nothing at all. It is supply and demand at its finest. It is unfortunate, but the average tourist is oblivious to the time and effort spent making these products and are only concerned about the price they pay.

Stacey Edgar shares that in her first encounters with the women who would later become part of her Fair Trade business, they had very low expectations of the benefits available to them. She says, "What they wanted from me was to tell others about them...They wanted nothing but a hand up."⁸¹ Edgar makes reference to a very important part of Fair Trade: it is a hand up, not a hand out. The producers earned this money; it is not given to them. To revert to the original thought, market women are accustomed to very limited opportunities to sell their products; therefore any assistance in this area is appreciated. Another instance comes from a community in Guatemala. Sarah Lyon shares the story of a wife and mother named Marta who was able to fund her son's education with the profit she made from weaving hammocks and backpacks. She had sold her products directly to a man who lived in Guatemala City, but in 2000 the sales ended. The man told Marta he could no longer buy her hand-woven products because the United States' market was not responding to those type of products anymore. This left Marta "like many women in the community,... desperately (and fruitlessly) searching for alternative market opportunities to make up for lost income."⁸² It is evident that the lack of market access and business opportunities in this industry is a major obstacle.

⁸¹ Edgar, *Global Girlfriends*, 91.

⁸² Lyon and Moberg, 136.

Challenge of Obtaining Material

Craft or hardware stores are non-existent in rural, poor areas. Although this is stating the obvious, it is important to recognize the difficulty of obtaining the raw materials to make the handcrafts. One artisan who makes her living weaving protests, “We do not have the capital to buy thread.”⁸³ This is a common occurrence and a major impediment for handcrafters. Nobel Peace Prize recipient Muhammad Yunus encountered this challenge in beginning stages of forming his well-known micro-lending organization called Grameen Bank.⁸⁴ He tells the story of one woman who had to borrow money from a middleman to cover the cost of purchasing raw materials. She made just barely enough to repay the lender. He shares, “Her life was a form of bonded labor, or slavery. . . To survive she needed to keep working through the trader.”⁸⁵ To alleviate this problem, Fair Trade cooperatives buy materials in bulk and distribute them among the group. However, there is also the challenge of meeting quotas for wholesale purchases. Researcher Lynne Milgram shares an instance where substandard quality of yarn was given to the cooperative because the good quality was reserved to those who bought a certain quantity.⁸⁶ Moreover, Milgram explains that the color was not consistent with what was needed by the cooperative weavers so the women went elsewhere to find the right colors and therefore had to purchase the materials at full price, which lowered their financial return on their labor.

⁸³ Grimes and Milgram, 115.

⁸⁴ Grameen Bank was established in 1976 to provide micro-loans to poor women in the rural parts of Bangladesh. It has now blossomed to more than 250 institutions in more than 100 countries.

⁸⁵ Muhammad Yunus and Alan Jolis, *Banker to the Poor: Micro-Lending and the Battle against World Poverty* (New York: PublicAffairs, 2003), 48.

⁸⁶ Grimes and Milgram, 116.

CHAPTER 3

MONEY AND MORE: THE BENEFITS OF FAIR TRADE

Fair Trade has the potential to be a transformative measure in the lives of people who otherwise would not have opportunities for economic advancement. It is especially powerful for women who partake in the Fair Trade market since they are the more undervalued and underserved population. With Fair Trade women are afforded special benefits, including “training around business and marketing skills, credit and financial arrangements, design and quality control, and most importantly, a guaranteed ‘fair price’ for goods.”⁸⁷ Particularly the potential of Fair Trade handcrafts for women is untapped. As was mentioned in the previous chapter the handcraft industry supports the structure of a woman’s familial and economic demands. Yet, it is unfortunate that there is far less existing research in this area as opposed to the more prominent Fair Trade coffee or other agricultural products. As Patrick Wilson reiterates, “the vast majority of research on fair trade, as well as the bulk of fair trade activities, is oriented toward production of foodstuffs, coffee and chocolate leading the list; but artisan fair trade is a growing, although less clearly defined and regulated area within this trade niche.”⁸⁸ Nonetheless, the information that is available proves to be valuable in better understanding the potential Fair Trade handcrafts hold for women in development. In the following section the benefits of Fair Trade for women will be discussed in depth, including not just monetary rewards, but other tangible advantages that provide for a better, more wholesome life.

⁸⁷ Ann Le Mare, "Fair Trade as Narrative: The Stories within Fair Trade," *Narrative Inquiry* 17, no. 1 (2007): 69-92, 72.

⁸⁸ Lyon and Moberg, 176.

BUSINESS ASSISTANCE

Teamwork

Fair Trade has a for-profit structure, but it also acts as a non-profit in providing services to enhance business production. One way in which it accomplishes this is within the cooperative setting, which allows for more efficient production. Working in a group setting fosters teamwork where the women can work together and rely on one another to get the work done. A member from a cooperative in Kenya attests, "We can show each other how to weave and how to make different designs of baskets... When we are together we help the older women [whose eyesight is not so good] to identify the colours so that everything is uniform... If someone makes a mistake, it can be corrected."⁸⁹ Also, women working in large groups make it more feasible to get large orders, and achieving greater economies of scale. Furthermore, international buyers find them more appealing and reliable since they have an established group versus buying from an individual producer.⁹⁰

Market Access

Since one of the greatest challenges women handcrafters face is market access as discussed in the previous chapter, Fair Trade organizations also greatly assist women with expanding their consumer base. Lack of familiarity and awareness of market knowledge, is one of the primary reasons women struggle to succeed as handcraft producers. Moreover, as Sarah Lyon explains, "They are unfamiliar with the Internet and lack training in business

⁸⁹ Elaine Jones, Sally Smith, and Carol Wills, "Trading Our Way Up: Women Organizing for Fair Trade," *Women in Informal Employment Globalizing and Organizing* (2011): 1-122, http://wiego.org/sites/wiego.org/files/publications/files/Jones_Trading_Our_Way_Up_English.pdf.

⁹⁰ *Ibid.*, 27.

administration.”⁹¹ One way in which a Fair Trade business, called One Mango Tree in Uganda meets the needs of its artisans is by creating multiple venues for market access. They provide services in three ways- “Direct sale to customers through our online store, wholesale distribution through our retail partners, and private label work for other brands who are seeking ethical artisan production.”⁹² Another challenge to market access is geographical location since they are located in isolated villages away from cities and tourist traffic. But some Fair Trade organizations strive to minimize this challenge by providing a centralized location at walking distance where women can take their products without having to make the long trek to the city. One example is an organization called Association for Craft Producers of Nepal (ACPN), which reaches artisans in areas that have no road access. The producers take the handcrafts by foot to a central location amidst the hills, then the products are transferred by truck to the location where they will be exported. Thus, “Isolated artisans who might not otherwise have access to markets are able to sell their work.”⁹³ This is also the case of Beloved Beadwork, where the employees work from their distant homes and travel to the centralized facility to drop off their finished products and pick up new assignments only once a week. As a result, this minimizes their transportation costs and it gives them more flexibility of time to take care of other demands.

Research and Development

Those cooperatives that are well-established and successful are able to conduct market research and development. This helps to identify the current fashion trends in order to know what sells. Jane Henrici highlights this challenge affecting production. She says, “To adapt even

⁹¹ Lyon and Moberg, 139.

⁹² “Mission,” *One Mango Tree*, accessed February 20 2013, <http://onemangotree.myshopify.com/pages/mission>.

⁹³ Grimes and Milgram, 35.

slightly to a newly fashionable color or fit among European, Japanese, and U.S. customers requires more than last month's or even last season's marketing announcements."⁹⁴ This delay of output can be due to many factors, including the long distance travelled by the women to drop off their goods, the limited availability of raw materials, and most importantly their challenges in establishing the design and the training needed to create the new style. Therefore, research and development are vital contributions to the success of Fair Trade cooperatives. In the end it is a business that must appeal to its customers' tastes and customers' styles in the developed world. Stacey Edgar stresses product design as key to the success of her business and her competitive edge, which allows her to compete free market products. One of the ways in which she has accomplished this is cutting down on the embellishments. Though this may be in conflict with the traditional fashions that the producers are accustomed to, they are willing to do what it takes to sell their products. Edgar shares, "The women are fantastic business women and they completely understand that the volume of their work measured by a much smaller quantity of the fanciest bag is not going to move or we can buy 1000 of a slight variation and it'll probably reorder, so we try to work in partnership with them to meet their needs and what the market will bear for us."⁹⁵

FAIR TRADE BENEFITS FOR WOMEN

Primary Benefit: Financial Independence

Increased access to money is what most would regard as the primary benefit of Fair Trade. In the end it is money that allows for other benefits such as better nutrition, medical

⁹⁴ Jane Henrici, "Non-Governmental Organizations and Craft Producers: Exchanges South and North," *Visual Anthropology* 16, no. 2-3 (2003): 289-313, 300.

⁹⁵ Stacey Edgar, Interview by Maribel Lora, April 2 2012.

services, education, improved housing, and peace of mind to be acquired. Compared to the unregulated free market, women working within the protections of Fair Trade benefit from a higher wage for their labor. In Chapter One, the Fair Wage Calculator was given as an example of one of the resources used by handcraft Fair Trade businesses to determine the appropriate wage for handcraft producers. However, due to the lack of exploration of Fair Trade handcrafts, unlike agricultural products, there does not exist a standard price guideline maintained by the Fairtrade Labelling Organization. Nonetheless, if they are to be considered “Fair Trade” the organization must follow the principles under Fair Trade and ensure a sustainable wage to the employee. Global Girlfriends is an example of a Fair Trade business that sells handcrafts without certification, yet they follow the principles maintained by the Fair Trade Organization. Stacey Edgar, the owner says, “for us the important part is to follow the World Fair Trade Organization 10 standards, Fair Trade practices, and we also make sure that the groups we work with meet our own criteria which has to do a lot with gender-specific[s].”⁹⁶ Moreover, she states that “The goal is never to get the cheapest price for an item, but to arrive at a fair price for both parties that considers the material costs, the transportation costs, and the time and labor it takes for an artisan to produce the product.”⁹⁷

Furthermore, those involved in Fair Trade find that the true benefit is affording these women the opportunity to gain a greater income. In the end the decision is left to the women to do what they please with their money. This is what makes Fair Trade unique. It allows for women to attain the power of money that they did not have access to before. In this respect, it is unlike public services or aid, which gives the money to non-profits that only serve as middlemen in providing services to the community. With Fair Trade the money goes directly into the hands of the people. There are always the unfortunate instances where the husbands take

⁹⁶ Stacey Edgar, Interview by Maribel Lora, April 2 2012.

⁹⁷ Edgar, *Global Girlfriends*, 52.

control over the money, but otherwise the women get to manage their own money. Edgar goes on to say, "Working with women on economic development does not solve all of their problems. It doesn't change their local resources; the violence of war, natural disasters... but it does give them money."⁹⁸ Moreover, money that comes from charity or foreign aid demands it to be used in a specified way with restrictions and barriers that pertain to meeting only a few needs. Yet, Fair Trade is not money given, but money earned. The women are free to use it for what they choose to. The opportunity for women to make their own decision on how to use their money delivers a level of financial independence or freedom unlike no other method of assistance. Moreover, there is also a sense of ownership over their money since it was as a result of their hard labor and sacrifices that it was acquired. It was not just given to them. This refers to another setback of aid assistance where because the services are attained freely, they are oftentimes taken for granted by the recipients. But with the Fair Trade model, the women make the money; the women make the decision, resulting in the money being used more appropriately and not wasted.

It is important to explore further this benefit that gives women the opportunity to make their own decisions. By not having to rely on their husbands for financial survival, women working under the Fair Trade model can attain a greater sense of importance within the family structure. This is the case of Luciana from Mexico. She shares her story of the shift in dynamics that Fair Trade has brought to her home. She says, "My life was very difficult. My husband, even though he was ill, didn't have confidence in me... But I told him, 'From there (the cooperative) I earn for the children and your medicine.' And he understood. And now, when you tell me that I have to come to a workshop or some activity, I just say to him, 'I'm going to the centre.'"⁹⁹ Luciana, like other women felt burdened by her husband's demands, but as she became more

⁹⁸ Edgar, *Global Girlfriends*, 8.

⁹⁹ Jones, Smith, and Willis, "Trading Our Way Up: Women Organizing for Fair Trade," 25.

involved with Fair Trade she was able to acquire recognition and respect from her husband. There are also situations where women who live with abusive or indolent husbands find the support needed to leave and make a better life for themselves and their children. This is in contrast to women working outside of the Fair Trade system on their own, who oftentimes lack the moral support and financial means to escape the torment. Moreover, being left behind by their husbands who migrate to find work is another common occurrence for women in impoverished communities. This is especially common in Mexico and other parts of Central America where many migrate to the United States, leaving the women to bear the costs of caring for the home and the rest of the children. Yet with the help offered by Fair Trade protections these women could afford to support themselves and their children alone without their husbands.

One of the Fair Trade cooperatives that has successfully met the challenges of its community in helping the women acquire financial independence and gain a growing awareness of their rights is called UPAVIM (Unidas para Vivir Mejor- Women United to Live Better). UPAVIM provides opportunities for women to break free from the predominant culture of *machismo* (or male-dominance). Some women have stated that because of the efforts of UPAVIM, they now know that they do not have to tolerate abusive men as Carmela expressed in Chapter One. Some of the more courageous ones have even reported their abusive husbands to the National Human Rights Office in the area to have them arrested, which is a dangerous decision due to the retaliation that might follow.¹⁰⁰ Although this awareness of their rights has resulted from educational workshops and emotional support found in UPAVIM, it is important to note that without financial independence these women would be forced to remain in the abusive environments in order to provide for their children and their own physical needs. There

¹⁰⁰ Grimes and Milgram, 96.

are still women who stay in unhealthy environments because it would not be financially feasible to live without their husbands.

Another benefit with less life-altering effects is the ability for women to use their money to acquire little luxuries for themselves. It is hard for these women to enjoy finer things, such as the store-bought clothes and jewelry that most women with greater income can afford. Yet some women have the rare opportunity to treat themselves. Surya, from a cooperative in Nepal, proudly recounts that aside from having a savings account, she was able to buy a gold necklace and earrings using her own income.¹⁰¹ Women are also able to buy appliances that lessen the burdens of household chores, including gas cookers and water tanks. In addition, more elaborate luxuries are purchased, such as a television. One woman expressed, "I enjoy being able to do some of my work and watch television at the same time."¹⁰² Even though it is not fulfilling a basic necessity, these small indulgences help contribute to a better enjoyment of life for the women and also their families.

Secondary Benefits: Safe Working Environment

The assurance of workers receiving fair and healthy treatment on the job is one of the core principles of Fair Trade. Unlike sweat shops or similar harsh environments where 80-hour work weeks are the norm, when you purchase a Fair Trade product you can be assured that it was made under conditions that are safe from abuse or maltreatment. Aside from the principle of a fair wage, the safe and healthy working conditions are the most important factor that separate Fair Trade from other products made in the free market. It is not to say that all free market production exploits and mistreats its employees; however, there is no guarantee of whether the working conditions were safe and respectful of employees' rights. Women working

¹⁰¹ Jones, Smith, and Willis, "Trading Our Way Up: Women Organizing for Fair Trade," 23.

¹⁰² Littrell and Dickson, 141.

in Fair Trade cooperatives find relief in knowing that they have a set amount of hours to work each week and they will not be asked to exceed it. The women working in the UPAVIM organization recognize the difference between working in maquiladoras (garment factories), that are so prominent in Central and South America and Fair Trade businesses. They explain, "In the maquilas the work schedule is fixed, there is more exploitation."¹⁰³ With the flexible schedule, the women are able to devote time to caring for their families and the household. Additionally, most women in cooperatives have the option of working from the comforts of their own home, which allows for more flexibility and ease in managing other daily tasks. One Mango Tree is a distinctive case since its employees come from war-affected areas in Uganda. Once the war had subsided, many women felt the need to return home. In order to prevent them from losing income, as they no longer worked in the main center, the employees were allowed to work from home. They were given sewing machines to take home and meet once a week at the production manager's home to cut fabric and hand in their finished work.¹⁰⁴

Fair working conditions include not only the flexibility of time, but also the environment of the facilities including sufficient light, well-maintained machinery or tools, and adequate ventilation. To meet Fair Trade regulations, Global Mamas' workplace sites are constantly evaluated to ensure standards are up to par. Some of the things they look for are whether the employees are using face masks to protect themselves, if there is easy access to toilets and drinking water, and whether first-aid kits are available on site.¹⁰⁵ Another organization that follows Fair Trade principles in Uganda called, Shanti Uganda goes as far as providing safe,

¹⁰³ Liliana Goldin, Brenda Rosenbaum, and Samantha Eggleston, "Women's Participation in Non-Government Organizations: Implications for Poverty Reduction in Precarious Settlements of Guatemala City," *City & Society* 18, no. 2 (2006): 260-287, 277.

¹⁰⁴ "Mission," *One Mango Tree*, accessed February 20 2013, <http://onemangotree.myshopify.com/pages/mission>.

¹⁰⁵ "Fair Trade," *Global Mamas*, accessed February 20 2013, [http://www.globalmamas.org/\(S{5an4izehp4m35nqdwfyfbqzu}\)/Info/3-FairTrade.aspx](http://www.globalmamas.org/(S{5an4izehp4m35nqdwfyfbqzu})/Info/3-FairTrade.aspx).

filtered water to its members.¹⁰⁶ This is a major benefit since most communities lack drinking water and as mentioned in the previous chapter the women must travel far to access it. In addition, safe working conditions also translate to the way in which the products are made. Some handcrafts require the use of coloring and dyeing that can be harmful to the skin, and also cause long-term effects on the lungs and such. However, with Fair Trade the women are required to use natural dyes from flowers, berries, and other natural elements to create the same effect of dyeing. The use of natural dyes is not only safe and better for the women artisans, but it is also environmentally conscious. Though this method calls for more attention and labor, which may raise the cost of production, Fair Trade has a place and market for these products because their consumers appreciate and value this unique element in the way things are made.¹⁰⁷

More than offering health protections in the facilities of labor, some Fair Trade organizations provide the women with healthcare services. Shanti Uganda supersedes just the basic healthcare services since it offers services ranging from midwifery to teaching young girls how to make their own menstrual pads. The mission of Shanti Uganda reads, “The Shanti Uganda Society improves infant and maternal health, provides safe women-centered care and supports the well-being of birthing mothers and women living with HIV/AIDS in Uganda.”¹⁰⁸ It is important to note however, that Shanti Uganda does not fall under the formal Fair Trade organization since its objective is focused primarily on maternal and infant health, and the income generation program falls second. Nonetheless, Shanti Uganda like other organizations under the Fair Trade umbrella gives women more control over their health and their children’s health by equipping them with not only the income to purchase healthier foods, but the

¹⁰⁶ “Community Sustainability,” *Shanti Uganda*, accessed February 20 2013, <http://shantiuganda.org/programs/community-sustainability>.

¹⁰⁷ Lyon and Moberg, 136.

¹⁰⁸ “Our Story,” *Shanti Uganda*, accessed February 20 2013, <http://shantiuganda.org/about/our-story>.

knowledge to know what is good for their health. With gained awareness of her health, a woman can make an informed decision on her well-being. This is evident in communities affected by HIV/AIDS. Miranda Bernstein, in her research in the Swaziland, found that women were eating better because they had made the connection between food and their health. She posits, "Many noted the importance of eating vegetables for either taking with medication or to maintain overall health."¹⁰⁹

Better Employment Opportunities

It is well known the many advantages that education can bring, including employment opportunities and better quality of life. Fair Trade organizations recognize this since many provide their employees opportunities for training, which in turn grants them the possibility of promotion into a higher paying position or to pursue other endeavors. Global Mamas is a good example since it provides apprenticeship opportunities to its employees. According to their mission, ". . . many apprentices have gone on to open their own businesses and now work directly with Global Mamas. Internally we also train our employees with the intention of promoting from within Global Mamas."¹¹² In addition, some Fair Trade organizations offer lessons in computer skills since learning how to navigate the Internet is very beneficial for women in any kind of business. Concepcion from Mexico expresses her excitement about learning computer skills and now her children ask her "mama, teach me or we will teach you so that you learn more."¹¹³ Concepcion is widening her knowledge base and in the meantime her children are witnessing the transformation. Moreover, without the education and training

¹⁰⁹ Miranda Bernstein and Georgia Duerst-Lahti, "Fair Trade Cooperatives and Women's Empowerment: Impacts for US Policy on Food Security and HIV" (paper, Southern Political Science Association Annual Meeting, 2011), 12.

¹¹² "Fair Trade," *Global Mamas*, accessed February 20 2013, [http://www.globalmamas.org/\(S{5an4izehp4m35nqdwafybqzu}\)/Info/3-FairTrade.aspx](http://www.globalmamas.org/(S{5an4izehp4m35nqdwafybqzu})/Info/3-FairTrade.aspx).

¹¹³ Bernstein and Duerst-Lahti, 12.

opportunities offered, many women face the limitations of working in undesirable employments. One woman recounted, "Most women in this area (La Esperanza) are working in the maquilas. I think that maquilas are the only option. Imagine! If you don't have an education, what else can you do?"¹¹⁴

Fair Trade also allows for women to hold leadership roles that otherwise would be difficult to obtain outside of the cooperative. For example, there are women who assume the roles similar to a supervisor position where they are in charge of organizing production, distributing and maintain raw materials, and overseeing quality control.¹¹⁵ One example is Aplyo Prisca from the Fair Trade business, One Mango Tree. She first became involved as a young girl, tagging along with her aunt who worked at One Mango Tree. Later she became a tailor, then moved into the role of Supervisor, and now she "runs the show" as the Production Manager.¹¹⁶ This not only gives them work experience, but it also increases their confidence since they realize their ability to do more than what was expected of them, thus resulting in personal development and self-discovery. One woman from a cooperative in Nicaragua shares her experience, "I used to feel afraid to express myself and had low self-esteem. [Now] I am responsible for managing the credit and I am respected in the community."¹¹⁷ Other women who are members of cooperatives also gain confidence in themselves and in their abilities by being productive and participating in something that is considered respectable work. For example, in Nepal where a structure of a dilapidating caste system exists, "Women speak of an increased sense of self-worth and confidence in relations with family members and in dealings with upper-caste people. Some weavers in the villages now feel they can bargain with higher-

¹¹⁴ Goldin, Rosenbaum, and Eggleston, 272.

¹¹⁵ Grimes and Milgram, 29.

¹¹⁶ "Our Staff," *One Mango Tree*, accessed February 20 2013, <http://onemangotree.myshopify.com/pages/our-staff>.

¹¹⁷ Jones, Smith, and Wills. "Trading Our Way Up: Women Organizing for Fair Trade," 25.

caste business people who have exploited them in the past.”¹¹⁸ In addition, the women have “an increase in their physical mobility and confidence outside of the household as they move more freely between workshop or producers’ centers and home.”¹¹⁹ Though this is a great accomplishment and benefit for women as discussed in the previous chapter, this newly gained freedom and mobilization does not come without retaliation from communities who view women as belonging strictly to the home.

A Voice in the Midst of Oppression

To have a voice and participate in a democratic setting is another major benefit attributed to the Fair Trade model. As Rachel MacHenry points out, where “women’s underprivileged positions is culturally maintained... cooperatives thus provide important sites for women’s voices to be heard.”¹²⁰ More than men, women lack the bargaining power and political voice to impact change in the proceedings of their own home communities. The men in the community may feel undervalued as well from large companies who with their overpowering tactics have a stronghold on the business transactions. However, women suffer more by being overpowered by their own husbands and other men in their community. By participating in Fair Trade they find a voice. One women cooperative member attests, “In meetings we voice our opinions and sometimes we don’t shut up!”¹²¹ The women involved in UPAVIM, also benefit from basic lessons in the democratic process, including participation in discussion and debates, problem-solving exercises, and consensus building.¹²² Ideally, what makes a Fair Trade cooperative unique is its ability to provide much needed democratic

¹¹⁸ Grimes and Milgram, 33.

¹¹⁹ *Ibid.*, 32.

¹²⁰ *Ibid.*, 27.

¹²¹ Elaine Jones, Sally Smith, and Carol Wills, “Women Producers and Benefits of Collective Forms of Enterprise,” *Gender & Development* 20, no. 1 (2012): 13-32, 27.

¹²² Grimes and Milgram, 96.

participation; and have it realized in the home environment. Even so if it is not achieved in the home, Lynne Milgram posits, “Shared ownership that provides the opportunity for women to participate equally and to set up the workplace on their own terms is in itself an important entitlement for women.”¹²³

For women who may not hold the same respect and recognition in the decision-making process in their own homes as they do in the cooperative gatherings, their ability to partake in this new level of ownership gives them a sense of entitlement that may lead to other accomplishments. As mentioned before, such avenues include an increase in earnings, an opportunity to find moral support in the company of other women in similar situations, and skill-training workshops. Moreover, researchers have noted how women enjoy these group settings away from their husbands and daily task. It gives them a chance to vent to each other about their hardships and stand in solidarity with one another as they struggle to make a better life. Christine Eber in her study of a women’s cooperative in Chipas, Mexico says that even though the women do not often meet since they are dispersed in the isolation of the mountainside, when they do gather they “spend half a day at the representative’s house, discussing current co-op issues while finishing up a weaving, gossiping, joking, and drinking cups of coffee or soda.”¹²⁴

Improved Self-Image

“We are women, we matter, and we have the same rights as men;” these are the words of affirmation sung by a women’s of a cooperative in Guatemala.¹²⁵ These words of hope and confidence reflect the sense of power women feel when they are part of a mobilizing change in

¹²³ Ibid., 110.

¹²⁴ Ibid., 50.

¹²⁵ Edgar, *Global Girlfriends*, 181.

their community. They realize they have value and importance. Moreover, they recognize their right to determine their own future, earn their own money, and spend it how they want.¹²⁶ In her study of a Fair Trade cooperative in Bangladesh, Ann Le Mare found that “Most of the women producers felt that their status- and thus their potential for empowerment - had increased as a result of having paid work.”¹²⁷ Additionally, this sense of confidence has trickled down to their daughters in the way they are treated and valued. According to Le Mare, “Many of the Fair Trade producers who have gained confidence in themselves and their abilities are reassessing the role of their daughters, a significant change in a culture that traditionally favours sons.”¹²⁸

But oftentimes most women in poverty never learn their rights or understand their value as human beings. They are neglected and mistreated by their own society and even at times by the ones they love. Living in destitute conditions has an effect on a person’s self-esteem and her ability to gain confidence. This is a subject matter that lacks attention and exploration. When placed in an environment with those who are considered successful and affluent, women of lower income can lack the confidence to succeed and move forward themselves. They believe they do not know anything and so they limit themselves by drowning in low self-esteem. Sarah Lyon in her study in Guatemala notes that one of the reasons the women did not succeed in furthering their weaving business was due to lack of confidence; one specific example was fear of speaking to foreigners.¹²⁹

This sense of low self-worth is exacerbated for women who suffer under the maltreatment and abuse of their husbands. The courage and strength to leave an abusive home

¹²⁶ Ibid., 190.

¹²⁷ Ann Le Mare, "Show the World to Women and They Can Do It: Southern Fair Trade Enterprises as Agents of Empowerment," *Gender & Development* 20, no. 1 (2012): 95-109, 101.

¹²⁸ Ibid., 100.

¹²⁹ Lyon and Moberg, 139.

is very difficult for a woman to surmise and at times never achieved. Yet, the more they become involved with the cooperatives, the more they feel compelled to lead a better life. A supervisor of one of the cooperatives called MarketPlace in India, shares her experience:

When my husband was drinking a great deal, I wouldn't let him come into the house for a year. I told him that I was a supervisor and I didn't want him to come to the house... I didn't want him in the house as other artisans were coming to the house and I felt it was a bad example. Now he yells at me some, but I tell him "I am working and do not go out with men."¹³⁰

It is with the help of the foundation and moral support of other cooperative members that these women have the ability to make such life-altering decisions.

This mentality of *machismo*, carries much weight in developing countries, particularly in Latin America. The remarks of discouragement and inferiority from the men contribute to the women's low self-esteem. Lacking the support of her husband can cause great setbacks in a woman's attempt to better her life. However, with the help of Fair Trade, women find the support to reject and overcome these negative criticisms. Concepcion, who was mentioned earlier about learning how to use a computer recalls, "Before the men criticized, 'how are women going to do it. . . how can you think they are going to be able to use a computer, how can you think that they will make progress?'"¹³¹ But with the help of the Fair Trade organization she is involved with, the dynamics has changed. She goes on to say, "But now they see us and they ask us, 'in little time you have learned, how have you done it? Teach me.'"¹³² This is also the case for Sushila from India who was able to change her husband's mind about working outside of the home. "Initially her husband was reluctant to allow her to work elsewhere. He

¹³⁰ Littrell and Dickson, 92.

¹³¹ Jones, Smith, and Wills, "Women Producers and Benefits of Collective Forms of Enterprise," 27.

¹³² *Ibid.*

believed that a woman's place was at home, . . . However when he saw the amount of money that was coming in for them to make a new house, he allowed her to work."¹³³

Connections To The Outside World

Another important benefit granted to women involved in Fair Trade organizations is to connect to a world and a lifestyle beyond their own. This is in part achieved by the exposure to different products outside of their culture. In her study of women weavers in Mexico, Eber shares that the utilization of bookmarks was something that had to be introduced to the women since "no woman in the co-op has books in her home, except perhaps a Bible or a child's school workbook." The women were making them without understanding their uses. With the introduction of books the women gained a sense of awareness of what bookmarks were used for. Therefore, "Beyond just being an item foreigners use that is part of our strange life, a life that provides free time to read," the women making the bookmarks realized the significance this little piece of fabric had.¹³⁴ This is not to oversimplify matters and say that Fair Trade brings "civilization" to the "uncivilized natives," but it does allow for the women to get a glimpse of what life is like outside of their home villages. In addition, Fair Trade provides them the opportunity to travel beyond their neighborhoods, and at times even beyond their home countries. This is usually obtained by women higher up in the management chain who hold greater responsibilities. Nonetheless, the joy and the sense of accomplishment they receive help them feel acknowledged by the rest of the world. In the words of Brenda Rosenbaum, their products "have created a bridge between two distinct worlds, and the solidarity generated in the relationships boosts the women's confidence."¹³⁵

¹³³ Jones, Smith, and Wills, "Trading Our Way Up: Women Organizing for Fair Trade," 24.

¹³⁴ Grimes and Milgram, 62.

¹³⁵ *Ibid.*, 98.

Even for those who do not travel, they have the rare opportunity of interacting with outsiders, who otherwise would not come to their part of the world. Since many Fair Trade organizations have roots in churches located in affluent countries, church members often make the trek to visit the producers. One of the managers from UPAVIM named Angela Bailon shares her encounter, “We are so thankful for the support we get from people in the United States. Yesterday, a group came to visit us, and I was thinking, as I spoke with them, that I feel UPAVIM inside me. . . People listen to us and get excited and interested.”¹³⁶ She goes on to say, “I am so happy and proud to say this is who I am, this is what we do, and this UPAVIM.”¹³⁷ This goes back to the idea of self-worth where sometimes even in their own countries, poor women are ignored by their governments, and even their fellow community members fail to recognize their importance. Thus, Fair Trade can be used to help people from all parts of the world connect and come together to recognize the existence of one another. The effect happens on the other end as well where those who run the operational side in the developed countries find that life is more than what they are accustomed to in the comforts of their home. Consumers and employees of Fair Trade organizations living in the developed countries come to a realization that other people around the world are not afforded the same comfortable lives. This was true for Stacey Edgar and her Global Girlfriends customers. When starting out her Fair Trade business, Edgar recounts, “While many of my new customers were not familiar with the concept of fair trade, they clearly understood, as women themselves, what earning an income could mean to any woman.”¹³⁸

These human ties translate beyond monetary benefits. Chandra Kachhipati, the executive director of Sana Hastakal, a Fair Trade business in Nepal confirms that “where

¹³⁶ Grimes and Milgram, 62.

¹³⁷ Ibid.

¹³⁸ Edgar, *Global Girlfriends*, 50.

producers and marketers work together for mutual benefit, like a family” the business becomes more than just money, but “it’s about pride.”¹³⁹ In the case of Global Girlfriends, the staff stays in contact with the women producers and take part in their lives outside of business affairs.

“The thing is when you’ve gone and stayed at peoples’ homes you know when their kids’ birthdays are – we’re very involved in different ways...” shares Edgar.¹⁴⁰ The women producers in turn benefit from the emotional support provided by Edgar and her staff. Another advantage of formulating these ties is that Global Girlfriends is aware of the situations that affect the women in their home countries. The women can communicate to her when political conflict arises and strikes occur. This helps provide clarity in why production may be interrupted.

Strengthening the Family Unit

As illustrated above, Fair Trade has tremendous benefits for women. Yet, it is not just the women who reap the benefits. As mothers and wives the improvements received by the women spread to the family unit. One of the ways in which this occurs is in the way the women use their income to invest in projects that better the quality of life for their families, including investing in their business. The women may expand their production output by hiring a helping hand or purchasing more advanced and efficient machinery. Or improve the quality of their raw materials to make a higher valued product with greater returns. Another form of investment is using the money for other sources of income, such as farm animals. With money received from their handcrafts women have a chance to buy cows, pigs, and agricultural products that will provide them with food or perhaps a chance for additional income. As in the case of Dalia from Tanzania, she shares “I am also a farmer and I keep livestock. I have one pig which... just gave

¹³⁹ Ibid., 102.

¹⁴⁰ Stacey Edgar, Interview by Maribel Lora, April 2 2012.

birth to six piglets.”¹⁴¹ This was made possible with the income she made on weaving baskets. The use of farming alternatives is especially helpful in providing for financial stability in times when the season dies down and profits are low. It also means better nutrition for the women and their children. In the case of the MarketPlace cooperative only two out of ten artisans said they had to skip a meal, but even among those who did it was an infrequent occurrence.¹⁴² Food items that were once used only on special occasions, such as fish and vegetable dishes, are enjoyed more often.

Also, another way Fair Trade strengthens the family unit is by giving children a more secure future with greater educational opportunities. One of the most common uses of income for the women is to pay for their children’s education, using their money to pay for school fees, uniforms, and supplies. Many reflect that though they did not have the opportunity of attaining an education for themselves, they see the value in it and want better for their children. One woman explains her reason for using her funds to educate her children. She shares, “I am sending the children to English Medium School. I never think of anything else but my children. My dream is that they have good jobs.”¹⁴³ According to Mary Litterel and Marsha Dickson, a mother’s ability to maintain her children in school is “an indicator of enhanced material well-being.”¹⁴⁴ This refers back to the previous chapter that speaks to the responsibility of women having to care for their children; by keeping them in school they are fulfilling this demand. In the cooperative of MarketPlace this is evident. Out of all of the children in the community only about five percent under the age of eighteen were recorded as not enrolled in school. With such high numbers of enrollment it can be affirmed that women are investing their funds in the right place.

¹⁴¹ Jones, Smith, and Wills, "Women Producers and Benefits of Collective Forms of Enterprise," 22.

¹⁴² Littrell and Dickson, 139.

¹⁴³ *Ibid.*, 141.

¹⁴⁴ *Ibid.*

Another significant measure of success is the enrollment of girls in schools. As noted previously by Ann Le Mare, in cultures where boys have priority over girls to attend school, mothers are recognizing the importance of educating their daughters as well. This is crucial since there is such a large disparity among the number of girls enrolled in school compared to boys. According to the United Nations' progress report on the Millennium Development Goals, "Girls in the poorest 20 per cent of households have the least chance of getting an education. . . and four times more likely to be out of school as boys in the richest households."¹⁴⁵ These statistics point to a reality faced by many girls in developing countries; however, with the help of Fair Trade organizations such as Shanti Uganda special attention is given to this issue. More than providing formal education for girls, Shanti Uganda has a unique Health and Wellness program where they focus their efforts to educate teen girls on reproductive health, hygiene, and other basic life skills. It is important to educate girls in the traditional sense; however, Shanti Uganda recognizes the importance of providing girls with positive role models and healthy relationships as well, which can be arguably equally important. They do this because these "skills and lessons they do not learn or are not communicated in the home environment or at school."¹⁴⁶

In addition to a better education, the health and wellness of children are also improved. As mentioned before some Fair Trade organizations invest in educating the women about not only their labor rights, but also about their personal health and that of their children. The World Health Organization recognizes the importance of a woman's role in her children's health by stating, "Women are the cornerstones of the family and assume responsibility for many of its most vital functions, not only in regard to health and education, but also in food production and income generation. Therefore, the health of women is a prerequisite for the health of the whole

¹⁴⁵ "The Millennium Development Goals Report," *United Nations*, (2010): 1-75, accessed February 20 2013, <http://www.un.org/millenniumgoals/pdf/MDG%20Report%202010%20En%20r15%20low%20res%2020100615%20-.pdf>.

¹⁴⁶ "Programs," *Shanti Uganda*, accessed February 20 2013, <http://shantiuganda.org/programs/teen-girls>.

family and, by extension, of communities and societies."¹⁴⁷ In turn, by receiving education on maintaining their health and caring for their children's health, women help contribute to the health of the larger community. Another great advantage provided by some Fair Trade organizations is access to medical services. UPAVIM particularly, established a medical center where mothers can enroll their children in an infant to toddler program to ensure a healthy growth during this crucial stage of development. For the people of UPAVIM these are services that otherwise would not be available to the community.

¹⁴⁷ "Women's Health: WHO Position Paper, Fourth World Conference on Women, Beijing, China, 4-15 September 1995." *World Health Organization*, (1995): 1-61, accessed June 1 2012, <http://www.who.int/iris/handle/10665/59527>.

CHAPTER 4

FAIR TRADE: LIBERATING OR BURDENING

The goal of this research is to find instances in the current state where Fair Trade has been applied and determine what has been successful and what has failed in the model. Like every new form of development strategy, constant evaluation and modification are necessary for its continued success. Therefore, with more than a quarter of a century of experience and application it is important to analyze the success of Fair Trade and its methods in reducing the effects of poverty. As stated in the first chapter, Fair Trade is intended to help the most vulnerable of people, those who live in destitution, and with limited means of income and opportunities of employment. In this chapter case studies of both successful stories and stories of disappointment will be shared. Thus, the Fair Trade model can be studied beyond simply principle and into practice. For those who strongly believe in its promises it is easy to have a biased view of Fair Trade, but by honing in on particular cases we can better understand the impact it has had on the lives of the poor. Are the Fair Trade principles and practices really helping the people they claim to serve? Or are there instances where meeting market demands takes precedence over the needs of women producers? Can the principles of Fair Trade be put into practice in an effective and long-lasting manner? These questions and many others will be addressed in the following chapter.

SIGNS OF SUCCESS

Global Girlfriends

One of the great success stories of a Fair Trade handcraft business has its roots in Colorado, U.S.A. This is the story of Global Girlfriends (GG), which began in 2003 out of a home

garage and has grown today into a multi-million dollar business. Having a passion and drive to help women who are in the most need, Stacey Edgar took a leap of faith and began her own Fair Trade business with only a \$2,000 income tax refund check. In my interview with Edgar, she confesses, "It was more of an awareness and experiment than a business idea."¹⁴⁸ In her many visits abroad, Edgar was exposed to the struggles of women living in poverty globally. Soon she became aware of the impact that income-generation businesses can have for these women, especially when widening the market to the United States. When she first began Edgar received an inspiring email from a woman named Josephine who was a part of an artisan group she had approached. It read, "You were the first person out of many whom we had approached who gave us the first positive response at a time of need when we were desperate and to the verge of closing up as there was no business."¹⁴⁹ In that moment Edgar made it her mission to help the many women like Josephine who were skilled and willing and able to work, but only needed the opportunity to generate income for her and her family.

Global Girlfriends' main products are hand-made pieces, such as jewelry, handbags, weavings, and home goods. It reaches sixty-five cooperatives in twenty-one countries, with anywhere from 10 to 1,000 members in each cooperative. One of the traits that make Global Girlfriends unique is its exclusivity since it only partners with women traders and artisans. Edgar chose to work solely with women because of her strong belief in the power women hold to impact change in their communities. She asserts, "Choosing women-made, fair-trade goods means money in a woman's hand, and education for her children, [and] bellies full of food."¹⁵⁰ Moreover, she deeply understood the hardship these women often faced in a world dominated by men. One story she shares comes from a woman named Shakya who works for a Fair Trade

¹⁴⁸ Stacey Edgar, Interview by Maribel Lora, April 2 2012.

¹⁴⁹ Edgar, *Global Girlfriends*, 6.

¹⁵⁰ *Ibid.*, 9.

business in Nepal, called Kumbeshwar Technical School (KTS). Before participating in KTS, Shakya, like many women in this culture, was forced into an arranged marriage with an alcoholic husband who mistreated her. In addition to tending to the household duties, three children, a stepdaughter, and her mother-in-law, she was also responsible for earning an income. After her husband's death she had to take sole responsibility of all her dependents and her only method for earning an income was knitting for KTS. At first it was difficult to fulfill the needs of her family with this small income; however, with hard work and commitment her efforts were recognized and she was promoted to knitwear production assistant. Today she is able to take care of her family accordingly while also earning a sufficient wage. In addition, she carries the pride of being able to move up. Now she is training women in the position she once used to hold.¹⁵¹ Shakya's story is shared with many women in similar situations. It is evident that without the resources offered by the Fair Trade organization Shakya would have resorted to finding employment elsewhere, most likely working under harsh conditions without the protections of Fair Trade. Because of cases like Shakya's, Edgar has intentionally chosen to focus her efforts in improving the lives of women.

What Does Global Girlfriends do for Women

Even with her well-intentioned mission to help women, has this Fair Trade business really made a lasting impact on women's lives? This question was addressed in my interview with Stacey Edgar. I had asked her to identify evidence of tangible and real improvement; in other words how does she measure success? Although she made the distinction between success as a business and social outcomes, she affirmed that the living standard of the individuals in the groups she has worked with have improved greatly. These improvements

¹⁵¹ Edgar, *Global Girlfriends*, 109.

range from the small to the ambitious, from enhancing their children's nutrition since now they can afford to buy such things as milk, to adding a bathroom to their homes.¹⁵² It may not seem like a significant enhancement in terms of development, but these small luxuries signify a better quality of life for the women and their families. Since Edgar makes frequent trips to visit the groups she has witnessed first-hand the difference. However, more than measuring from a monetary standpoint, Edgar makes a poignant remark about the real benefit of Fair Trade. She states, "Certainly what we hope by providing income we're also helping with all the social aspects of those women's lives like their housing, allowing them to have better access to clean water, sending their kids to school, but in the end how they spend their money is up to them." Therefore, the more significant benefit is that now these women have access to their own money, giving them options and opportunities of financial freedom. GG not only demonstrates a way to obtain real, tangible benefits for women, but it also gives them something more valuable, which is the power of making their own decisions. One example worth mentioning is the story of Menaka from Bangladesh. As a child Menaka fell into the unfortunate hands of a sex-trafficker who sold her to a brothel for about \$22 USD. But with the help of Freeset, a Fair Trade cooperative located in the heart of a very popular sex-trafficking district, Menaka was able to free herself from that lifestyle.¹⁵³ Freeset has helped Menaka and many others choose the option of a better way of earning an income in a dignified and safe manner. Without this alternative these women would be restricted to continue working as prostitutes.

Global Girlfriends has also helped women gain access to job advancement and training. Since the goal is to improve women's lives, this organization approaches the task with an all-around understanding of what it means to better someone's life. By offering skills training the women are able to gain more knowledge in their trade and use this knowledge to increase their

¹⁵² Stacey Edgar, Interview by Maribel Lora, April 2 2012.

¹⁵³ Edgar, *Global Girlfriends*, 90.

capacity, which can translate to better positions. Some of the areas of training include product design, technical advancement, and other related business skills. One of the unexpectedly important training areas is that of the cost and exporting process. Shipping internationally is just one of the little mundane issues that can sometimes be a significant challenge to the productivity and success of a Fair Trade business, like GG. Edgar confesses that one of the challenges is “teaching the women how to export to the US; the US has a lot of regulations, trying to make sure that we met all the import regulations, that we’re required to meet and numerous safety regulations those are really important pieces. That’s an ongoing, ever trending, ever changing piece of the business.”¹⁵⁴

The Tapestry of Global Girlfriends’ Success

Edgar has been able to use the bond of sisterhood among women to further the success of Global Girlfriends. Its vision is to link women to women, regardless of geographic location or economic status. In the introduction to her book, Edgar shares her strategic intentions to build this bond stronger and deeper among her producers and the clients. She says, “Global Girlfriend could only become stronger if the company and our customers envisioned the women making our products as our sisters.”¹⁵⁵ She has done this by portraying the producers as real-life women with responsibilities and concerns just like the women in the United States. Thus, the customer purchasing the item understands that her purchase is not only for her own personal enjoyment, but it also gives viable income for a woman thousands of miles away. This idea of conscious consumerism is an essential component of the Fair Trade model; it is a driving force behind its success. As mentioned earlier, without sharing the face of the producer behind the product, consumers would be unwilling to pay the extra amount for a Fair Trade item. Edgar has found a

¹⁵⁴ Stacey Edgar, Interview by Maribel Lora, April 2 2012.

¹⁵⁵ Edgar, *Global Girlfriends*, 102.

way to really capitalize on this principle and owes her thriving business to the strong clientele of women she has been able to maintain.

Global Girlfriends has been successful due to very specific techniques and intentional methods done on Stacy Edgar's part. The three main components contributing to its success includes, quality control, business-driven mentality, and the strong relationship with the producers. Some of the challenges that will later be discussed emanate from these same three components, especially quality control. Traditionally, hand-made products have a reputation of being varied since they are not made on an assembly line, which ensures uniformity. This can translate to lower expectations of the level of quality of Fair Trade products since they are hand-made. Nonetheless, consumers value the Fair Trade product because it is "authentic" and has a story it has behind it. However, if this same product was sold at a department store, it is not probable that consumers would pay the higher price for the Fair Trade product if it was sold without its "story." Recognizing this as a possible threat to the business of GG, Edgar made it her mission to bring not only practicality in the way the products were manufactured, but quality that ensures customer satisfaction and reorders. She explains that at the start of her business she was approached by many artisan groups, and although she wanted to create business for all of them, she had to remind herself to put what is best for the business at the forefront. "While my heart wanted to support every woman artisan who contacted me, my head knew that the products Global Girlfriend carried needed to appeal to U.S. consumers, or we would not stay in business" explains Edgar.¹⁵⁶ This policy is crucial in maintaining a successful Fair Trade business since in the end it is the choice of the consumer that brings in the sales to keep the business going. Consumers can only be motivated by the emotional tug for only so long before they find another product that better meets their needs and expectations. As Edgar points out, the

¹⁵⁶ Edgar, *Global Girlfriends*, 4.

products should be of good enough quality to sell on its own merit, especially in cases where the consumer is unaware or indifferent to the story.

This brings up another determining factor in the business of Fair Trade products, which is finding the right price point, or what Edgar calls, “the magical price.”¹⁵⁷ It is known that mass production brings the economies of scale down, therefore providing consumers with lower purchasing prices. Yet, Fair Trade does not benefit from this advantage of economics. People enjoy the fact that the items they purchase from Fair Trade are individually made by human hands, with attention and care for each individual piece. As a result, the price is higher. This is one of the issues affecting devoted Fair Trade consumers- does a mother with budget constraints purchase a handmade, Fair Trade shirt for \$70, or does she overlook the moral aspects to choose the more economical choice of a factory-made product at a unbeatable price of \$15. Edgar recognizes this issue. She says, “At times that is one of the biggest struggles because there are some beautiful more artisan level products that should sell closer to the \$100 mark and some of them work for our customer bases, but it’s not the magical price point for us.” Being that Edgar is also a mother and wife, she understands this dilemma affecting many women in the industrialized world and makes deliberate decisions in the products GG sells. She does so by removing all of the “bells and whistles” that increase the price of a product so that “the women aren’t getting paid less for their work, we’re making the work less to hit the price point.”¹⁵⁸ The women producers she works with understand the business method and are able to adapt to fit the needs of the market. They understand that though they may get less money for one product, they will get the same or more amount of money for the less time-consuming and less intricate product. The effort it takes to make the product is lessened therefore allowing

¹⁵⁷ Stacey Edgar, Interview by Maribel Lora, April 2 2012.

¹⁵⁸ Ibid.

for more to be made, which results in more reorders. This is especially true for the American market where simplicity and less elaborate items are used in the day-to-day lives of women.

In the end Global Girlfriends is a market-driven and profit-making business. Money needs to be made in order for the business to continue and the women abroad can continue to benefit from employment and income. The creation of most, if not all Fair Trade businesses stems from trying to meet a need. People who have encountered first-hand the hardships of producers in poverty-stricken communities develop a desire to change the status quo and give them a different life. Therefore, there is always that heart tug that is deeply intertwined with Fair Trade. Though this is positive in many respects, it can be disastrous for a profit-making business. Edgar came into the business of Fair Trade with the same intent of making a difference and changing the lives of women in developing countries. Her heart drove her to start GG. However, Edgar's strong business sense is apparent in the performance and success of Global Girlfriends.

In addition to the personal relationships built among the staff and producers, GG has made a commitment to work with the groups on a long-term basis. This is crucial for Fair Trade organizations and businesses who at times get disillusioned or impatient with an artisan group and move out before any substantial developments are made. This in effect harms not only the indigenous community, but the reputation of international organizations. The relationships between producers and international organizations can go sour and any future efforts of well-intended groups are threatened. With this in mind Edgar strives to commit to a long-term basis with the women she recruits as part of the Global Girlfriends family. She stresses, "We try very hard to make a long-term commitment instead of short-term commitment. That has not always been 100% successful but it is the goal."¹⁵⁹ They strive to do so by "multiply[ing] orders from the

¹⁵⁹ Stacey Edgar, Interview by Maribel Lora, April 2 2012.

same group over time to multiply re-orders of the same product of the same group over time to see those groups being able to grow in capacity.”¹⁶⁰

The notion of making a profit and helping alleviate poverty simultaneously is one of the factors that sets Fair Trade apart from other development programs. As Edgar points out, “Business could be a tool to bring sustainable fair-wage employment to disadvantaged artisans in the developing world.”¹⁶¹ It’s not just pouring charitable donations into a structured and externally-developed project, but it works with the existing market needs and drive to put the money back into the hands of the workers. It is about the fair balance of the allocation of profit. Unfortunately somewhere along the way, the value placed on the producer has been lessened and profits for others have increased. Referring back to Global Girlfriends, its business model feeds into this paradigm of balanced profits where the producers are paid at a sustainable wage. Edgar could have easily created a charity with the focus of “the rich helping the poor,” but she pursued the alternative and more effective route that Fair Trade offers to poor producers. She shares, “For-profit businesses could be great partners to nonprofit organizations. Nonprofits are essential in providing services that business cannot, but business is the best vehicle for marketing products and building sustainable incomes for the poor. The two together...are a perfect marriage.”¹⁶² This goes without saying that she has had to make difficult choices in accomplishing this mission of business and non-profit services. She recounts instances where she could have swayed from the commitment of being a for-profit business and not a charity. In the book, Edgar talks about an opportunity where GG would have been awarded a large grant to

¹⁶⁰ Ibid.

¹⁶¹ Edgar, *Global Girlfriends*, 135.

¹⁶² Ibid.

continue to help women, but she had to refuse it because GG is a for-profit company and in her words, “a position I have advocated for passionately in fair trade.”¹⁶³

Another unique element that makes Fair Trade so different in the business of craft production is GG’s conscious recognition of the person who made the product. These are individual women who are paid appropriately for their level of work. They have a name and a family. In light of this intimacy with product and producer, Edgar shares a close relationship with her women producers. They are not just faceless, profit-generating workers, they are women for whom she deeply cares. She explains her growing relationship as something unavoidable and logical. “The thing is when you’ve gone and stayed at peoples’ homes you know when their kids’ birthdays are – we’re very involved in different ways and certainly different ones in our office are closely connected to the places we’ve traveled and [the people] we eat dinner with.”¹⁶⁴ The women in the same manner share the closeness with GG’s staff since they are always in communication with them and trust them with intimate stories of their lives. From a business perspective, when there is political strife or natural disasters in the area the producers are sure to inform GG since it may impact the delivery of the orders. Unlike other profit-focused businesses, Global Girlfriends makes an effort to heed the needs of the women and be flexible enough to keep business going.

Unidas Para Vivir Mejor (UPAVIM)

“United to Live Better” is the motto and name of another Fair Trade organization, which serves as the second success story. With its inception in 1989, UPAVIM has become a great motivational story to be celebrated and shared. Set in one of the textbook-termed “poverty-stricken” communities in La Esperanza, Guatemala, this organization has lived up to its promise

¹⁶³ Edgar, *Global Girlfriends*, 119.

¹⁶⁴ Stacey Edgar, Interview by Maribel Lora, April 2 2012.

of better days for its community and surrounding neighbors. Today it provides a wide array of services including a medical clinic, elementary school, a childcare center, a scholarship program and even a pharmacy.¹⁶⁵ These are facilities used not only by the members of UPAVIM, but the entire community at large. Like most make-shift urban settlements, La Esperanza suffers from the all too common effects of poverty-- limited income, poor childcare, sub-standard education, inadequate housing, limited access to clean water, and many others.¹⁶⁶ Yet much has been accomplished through this organization to vitalize the surrounding community.

UPAVIM, like Shanti Uganda, differs from other Fair Trade organizations in that community facilities were created first and then came the income-generation aspect. With the partnership of a US-based organization called Sister Parish, a dental clinic and daycare services were first provided. One of the original members recalls how it all started. She says, "In 1988, when I was living in La Esperanza, I met a woman... She was from the United States and when she saw so much poverty, she stayed . . . The day I met her she told me: "Listen, you can be a different person.""¹⁶⁷ From there they worked together visiting homes where children were left behind by their parents who had to work. There was much need for a childcare service since the children were getting sick and left without care or educational opportunities. Soon after the daycare was built, the craft project came in order to provide jobs and income to maintain the programs that UPAVIM had intended to create. Their first craft product was hair accessories, but today they sell a large variety of other products, including children's toys and Christmas ornaments.

Since its inception UPAVIM has become a member of the Fair Trade Federation and sends representatives to the FTF's conferences annually. The project consists of a large facility

¹⁶⁵ Goldin, Rosenbaum, and Eggleston, 275.

¹⁶⁶ "About Us: Empowering Guatemalan Women and Communities," *UPAVIM*, accessed December 15 2012, <http://www.upavim.org/about-us/la-esperanza>.

¹⁶⁷ Goldin, Rosenbaum, and Eggleston, 274.

with equipment essential for production: sewing machines, knitting accessories, craft tools, and yards of textiles. Below is an image of a woman utilizing the working space.¹⁶⁸ Having a central location allows the women to have a place to do work and tools to use as a collective group, instead of having to bear the cost of buying tools and equipment individually. Again this results in greater economies of scale. The women can work as much or as little as they want (the women get paid on a piece-by-piece basis). They ship their work to retailers all over the world, with the United States and Canada holding their largest quantity of customers. Moreover, other smaller Fair Trade cooperatives in the surrounding area are able to benefit from the assistance of UPAVIM since it buys their products while ensuring they receive a fair wage. One of the smaller organizations that UPAVIM buys from is called Proyecto Eco-Quetzal, an NGO that works with indigenous families and focuses on the conservation of natural resources. Furthermore, what is so great about the UPAVIM structure is that they use the income from the craft project to sustain the much-needed services that benefits all of the community. Because of the success of their craft sales, they have been able to pay for 100% of the expense costs of the daycare, the preschool, and the elementary school. In addition, the funds subsidize a portion of the medical clinic, with the rest of the funds.¹⁶⁹

¹⁶⁸ "Our Programs," *UPAVIM*, accessed December 15 2012, <http://www.upavim.org/programs/alternative-learning-center>.

¹⁶⁹ "About Us: Empowering Guatemalan Women and Communities," *UPAVIM*, accessed December 15 2012, <http://www.upavim.org/about-us/la-esperanza>.

Figure 5: Woman Cutting Fabric In UPAVIM Central Facilities



Source: <http://www.upavim.org/programs/alternative-learning-center>

Fair Trade Benefits Evident In UPAVIM

UPAVIM functions as a democratic entity since every project works in groups and has a lead person that manages the project. As a result, the members of the groups serve also as participating members of the organization's board of directors, who are elected by the annual general assembly.¹⁷⁰ Also, the women benefit from on-the-job training and educational opportunities for themselves and their children. The Alternative Learning Center is the primary school for grades kindergarten to the 6th grade. Over sixty children from the community benefit from a well-rounded educational experience. Here they learn not only the fundamental subjects, but also skills that include interpersonal conflict resolution, decision-making, and commitment to their community. The members of UPAVIM only pay a monthly fee of \$3.25, while other

¹⁷⁰ Goldin, Rosenbaum, and Eggleston, 275.

families in the community pay \$6.25.¹⁷¹ This is also the same fee required for childcare services, which is another advantage resulting from the sales of the Fair Trade craft project. In addition to the education centers, UPAVIM has an impressive medical project, which includes the Growth Monitoring Program. Mothers bring in their newly born babies until the age of three to track and monitor their growth and they are also provided with the right vaccinations for a healthy growth. "This program's ultimate goal is for immunization and prevention of sicknesses in children, and also contributes to the formation of good habits in the parents with respect to proper diet and prevention of illnesses."¹⁷²

All of the projects are the fruits of the women's labor and dedication to bettering the lives of their children and uplifting their community. Yet, this case study of UPAVIM does not end without pointing out the gaps in the system. Brenda Rosenbaum, one of the researchers with a long-term contact with UPAVIM, notes that the women have complained about not making enough money. Those women outside of the cooperative, who work five days a week and long hours in maquiladoras (factories), are able to take home a greater income. This type of cash flow is difficult to compete against. However, the compensation the women of UPAVIM receive is a small trade off since they have a more flexible schedule and childcare services. According to Rosenbaum, "Members affirm that UPAVIM gave them opportunities, training, and hope."¹⁷³ Moreover, many of the women expressed their appreciation for the moral support it has provided them. One of the daughters of a UPAVIM member shared that her mother has learned to "protect her rights, and. . . helped improve her self-esteem."¹⁷⁴ In the culmination of their research, Rosenbaum and the other authors state that UPAVIM has served the poorest of

¹⁷¹ "Our Programs," *UPAVIM*, accessed December 15 2012, <http://www.upavim.org/programs/alternative-learning-center>.

¹⁷² *Ibid.*

¹⁷³ Goldin, Rosenbaum, and Eggleston, 277.

¹⁷⁴ *Ibid.*

women in their community and it is a good source for women who lack a network of support at home. They conclude, "Many UPAVIM members would opt for higher paying jobs if they had someone to care for their children, but the services rendered by the organization compensate for their lower income."¹⁷⁵ Even with its setbacks, UPAVIM is a success story.

SIGNS OF STRUGGLE

Heartworks

In my travels with the Women's Studies Department at Old Dominion University I had the opportunity to observe first-hand two unique Fair Trade-like businesses. One was Beloved Beadwork, which will be discussed later in the chapter; and the other was a Fair Trade business, native to South Africa called Heartworks. I was able to visit three shops of theirs in Cape Town and my heart fluttered with excitement to see all of the beautifully crafted pieces, all fairly and locally made! Heartworks follows the same model of Fair Trade by providing its employees with a fair wage for their labor and adequate working conditions. I had the rare opportunity to meet with the owner, Margaret Woermann, as she was a close friend of Dr. Fish. Because she was limited in time, I tagged along with her one day as she ran her daily errands. Unfortunately, I did not conduct a formal interview with Woermann, but I was able to derive information from my conversations with her. I also had the chance to observe interactions between Woermann and her employees as we visited the stores and the workshop where some of the women worked making plush toys and pillows. It was apparent that Woermann was worn out and stretched too thin. She had shared with me that after eleven years in the business, Heartworks had become a pity purchase. Woermann speaks to a very critical challenge facing the Fair Trade model that will

¹⁷⁵ Goldin, Rosenbaum, and Eggleston, 280.

later be addressed. She explained that a pity purchase leads to a pity product, which does not help anyone, especially the producer, especially since creativity is no longer valued.

Heartworks, like other Fair Trade businesses had fallen into the trap of a pity purchase. A possible reason why consumers were purchasing products from Heartworks was because they knew it was Fair Trade and they wanted to contribute to the income of the “poor, vulnerable” producers, without really valuing the quality of the product itself. Heartworks openly portrayed to customers the image of the producers as poor, local artisans, who were mostly women and counted on the income of Heartworks for their livelihoods. Once a customer hears about how their purchase can contribute to bettering the lives of the poor, they will feel *good* about their purchase. I recall my shopping experience at Heartworks. As I paid, the employees at the register openly told me who made each piece and where they lived. Although, knowing the names of each artisan made me feel good about spending my money on these items, I cannot help but question my reasons for my purchase. Did I buy from Heartworks based on the quality of the product or was it a “pity purchase” I made because I wanted to help the poor and vulnerable? This goes back to the emotional aspect of “helping the poor” that drives the model of Fair Trade. A pity purchase can be harmful to any business and can greatly affect the success of a Fair Trade business.

Another indication that Heartworks was going through challenges as a business was its low cash inflow. Without the income of an order placed, the employees’ wages were delayed. Woermann explained to me that most of the time she had to wait for an order to come in or use her personal funds to pay her employees. Due to the limitations in the research of this one particular case of Heartworks, it is challenging to draw conclusions on the Fair Trade model as whole. However, I include this case study, not necessarily as a failed case, but one that has signs pointing at how Fair Trade can fall into a form of charity. Woermann, like other Fair Trade

business owners, had endured years of challenges and struggles within the Fair Trade industry where morals and values are constantly under threat in the global market. Fair Trade businesses find themselves having to choose between behaving as a charity or a profitable business. Even with these disadvantages and signs of struggle, Heartworks continues to stay in business and provide decent employment to the local community.

MAJOR CRITICISMS OF FAIR TRADE

Issues Within Cooperatives

Resulting from the case studies discussed above, with additional supporting evidence from scholars on the topic, the following are major challenges facing the Fair Trade model. The purpose of this chapter is to see how Fair Trade measures up when examined within real-life occurrences. As illustrated by Global Girlfriends, UPAVIM, and especially Heartworks, it is obvious that there are substantial gaps where this developmental model does not meet all expectations. Therefore, it is important to explore these challenges further to understand their causes and possibly find solutions to improve the Fair Trade model. In order to offer a more extensive and critical analysis of the setbacks of Fair Trade, I have also included evidence from other case studies conducted by Ranjana Das in India, Ann Le Mare in Bangladesh, Anna Hutchens in Asia, and others.

One of the major issues, particularly for the Fair Trade handcraft sector is not enough income. For the majority of cooperatives, the women are paid by the completion of each piece, not hourly. Many issues arise from this method. Some women complain that the price they receive per piece is not enough to cover living costs, especially if they are not able to make many pieces one month. This is in contrast to working in hourly employment, where you are

required to work a certain amount of hours and get paid for that time. One woman criticizes, “The work we do, the bags, are very complicated and it is difficult. . . I think we shouldn’t make complicated things, and if we do, they should pay us more.”¹⁷⁶ The issue of elaborate, time-consuming products affected the cooperatives Global Girlfriends worked with as well. In response, GG modified product line to make more simple and easier pieces that helped save time and cost less to produce. However, not all cooperatives have adopted this method of production and the producers continue to spend lengthy hours in making a few items with little return.

Another critical setback of working in a cooperative setting is the light cash flow. There are instances where some cooperative members have had to wait eight months to be paid for their handcrafts. Occurrences such as this are common for those smaller cooperatives that sell their products to a larger cooperative. The larger cooperative might not have received payment from the Fair Trade organization for the last shipment; therefore they do not have the money to pay for the new batch of products. In the case of a weaving cooperative in Chiapas, Mexico, called Tsobol Antzetik, when the person returned without payments from the store, “The women had trouble believing that there was no money at all. They suspected that if the store representatives’ children needed food or medicine, they would find money somewhere.”¹⁷⁷ This contributes to other elements of mistrust among the cooperative members and their partners. However, this is not the case for women working under Global Girlfriends since they are paid fifty percent upfront and the remaining fifty percent once the order is shipped. Edgar explains, “We don’t want women to choose between feeding their families and buying materials.”¹⁷⁸

¹⁷⁶ Goldin, Rosenbaum, and Eggleston, 278.

¹⁷⁷ Grimes and Milgram, 51.

¹⁷⁸ Edgar, *Global Girlfriends*, 52.

In addition, women have complained about the structure of the cooperative. One of the issues is the requirement to work together, which does not always generate equal effort by all participants. There are those who resent working in a communal environment because they feel weighed down by other members who contribute only half-heartedly. Lynne Milgram in her work with cooperatives in the Philippines discloses an unfortunate case of a cooperative member named Norma, who took advantage of her position. Along with other instances of poor behavior, Norma would sell the left over yarn from the weavers cooperative for her own personal profit. As a result, Milgram explains, "Feelings of mistrust developed among group members, and the group had largely disbanded."¹⁷⁹ All of the women in the cooperative ideally should work together to keep the business going, but some women like Norma are self-centered and do not keep the success of the group as whole at the forefront. This creates hostility and resentment in an environment where trust and communal work is supposed to contribute to its success.

A study conducted by WEIGO also confirms that communication and transparency is much needed in these kinds of settings. There was one instance in Uganda where the issue of trust arose between the leaders who were responsible for delivering the products and distributing payments and the cooperative members. The producers were not sure if they received the appropriate amount for their batch of work since there was no formal process of record keeping in place.¹⁸⁰ Another similar issue occurred with the cooperative director of a weaving Fair Trade organization in Mexico. Because the women suspected he spent too much of their funds on operational costs, for example in catering to potential buyers, they decided to break away from the group and form their own cooperative.¹⁸¹

¹⁷⁹ Grimes and Milgram, 116.

¹⁸⁰ Jones, Smith, and Wills, "Trading Our Way Up: Women Organizing for Fair Trade," 65.

¹⁸¹ Grimes and Milgram, 51.

There is also the issue of the size of cooperatives and the quantity of their production. Some Fair Trade businesses have taken it upon themselves to expand their business to meet the market demands. This creates the problem of growing too quickly without adequate support. This is exemplified in the research conducted by Ranjana Das in India. Das shows how this particular Fair Trade organization started to have its employees work around the clock in order to fulfill a large order in time. They also started to employ more young men than women since the men were able to work late through the night and pedaled the machines faster.¹⁸² Because this organization focused its efforts in fulfilling an order, it lost sight of its most valuable asset, the producers. Das argues that this shows how Fair Trade can become another form of exploitation where the employees of the informal economy are treated like captives.¹⁸³ She states, "As the Fair-trade Network is going mainstream, the notions of 'fairness' are also drifting away from a people-centered notion to a more market-oriented one."¹⁸⁴ Therefore, in order for it to remain true to its principles, the Fair Trade cooperative must stay within the boundaries of small-scale production. It is not a model that can compete and scale up to the same level as large enterprises in terms of product output without being at risk of compromising the Fair Trade principles.

Fair Trade Principles Overlook The True Needs Of The Producers

Another major critique of Fair Trade is the disconnect between the ideology of Fair Trade as service of justice and the message being translated to the producers who are supposed to be served. Fair Trade was created to help correct injustices of the market and help the producers overcome the challenges of poverty by providing them with a pathway to market

¹⁸² Ranjana Das, "Gender in Practices of Fair Trade and Decent Work," *Gender, Technology and Development* 15, no. 1 (2011): 101-125, 118.

¹⁸³ *Ibid.*, 122.

¹⁸⁴ *Ibid.*

success. Yet, there are shortfalls where producers still struggle to make a living wage and break the cycle of poverty even within the Fair Trade model. In their extensive research organized by the Women in Informal Employment: Globalizing and Organizing (WIEGO), some of the women brought up the challenge of the increased cost of raw materials, but their wages did not reflect the same increase. Moreover, a similar complaint was that even though productivity may increase, their wages remain stagnant.¹⁸⁵ Lynne Milgram criticizes that while Fair Trade organizations have the potential to be great assets for the success of producers, they lack in formulating a holistic approach that includes all major components: securing raw materials, broadening and establishing on-going markets, and adjusting to the fluctuation of production cycles.¹⁸⁶ This lends to a shortfall that can lead producers to become unmotivated and disillusioned in Fair Trade. If they cannot rely on the Fair Trade organizations to provide them with what they need to make a better income, and in turn a better life, then they will seek other methods of income or resort back to low-wage and poor treatment labor. As Sandra Kruger and Andries du Toit appropriately state, "The notion that Fair Trade works in a direct and simple way to empower workers and producers needs to be taken with a pinch of salt."¹⁸⁷ It is never that simple.

In addition to the lack of resources and market-access, there have been cases where the principles of Fair Trade are not conveyed properly and effectively to those in the side of production. For instance, researchers have encountered situations where the producers are unaware when asked about Fair Trade. This criticism pertains primarily to coffee producers who when they are asked about how they feel about working in Fair Trade, are unaware of the term and its meaning. Sarah Lyon writes, "Many rank-and-file members of the producer groups. . .

¹⁸⁵ Jones, Smith, and Wills, "Women Producers and Benefits of Collective Forms of Enterprise," 20.

¹⁸⁶ Grimes and Milgram, 107.

¹⁸⁷ Laura T. Reynolds, Douglas L. Murray, and John Wilkinson, *Fair Trade: The Challenges of Transforming Globalization* (London; New York: Routledge, 2007), 217.

possess little or no understanding of the movement's premises or even the fact that their goods are promoted in retail markets as originating in socially just and environmentally sustainable conditions."¹⁸⁸ Ranjana Das also alludes to this disconcerting issue, pointing out, "Producers are captive subcontractors, and most of the employed lower-end artisans are unaware that they produce for Fair Trade."¹⁸⁹ This is a major concern for proponents of Fair Trade because cases where this occurs undermine the effectiveness of the model.

Moreover, Christopher Wraight in his book titled, *The Ethics of Trade and Aid* argues that Fair Trade is just another form of charity, lacking long-term or moral implications. He says, "If it's seen for what it is-- a moderate dose of charitable giving on top of the price of a bag of coffee- then it's certainly a relatively easy way of alleviating some aspects of poverty in producer countries."¹⁹⁰ This is a harsh criticism since it challenges Fair Trade's impact on alleviating poverty in the long-term. Wraight is right. Fair Trade, in a sense was never equipped as a model to address the many complex issues of poverty. In a sense, Fair Trade has been set up to fill in where the state government has fallen short. If national trade regulations were mandated by the state to protect poor producers, then Fair Trade would not be needed. Furthermore, although it is contributing to help poor producers, Fair Trade can be an impediment for states to provide services of basic necessities. If Fair Trade organizations are establishing clinics, providing agricultural support, and primary education for children, then what is left for the state to do? Therefore, although the benefits of Fair Trade are felt at the micro-level, when looking at the larger picture it might be causing more harm than good. Fair Trade is not structured to sustain the burdens of all the world's poor. States need to adhere to their responsibilities and provide basic human services to their citizens.

¹⁸⁸ Lyon and Moberg, 124.

¹⁸⁹ Das, 122.

¹⁹⁰ Wraight, 150.

Who's Benefitting More- The Rich Or Poor

Like every other social movements, Fair Trade is becoming a fad, something cool to be a part of, a sort of movement. Therefore, it is questionable how much consumers know about Fair Trade and the significance of the Fair Trade label. Even if they know just the basics-- that it is a purchase giving producers a higher wage and better working conditions, the deeper social justice aspects are lost. This is a major criticism of the traditional forms of aid where donors just throw their money at poor people without fully comprehending the struggle of the poor. Critics of Fair Trade question whether the lives of the poor are changed by our simply purchasing a bag of coffee at the grocery store or buying a piece of Fair Trade jewelry. Consumers' purchases only go so far. What is being done on a greater scale to address the daily struggles of the poor and ensure sustainable life improvements? In an article written about Fair Trade handcrafts in Peru, Jane Henrici lays out a list of challenges that the cooperative faces working with people who are in charge, but are from affluent cultures and do not understand the demands of the cooperative. For example she states, "A third challenge arises in attempting to describe regional conditions and goods so that presumably literate donors, evaluators, planners, and consumers may become better informed."¹⁹¹ She stresses that it is important to translate to those in the top of the pyramid, the conditions of the where the items are made because interruptions do occur. "The demands made by importers typically fail to acknowledge local conditions for craft producers" and as a result the crafters are left without support because importers normally just pull out of the investment instead of trying to work with the producers and understanding their conditions.¹⁹² These "misunderstandings that lead to loss of revenue, or to assistance directed elsewhere, can affect the lives of hundreds of thousands of small-scale producers."¹⁹³ Since they

¹⁹¹ Henrici, "Non-Governmental Organizations and Craft Producers: Exchanges South and North," 293.

¹⁹² Ibid.

¹⁹³ Ibid.

do not live in the region, outside investors and importers sometimes overlook the daily struggles of life in destitution.

Another instance is given by Sara Lyon in a coffee cooperative in Guatemala. Lyon did research with the coffee farmers who are predominantly male; however, she also chose to interview the wives of the farmers. These women wanted to make an income on their own through the Fair Trade model but they were not successful. They attempted to create ties with the American coffee business that their husbands worked for known as, Green Mountain Coffee Roasters, and would approach the representatives whenever they visited. However, the company did not respond. The disconnect occurred when a “coffee wrap clutch” was advertised on the Green Mountain website as being made in Guatemala, but they were not made by the wives of the cooperative members. Lyon criticizes, “This means like their other efforts, the female cooperative members attempts to cultivate these market relationships are failing.”¹⁹⁴ Instances like this put into doubt the motives behind these companies that claim to be Fair Trade and are supposedly out for the best interest of the producer. How much do they care about the producers and helping better their lives? Or are they simply using the “Fair Trade” mark to further their profits?

Anna Richerby, owner of Beloved Beadwork in Cape Town, South Africa does not like to associate her business with the term Fair Trade for this particular reason. She sees Fair Trade as another form of aid, a recreation of dependency where the rich help the poor. Richerby uses a clear image that is relevant and captures what she means by relating Fair Trade to the traditional forms of development. She wrote a piece that was featured in an article for a design magazine in South Africa, where she asks the readers to consider the image that is most often used when representing crafters from a developing country. The image that comes to mind

¹⁹⁴ Lyon and Moberg, 142.

usually looks like this: poor, dark-skinned woman weaving a basket on the floor with a child by her side. She challenges, "Are we portraying true images of who black women are, in all their complexity and individuality, or are we painting the simplistic picture that outsiders want to see?"¹⁹⁵ Unfortunately Richerby is right. It is this simplistic image that is used to advertise Fair Trade products. They are intentionally utilized for the effect of encouraging consumers to purchase the product because it helps the women in the picture. Even Global Girlfriends uses this marketing technique. Edgar sees it from a different perspective though, she says "The only way buying habits change is when people see the things they buy as not just 'things' but as the people behind those items."¹⁹⁶ Moreover, she states that she provides the stories of the cooperative groups as a way to demonstrate the company's transparency. She explains, "Any group you want to know about, we're happy to tell you, we're not trying to hide where our products are made."¹⁹⁷ However, if these images were not portrayed, will the products still sell? This is a real issue since the decision lies on whether to share with the consumers the human factor behind the product, but at the same time it might take away from the privacy and dignity of the producers.

Jane Henrici emphasizes the difficulty faced by Fair Trade organization that must choose between painting the non-romantic images or make sales. She states, "For the person in the middle, in this case the NGO-ATO worker mediating between artisans and international agencies and buyers, retaining respect for unromanticized concerns on the part of the crafts producers while maneuvering within expectations and stereotypes on the part of those with money can be difficult."¹⁹⁸ The purpose behind marketing the products in this manner is well-intentioned because it is part of making the connection between consumers to the producers. However, as

¹⁹⁵ Anna Richerby, "Weaving New Ideas," *Design Magazine* no. 20 (2012), <http://designmagazine.co>.

¹⁹⁶ Edgar, *Global Girlfriends*, 52.

¹⁹⁷ Stacey Edgar, Interview by Maribel Lora, April 2 2012.

¹⁹⁸ Henrici, "Non-Governmental Organizations and Craft Producers: Exchanges South and North," 300.

Richerby remarks, it can be demeaning and feeds into the idea of the wealthy whites helping the poor non-whites. There are some involved in Fair Trade that have recognized this problem and agree that this image of women is disempowering and diminishes the potential of the women producers. Therefore, they are moving towards actions that will “achieve greater representation of women in governance roles and to highlight the importance of women’s economic empowerment in Fair Trade.”¹⁹⁹

Gender Equality Stagnant Under Fair Trade

As much as some Fair Trade organizations have helped elevate the standard of living for women in developing countries, the criticism continues: “To date Fair Trade has failed to promote gender equity adequately, especially in regard to active female participation in the democratic processes of Fair Trade producers associations.”²⁰⁰ Some argue that even if women have gained access to the market or have been able to gain a better price for their production, there still exists inequality of women in communities where inequalities have existed predating the establishment of the Fair Trade organizations. In other words, the involvement of women in Fair Trade organizations has had no real significant impact on improving the status of women since they continue to be treated unequal among their community members. A quantitative example of the little impact of Fair Trade on increasing women’s democratic participation comes from Ann Le Mare. According to her research of one Fair Trade organization, she found that “While the women reported change within the family, it appeared that they were still excluded from village and public decisions. Only about 10 per cent of Fair Trade women (and only 3 per cent of the other women not involved in Fair Trade) said they were more likely to take part in

¹⁹⁹ Jones, Smith, and Wills, “Trading Our Way Up: Women Organizing for Fair Trade,” 80.

²⁰⁰ Lyon and Moberg, 131.

village activities or to approach a government official.”²⁰¹ Moreover, Le Mare states that though the women have increased mobility since they are able to travel to group meetings and Fair Trade related events, “They seldom engage in other social events or join in village activities, whereas men are free to travel, to socialise, to gather in groups, and to use their contacts to influence decisions.”²⁰² This ties to the concept of meta-power discussed earlier. Even women involved in Fair Trade can still lack the meta-power to conduce real change. According to a thorough study of multiple Fair Trade women cooperatives, women in Nepal complained that even though they have been able to acquire money, once they start making a profit their husbands take the money or take over their enterprises.²⁰³

Another major impediment to equal participation in the decision-making processes is the disproportionate distribution of household responsibilities that fall on the shoulders of women. Unfortunately, many cultures maintain the idea that a woman’s central role is caring for the children and tending to household chores. Therefore, this can cause a barrier to women who want to participate in decision-making positions outside of the home. This is evident for the women of Guatemala whom Sarah Lyon interviewed. They shared that they “do not actively seek leadership roles within the cooperative due to their responsibilities within the household which make attending frequent and lengthy meetings burdensome.”²⁰⁴ Moreover, Ranjana Das discovered that women were not considered for better positions in this one Fair Trade business because “women cannot work overtime when they have to deliver a big order, given their household responsibilities.”²⁰⁵ Anna Hutchens found this also be true in her studies in Asia where women artisans remain at the producer level with little participation in managerial and

²⁰¹ Le Mare, "Fair Trade as Narrative: The Stories within Fair Trade," 100.

²⁰² Ibid., 105.

²⁰³ Jones, Smith, and Wills, "Trading Our Way Up: Women Organizing for Fair Trade," 62.

²⁰⁴ Lyon, 262.

²⁰⁵ Das, 119.

leadership positions. She criticizes the World Fair Trade Organization for being “gender blind” and “reproducing the status quo.”²⁰⁶ This is a significant criticism of the Fair Trade model.

Though, women benefit from the flexibility afforded by working from home, Fair Trade does not challenge these gender roles and in a sense reinforces them since nothing is asked of the men to take their equal share of household responsibilities.

Another setback for women is facing the harsh realities of the highly competitive market industry. And in a sense they are set up for failure. Women in developing countries are traditionally at a disadvantage with the cultural, institutional, and some times religious barriers. Therefore, joining the market is yet another challenge. Johanna Lessinger criticizes, “Such schemes (income-generation) tend to leave existing social inequalities intact, simply pushing women into an already overcrowded, poorly paid, and exploitative informal sector.”²⁰⁷ If Fair Trade does not help women enhance their economic standing despite, according to the research presented earlier, their being a strong resource for development, then it is not serving its intended purpose fully. Yet, hope remains. There are businesses that recognize these gaps and they are moving beyond the Fair Trade model to create a more comprehensive approach to meeting the needs of the producers. Beloved Beadwork is one of them.

ALTERNATIVE MODEL

Beloved Beadwork

In the same trip to South Africa where I learned of Heartworks, I was introduced to another small business named Beloved Beadwork. Dr. Jennifer Fish headed the course offered

²⁰⁶ Anna Hutchens, “Empowering Women through Fair Trade? Lessons from Asia,” *Third World Quarterly* 31, no. 3 (2010): 449-467, 462.

²⁰⁷ Seligmann, 76.

through the Women Studies Department at Old Dominion University and through her many connections in this community she introduced the class to Anna Richerby, the owner of Beloved Beadwork (BB). I would work Richerby and Beloved's employees for the following three weeks of the course. Beloved Beadwork can be described as a small business in the craft industry, specializing in making fashionable and artistic jewelry out of tiny, glass beads using the technique of bead-weaving. Similar to Stacey Edgar who began Global Girlfriends by recognizing the talent women had in creating things that the market could sell, Anna saw the raw talent these women in Cape Town possessed. As she describes, "[it was] clear to me that there were plenty of skilled, intelligent, hard-working women in Cape Town."²⁰⁸ The market was there, the talent was also present, and BB connected the two.

Being only a few years old, BB has established its identity with a clear focus on who they are and how they do not want to be portrayed. The business is more than creating works of art; it prides itself in the dimensions of social justice. In the words of Richerby herself, "Our interest also lies in contributing to a transformed and ethical craft sector which develops good creative skills and enables a high quality of life for all of its members."²⁰⁹ However, when asked about the mission of Beloved Beadwork Richerby responded simply, "The mission of our business is to make high quality beadwork."²¹⁰ Although BB has dimensions of ethical business practices and strives to instill social justice values within the mission, the goal remains to make high quality jewelry. This is what makes Beloved Beadwork unique and different from the mission of Fair Trade. The focus of Fair Trade in a sense is to provide services to the producers, where the product itself is marketed along with "the story." Beloved Beadwork instead does not share "the story" of its artisans since it is the product that takes central stage. Richerby strongly believes

²⁰⁸ Richerby, "Weaving New Ideas."

²⁰⁹ *ibid.*

²¹⁰ Anna Richerby, Interview by Maribel Lora, February 20 2013.

that the personal lives of Beloved's employees should not be tied to the product sold. She makes a telling remark comparing Fair Trade producers to employees at the American retail store, Wal-mart. She states, "If I walked into Wal-mart and saw a poster of one of their staff members, detailing how hard her life is and how much working at Wal-mart had helped her, I'd be really shocked, and think it deeply inappropriate. I feel the same way about Fair Trade."²¹¹

How Does Beloved Beadwork Measure Against Fair Trade

As mentioned previously, one of the ways in which Richerby's business differs from Fair Trade is her careful attention to the way the employees of the business are portrayed. One of the criticisms of Fair Trade was whether it is more for the rich, than the poor since Fair Trade can at times re-establish the traditional notions of pity from the rich to the vulnerable poor. However, Beloved's mission is to be in stark contrast of this disempowering perception. A clear example is when I asked Richerby if I could take a photograph of some of the beadweavers as they crafted a piece of jewelry using simply a needle, thread, and small glass beads. To my surprise I did not receive the response I had anticipated. She gently explained that she did not like for them to be photographed and said it was better to only take pictures of their hands and not their faces since she did not want to add to the usual portrayal of black women doing handcrafts. Like most people, I had considered the use of photographs to be something trivial, not taking into account the underlying messages involved with the image of the producer. But Richerby's heightened consideration of the women she employs tugs at the core of what Fair Trade and all the other attempted programs of development are supposed to focus on- the person. Richerby clearly makes known the importance of her staff. She states, "Rather than

²¹¹ Anna Richerby, Interview by Maribel Lora, February 20 2013.

presented as objects of pity or romantic simplicity (as is sadly often the case in our industry), our entirely black female staff team is afforded dignity and privacy at all times.”²¹²

In the initial stage, I did not understand entirely Richerby’s methods and approach in managing her business. Yet, as the time passed and the more I let go of my preconceived notions, the more I understood the depth of it all. Unlike other Fair Trade organizations, Richerby chooses to preserve the dignity of the staff. She rejects the idea of the “pity purchase.” Respect for the women represented is placed at a higher value than attaining larger profits. This choice has not, however, come without setbacks. Richerby confesses, “This approach has had its pitfalls. At times we have known that our sales figures would be better if we used the buzzwords that people expected. We have shied away from publicity, fearing we would be typecast in such a way... And we’ve missed out on much needed funding for fear of damaging our pride and image.”²¹³ In the end it is the protection of privacy of its employees that distinguishes Beloved from the Fair Trade model. Richerby goes on to say, “I would never talk about my staffs’ personal lives. It’s just not fair.”²¹⁴

Though Beloved Beadwork is not considered a Fair Trade business in the traditional sense, the same values and principles of Fair Trade are upheld for its employees. As mentioned above, the respect of the employee’s dignity and identify are maintained. This was particularly evident with Elizabeth, Richerby’s right-hand woman.²¹⁵ Elizabeth has been working with Beloved from the beginning. She maintains the shop most of the days and also assists with more of the administrative tasks. Although I did not have a formal interview with Elizabeth, from my observations she demonstrated appreciation for the position she held and was eager to do

²¹² Anna Richerby, “Commitment to the CCDI SPV Enterprise Development Programme Joint Funding Application,” Unpublished (grant proposal, South Africa, 2012).

²¹³ Richerby, “Weaving New Ideas.”

²¹⁴ Anna Richerby, Interview by Maribel Lora, February 20 2013.

²¹⁵ To maintain confidentiality and privacy of the employees of Beloved Beadwork, their original names have been changed.

more. A small contribution on my behalf was teaching her basic computer skills, of which she quickly learned. This is one of the future goals of Beloved. In a grant proposal, Richerby explained that they hope to train some of its employees in computer skills, English-language lessons, and even how to drive an automobile.²¹⁶ Moreover, with a baby's crib in the back of the shop, BB offered Elizabeth the opportunity to care for her beautiful baby girl, Esther who was but two years old while she tended to her job duties.

Another similar benefit to that of the Fair Trade model is flexibility of time and space. The employees of Beloved do not have to choose between employment and taking care of their family. Most of the women choose to work from home, having to travel to the central workshop once a week to drop off their products and collect new work. This is a benefit particularly appreciated since in Richerby's words, working from home helps them to "balance the demands on their life and work flexibly as it suits them" and not the other way around.²¹⁷ These are just a few examples in which Beloved Beadwork exemplifies the principles of Fair Trade. When asked which principles of the Fair Trade model BB maintains as part of their mission, Richerby responded, "All of them are part of the BB mission. But they are not part of our public mission. I also feel like these should be the principles of any good business, not just those labeled 'fair trade'."²¹⁸

It is important again to not over-romanticize it; things at Beloved are not always perfect. However, even with its internal issues, to my observations, the individuals employed at Beloved enjoyed the lax environment and the flexibility it allowed. There were many moments when the women were dropping off their products would gather in the workshop and the room would be filled with laughter. Beloved is a place of comfort and a shelter of peace where the employees

²¹⁶ Richerby, "Commitment to the CCDI SPV Enterprise Development Programme Joint Funding Application."

²¹⁷ *ibid.*

²¹⁸ Anna Richerby, Interview by Maribel Lora, February 20 2013.

can earn an income devoid of tensions and unjust demands. Richerby highlights this small enjoyment in one of her blogs. She shares, "As we sit and bead mind-satisfying patterns with perfect, pierced glass spheres, we are able to share our varied experiences, find some solace in music, and perhaps, just perhaps, lend a little human dignity with our thoughts and prayers..."²¹⁹ I cannot account for how each individual feels about working for BB, but it is apparent these women are respected and valued as not only employees, but human beings.

In addressing the criticism of Fair Trade products being of poor quality, Beloved Beadwork takes pride in its products. Crafting high quality products is at the core of Beloved's mission and it is because of this higher standard that has helped Beloved succeed. I can recall watching Richerby as she carefully examined every piece of jewelry the artisans handed to her, looking for any tiny mistakes that were hidden from the naked eye. Therefore, when a product was displayed in the next-door shop it passed inspection and earned the stamp of approval. It had become ready and good enough to be sold in the market of valued clients. Beloved could have easily become just another beadweaving business- simple patterns with ordinary beads, sold in the tourists market. However, Richerby wanted more for her team. She knew there could be better and from the beginning strove to meet high expectations she set for herself and her enterprise. This has also been met with some challenges since the value of the product is sometimes diminished when sold alongside other "ethically made" products with lesser quality.²²⁰ Richerby expressed this concern as a day-to-day challenge in finding the appropriate market for their product.

²¹⁹ Anna Richerby, "The Beloved South," *Beloved Beadwork* (blog), October 17, 2012, <http://belovedbeadwork.co.za/blog>.

²²⁰ Anna Richerby, Interview by Maribel Lora, February 20 2013.

Richerby measures the success of the business in terms of “profitability, sustainability, and how much decent employment we are providing.”²²¹ Because of its success in providing income in a dignified manner where the personal lives of its employees are not compromised, Beloved Beadwork can be regarded as an elevated model that has transcended the bounds of Fair Trade. It has raised the bar and become a higher standard by which others with the same motives can strive to achieve. “An outstanding product that sells itself.”²²² The quality and artistic design of the product sells for itself, so much so that it has been featured in art galleries in Miami and Paris, and fashion shows in South Africa. The women working at Beloved can stand tall and proud at the works of art they produce and know that when a person purchases a pair of earrings or a necklace it is not because they have pity on them; it is because they are talented.

²²¹ *Ibid.*

²²² Anna Richerby, Interview by Maribel Lora, July 31 2011.

CHAPTER 5

CONCLUSIONS

It is necessary to re-evaluate the meaning of the major concepts discussed in this thesis, including development, empowerment, and Fair Trade itself. The purpose of conducting this research was to analyze the Fair Trade model and determine whether it is an effective solution to alleviate poverty and empower women in the developing world. The movement of Fair Trade came about as a response to unjust and harmful international trading negotiations for poor producers. The pioneers of Fair Trade knew that something had to be done to ensure the rightful wage was paid for workers in developing countries. Therefore, the core of Fair Trade is to provide a sustainable wage, with secondary benefits resulting as an after-effect. However, as Anna Richerby points out, "I consider Fair Trade as it is now to be fairer within the context of the existing system, but not fair."²²³ The following discussion will explore how fair the Fair Trade model is in its current state and what can be done to deepen its impact.

WHAT IS DEVELOPMENT

For many decades there have been countless attempts to solve the pervasive problem of poverty that has loomed in the world for as long as history has been recorded. Development strategies have come and gone, but what has been their impact in minimizing the staggering number of people still living under the poverty line? The answer is not enough. This is because the problem of poverty is a perpetual cycle that has many factors and issues woven into it, furthering its complexity. It cannot be resolved by a one-fix solution. In order to alleviate poverty it is important to explore what development looks like. Is it more of an improvement on physical conditions, such as better housing, and allowing for more frequent meals? But what

²²³ Anna Richerby, Interview by Maribel Lora, February 20 2013.

about psychological improvements? Can development also include emotional and mental elements; for example, increased confidence and ambitions? As mentioned previously, some of the women claimed that they were grateful for the emotional support given to them by other women in the cooperatives and members of the Fair Trade organization. And with the moral support they find comfort to live through their burdens, or even get out of abusive homes. The structure of cooperatives supports this benefit of emotional health since "involvement in a producer group can help with many of the disadvantages that home-based workers face by making their work more visible, and helping to overcome problem."²²⁴ Some Fair Trade organizations mentioned in this thesis also focus on these secondary benefits that are beyond just cash income. UPAVIM and Shanti Uganda are two that place value on providing human services, such as medical care and educational opportunities.

WHAT IS FAIR TRADE

Let us take this opportunity to address the criticisms of Fair Trade discussed in the previous chapter in order to fully understand what Fair Trade is and what it is not. These major criticisms demonstrate the substantial gaps evident in the Fair Trade model; however, it is important to define what the Fair Trade model should accomplish and what should be addressed by other development efforts. One of the criticisms was based on the poor behavior of some cooperative members and the lack of trust this engenders. Although, this is troublesome and can create an environment of tension, and perhaps affect business, everyone makes her own individual decisions. This is inevitable. Even in the most supposed "good" and "positive" places there exists instance of selfishness and greed. The Fair Trade model is no

²²⁴ Le Mare, "Fair Trade as Narrative: The Stories within Fair Trade," 103.

different and unfortunately some people who work within it may take advantage of the system at the expense of others.

One of the most crucial and harmful criticism is the complaint of insufficient income for handcraft women producers. As mentioned, some women did not see the benefit of participating in Fair Trade organizations over working in garment factories or maquiladoras because the wage was not better. This challenges the core principle of Fair Trade since it is supposed to help poor producers get more money. Again, the primary benefit of cash income is what sets Fair Trade apart from the many other attempts to bring an end to poverty. Yet, this criticism in particular does not mean that the wage of Fair Trade in comparison to the wage for the same product in the unregulated market is less. If handcraft producers complain about taking too much time to make a product with not enough money in return, the fix can be achieved with a few tweaks in production. As mentioned, Stacey Edgar was able to give the cooperatives in Global Girlfriends a chance to make more money by minimizing the effort and time put into making the product. Therefore, by bypassing the complex details of making a handbag they are able to make more of the same, at the same rate per piece, but at a higher quantity. Rachel MacHenry points out, "To serve the needs of both the makers and buyers, the product must have the right balance of traditional techniques and contemporary function."²²⁵ This criticism, although grave to the main principle of Fair Trade, can be resolved by adjusting the economies of scale and improving production.

Along the same lines, there is the criticism about not receiving money in a timely and realistic manner, taking months to receive payment for their work. This is a real issue that affects a number of smaller cooperatives and Fair Trade businesses. It can be due to a number of reasons, but one is the fact that at times there just is not sufficient funds to cover for new

²²⁵ Grimes and Milgram, 40.

inventory if the old has not sold. Small Fair Trade businesses struggle with cash flow, and unfortunately this trickles down to the employees. Fair Trade is supposed to provide protection and assurance of a fair wage to the most vulnerable, those who need it the most; therefore this criticism is harmful to the success of Fair Trade. A better process must be put in place to ensure that all employees, near or isolated, in small or large cooperatives are paid within a reasonable time frame.

Finally, the stagnation of women's position within her community and her home is a significant criticism affecting the real impact of Fair Trade. In addition to democratic participation, J. S. Rice highlights the other major criticism that "Fair trade thus provides an income for women-- but at a cost, with extra labor due to their household responsibilities, as compared with men."²²⁶ Part of the objective of this thesis was to evaluate Fair Trade's success in helping handcraft women producers rise above poverty; however, the other part was to measure its success on empowering women. With the various instances discussed in the previous chapter it is difficult to answer positively to this criticism. The failure of the Fair Trade model's efforts to challenge these unfair gender roles is a great setback that must be given special attention by the major players, such as the World Fair Trade Organization and the Fair Trade Federation. It is important to note that the World Fair Trade Organization has adopted the protection of gender rights as one of its main principles. Yet, the implementation of these principles is lacking. In her article, Anna Hutchens makes reference to the WFTO's failed efforts. She proposes that perhaps a "human rights-based" approach should be used to address the women's rights issue. "Such a model would recognize women's rights as human rights and

²²⁶ J. S. Rice, "Free Trade, Fair Trade and Gender Inequality in Less Developed Countries," *Sustainable Development* 18, no. 1 (2010): 42-50, 47.

actively tackle the structural issues that affect women's ability to realize them. . . ,” says Hutchens.²²⁷

These criticisms, though real and important to evaluating the success of Fair Trade in helping poor women handcraft producers, do highlight the reasons that Fair Trade is desperately needed. The model of Fair Trade is complex because it is trying to make international trade negotiations just and fair in the uncontrolled and tumultuous global market. In other words, Fair Trade organizations act like businesses, but also have the element of non-profits, providing human services. Therefore, there will always exist the challenge of finding a steady balance between making a profit like any other business, and assisting poor producers with such things as medical care, educational, and leadership opportunities. Even though there are these major setbacks that makes Fair Trade unappealing, without Fair Trade it is safe to say that these women handcraft traders would be worse off. This is true for cooperative groups working in Global Girlfriends. They would not be able to sell to the U.S. without the marketing techniques and materials provided. Global Girlfriends covers the cost of marketing materials, research and development, and other business costs, which aids the smaller cooperatives.

Fair Trade is a means to an end. It began as a response to assist the producers who were cheated in international trade negotiations. Therefore, it was only a short-term solution to help poor producers get a decent wage for their goods and access to a wider market, though now it has become a larger more complex project. In the same sense, it should not be assessed by the romantic notion that it will eradicate poverty. Many women handcrafters join Fair Trade to better their situation and in a relative way, their lives improve. According to Ann Le Mare's research in Bangladesh, she found that “While all saw having an income as the most important

²²⁷ Hutchens, 463.

aspect of their work, they also appreciated the opportunity to learn new skills (87 per cent), to gain confidence (83 per cent), and to acquire social skills through being part of a group (49 per cent)."²²⁸ She goes on to say that especially in the Bangladeshi culture, "These experiences demonstrate both courage and significant change in their lives."²²⁹ Therefore, it is evident that change is happening. Participation in Fair Trade organizations does not ensure that these secondary benefits, such as improved self-image and better healthcare are received. However, the secondary benefits result from the fair and sustainable wage paid to the women.

Personal Choice

Like other development strategies, Fair Trade addresses only a fraction of the bigger picture. It is not a fix-all solution. It may provide a better wage, more money for the poor producers, but there are no promises that the producers will use the extra money an economically sound manner. There is no guarantee that the money will go directly to keeping the children in school, or buying them nutritious foods, or even improving conditions of the home. It is about personal choice. More than focusing on development or empowerment, Fair Trade affords the opportunity of choice. Part of our faulty approaches to solving the issue of poverty is that we want to solve it with a one idea imposed by someone from the outside. Not all methods when applied have the same success in all circumstances, regions, and communities. As mentioned before, the Fair Trade model should not be set up to absorb the responsibility of providing secondary benefits, such as medical care, education for themselves and their children, and other services. However, secondary benefits do follow after the primary benefit of cash income.

²²⁸ Le Mare, "Show the World to Women and They Can Do It: Southern Fair Trade Enterprises as Agents of Empowerment," 102.

²²⁹ *Ibid.*

DOES FAIR TRADE EMPOWER WOMEN

In the introduction of the thesis, one of the research questions was whether or not Fair Trade empowers women. This is a complex question and not simply answered. First, it is important to define what encompasses the word “empowerment.” The traditional meaning of the word has to do with giving a person the ability to accomplish something they would not be able to do on their own. It has to do with power and courage. Therefore, by empowering women they are able to assume roles that men traditionally would or perhaps they have greater confidence accomplishing goals they could not before. In this sense, Fair Trade has empowered women since there were specific instances listed in this thesis where women showed gained confidence. Also, some even took the place as the head of the household and sole breadwinner. However, this question requires deeper analysis. Does having a higher income signify a sense of empowerment? Do the secondary benefits of human services translate into empowerment? It has been established that these are the benefits reaped from Fair Trade, but it is important to find out if they give women power and equality.

These women show that with money many problems can be resolved. With access to more money women can take care of many of their needs and that of their families. Fair Trade allows for this since it gives money to women directly and a better wage than what the unregulated market would pay. Yet, more money does not guarantee prosperity. Because Fair Trade does not mandate how the money is spent, there are no promises that women will get to spend it how they choose. As demonstrated in the previous chapters, sometimes a woman’s income is controlled by her husband and thus her power is stripped in how it will be used. Even within the groups of women who participate in the Fair Trade model, there are still instances where the household income, including that of the woman is managed by the male. Therefore, making money does not necessarily give women the power to control it. In the same way,

having medical care, or training for a better job does not equate to more equality within the household. Neither money nor access to secondary benefits automatically gives women empowerment in the traditional sense. Once again this is an area that requires further development and research. As Ann Le Mare points out, "...the process of women gaining independence and control is much more complex to achieve and measure than gauging increased market access, quantity of sales, and higher prices paid to the producer, which may all occur without any substantial change in class or gender relationships."²³⁰

However, does any other external element empower women and create gender equality? Arguably, empowerment is something that comes from within. It is a personal choice. A woman can attend as many workshops about women rights, and even have the emotional support from other women and the financial resources to reach great heights, but if she chooses to remain in the same situation there is nothing more that can be done. Le Mare confirms that "while Fair Trade activities can help to provide opportunities and improve chances for empowerment, they cannot make it happen: people can only empower themselves through exercising agency."²³¹ In the end it is up to the individual choice of the woman to determine whether to stand up to her husband or not, or to leave a job where she is ill-treated. If a woman does not believe in herself, and believe that a better life is possible, then more often than not she will not sacrifice her current situation for the unknown. It is important to point out that external forces, such as moral support and financial resources contribute to empowering women. This is illustrated in the transformative experience of women in this thesis who participate in Fair Trade. They are given the resources, and as they witnessed the possibility of a better life, many mustered the courage to do more with their lives. This was the case of Carmela from the introductory chapter. Before her involvement with UPAVIM, she had believed that an

²³⁰ *Ibid.*, 97.

²³¹ *Ibid.*, 98.

abusive husband was the norm, but with the help and support of this Fair Trade organization, she realized this kind of treatment by her husband was not acceptable and she sought out to create a better life. This is empowerment.

Cultural Implications

There are also other barriers indigenous to the location and region of where the Fair Trade organization may be situated that may impede its effectiveness to empower women. Fair Trade organizations do not function in a vacuum; the cultural surroundings affect its impact on the community. This plays a large role in determining the effects of Fair Trade on women empowerment since outside elements exist within the community that are not controlled by the model. In her ethnographic studies, Linda Seligmann affirms, "Ideologies that work against empowering women traders, economically and politically prevail across many societies."²³² Therefore, Fair Trade may work to give women more money, but as mentioned before, in a male-dominant culture the money might be taken over by the husband. Some Fair Trade organizations may offer workshops and educational opportunities on women's rights and democratic participation in the household, but these only serve to inspire and cannot physically make the life changes for the women. Unless the culture supports the same values, then it will be constant conflict to instill change.

Another common ideology within these patriarchal societies is the idea that women should not work outside of the home. Jeanne Koopman states, "Patriarchal dominance over women's economic opportunities is so deep-rooted historically that it is widely regarded (particularly among men) as either 'natural' or as fully sanctioned by 'custom.'"²³³ Even if participation in a Fair Trade organization is physically accessible, a woman under this restrictive

²³² Seligmann, 243.

²³³ Visvanathan et. al, eds., 137.

environment struggles to overcome these cultural barriers. Yet, there have been instances especially in India and Nepal, where women find employment unbeknownst to their husbands and family members. And when money begins to come in, the family members' are influenced to consider otherwise. Or as the Edgar's story about the tribe in Kenya where the men stopped beating their wives in order to continue the income-generation program demonstrates that there can be successful interventions. However, these cases of success do not fully demonstrate change since the men changed their behavior based on the fact that the women were making money. Would it not be better to have the men value the women based on their intrinsic value instead of the money they make? Gender equality is a complex issue with many deep layers of complexities. Once you peel back one layer, another is revealed. The Fair Trade model is peeling back those layers, but it cannot be expected to resolve gender inequalities.

This ties in with the very important concept of cultural sensitivity to individual perspectives. The meaning of women's empowerment for those in the industrial world, usually picture a woman having control over her own decisions, devoid of domination by males in her household, or larger community. This is but one definition. Yet, what does empowerment mean for the developing-world women in these communities? Would their connotation of the word have the same meaning? For instance, it may not be necessarily a negative or disempowering factor that males are the head of the households and hold control over the family's finances. The case of women leaving it to the men to make the decisions of the household is common in many parts of the developing world. However, this tends to be viewed as something that needs to be "fixed" by outsiders, when in reality the women may not necessarily ask for this aspect of their lives to be changed. It is not to say that women living in fear and torment from males in their life should not be helped and empowered; however, abuse and maltreatment by men against women is not the case across the board. It is risky and naive to assume that all

communities in developing countries are run by malicious, power-abusive men. If a man is respectful and sincerely honors his wife, then perhaps the structure of male-headed households can work. What right do outsiders have to say what is good and right for one community and people? In cases where women are respected and appreciated in their homes, there is no immediate need to change the way of life. Once again, it is left to the desires and choice of the individual women to choose what it is right for her. Of course, the goal should be for equality of rights of women both in the private and public sector. Fair Trade, though it has much room to grow, does hold potential to further this goal of gender equality. It can offer different life alternatives and provide those women who want to change their lives, the backbone support to do so.

Yet, it is important for researchers in international development to continue to pursue deeper understanding of differing cultures in order to achieve greater strides in economic growth for impoverished populations. This is especially true for Fair Trade organizations that work with communities of diverse beliefs and cultural traditions. All aspects are connected, from family life in the privacy of homes, to the value placed on women at the national level. Therefore, everything needs to be considered. A woman may be given more money and a chance to be involved in the international market; however, if she does not have the support of her family members to participate in Fair Trade, then she may be disillusioned and withdraw. Seligmann points out that researchers should recognize “the dizzying and complex paths that underlie the production. . . , and ideologies so that they can better comprehend how they interact and become integrated, even in a contradictory fashion.”²³⁴ Yet, it cannot be expected that Fair Trade organizations can address all of these issues. It helps with only a small aspect of the bigger, more complex issue of poverty. Fair Trade can influence and inspire women since

²³⁴ Seligmann, 244.

with the primary benefit of cash income they may have the financial support to pursue other endeavors or get out a destructive situation, like in the case of Sushila mentioned in Chapter Three. Her husband did not agree with her working outside of the home, but with her money they were able to build a new house for their family.

There is still much left to be uncovered and understood before a conclusive answer can be given on whether Fair Trade helps empower women. It is important to keep in mind that Fair Trade is a fairly new concept that only recently gained public attention, and was featured in highly recognized media articles, such as *The New York Times* and the British paper, *The Guardian*. Therefore, data collection and scholarly research have not been fully explored. Sandra Kruger and Andries du Toit suggest, "More work needs to be done to understand the often hidden workings of the disregarded mechanisms that underpin the process whereby the Fair Trade movement imagines- and reimagines- the political content of 'fairness' in a changing world."²³⁵ Additionally, those few resources that focus on Fair Trade have only touched the surface of the gender issue, if addressed at all. As mentioned in the beginning, most scholarly research that has been done on Fair Trade has focused on the predominantly male-dominated coffee industry. Therefore, the study of women in the handcraft industry is even narrower with less critical thought dedicated to it.

IMPROVING THE FAIR TRADE MODEL

Targeting Women

To provide for a more comprehensive and effective model, Fair Trade needs to improve in a few areas. Important issues as the ones listed above need to be addressed and resolved in

²³⁵ Reynolds, Murray, and Wilkinson, 217.

order for Fair Trade to contribute lasting effects for women. What does an improved Fair Trade model entail? Firstly, more Fair Trade organizations need to target women and seek them for employment opportunities. With gained awareness of Fair Trade, more businesses are coming into the market; however, they may not necessarily focus on creating business for women. As mentioned before, women have great importance in the success of the family unit, yet if Fair Trade organizations do not actively pursue to empower women, then the potential is lost. Researcher J. S. Rice suggests focusing on feminist theory to guide Fair Trade towards a more gender sensitive model. She states, "Liberal feminist theory understands gender equality as occurring when women have access to economic activities equal to that with men."²³⁶ Rice is referring to the division of Fair Trade products and the fact that agricultural products, which are considered male-dominated has been brought into the "mainstream," whereas handcrafts or "women's products" remain in the informal sector.²³⁷ She goes on to say, "Applying this theoretical framework to fair trade would involve examining how fair trade policies can provide the same economic opportunities for women as for men."²³⁸

Cultural Sensitivity

Though this is not listed as a criticism of the Fair Trade model, cultural sensitivity is key in any development strategy, especially when concerning women. To impact long-lasting change, cultural traditions need to be respected so that the change can develop organically. Any kind of strategy of development is only successful if the people buy into it. Fair Trade principles can be proposed; however if it conflicts with the cultural traditions of the community it can be useless. For example, in the case of communities where women working outside of the home is

²³⁶ Rice, 48.

²³⁷ *Ibid.*, 49.

²³⁸ *Ibid.*, 48.

culturally inappropriate, requiring the women to work at an external facility can be bending the rules and women may be reluctant to participate. Mohammed Yunus learned this early on in his attempts to build Grameen Bank. The women were hesitant to participate in the micro-lending groups because it was new to them and they did not believe in its promises. It was not until they saw tangible results from their own neighbors that they joined in. There also exists a need for more involvement from local participants, especially in leadership roles. Unfortunately, many Fair Trade organizations and businesses are led by people in the developed world who are located outside of the on-site facilities where the producers work. This again reinforces the criticism of Fair Trade being just another method of the rich helping the poor. Accordingly, an improved Fair Trade model would involve placing more local people, indigenous to the culture, in leadership positions.

Also, with the help of the national government there can be great improvements for women who would benefit from the assistance. As mentioned before, there exists the criticism that Fair Trade is giving states an excuse to not respond to the needs of their citizens. J. S. Rice affirms, "The larger structural void resulting from neoliberal policies as the state retreats remains unaddressed, thus disproportionately disadvantaging women who lack the access to communally led efforts to gain various social services."²³⁹ If the much-needed human services were provided by the nations' governments, then there would not be such a necessity for Fair Trade organizations to meet these demands. The efforts of Fair trade, therefore, would work best in partnership with the national government. Additionally, working with a larger agent of change, such as the government where policies and regulations can be mandated, Fair Trade can broaden its reach to a larger, macro-level.

²³⁹ Rice, 48.

Open Lines Of Communication

It is important to reiterate that the core purpose of the initiatives of Fair Trade is to improve the lives of individuals. It is not about making consumers feel good about their purchases, or bring increased profits for business owners. It is about helping poor producers have access to a better life. Therefore, listening to the needs of the individuals directly is essentially priority number one. As discussed above, the good intentions of those who are trying to help may at times overlook the true needs of the people they are trying to serve. This is why receiving the primary benefit of cash income of Fair Trade has so much importance. The women are able to have control over their own money, thus making decisions for themselves of what needs must be taken care of—school supplies for their children may take precedent over paying for better working tools. Again, if Fair Trade were to only provide a better wage, and none of the other secondary benefits, it can still be considered successful.

In addition to addressing the true needs of the women, Fair Trade organizations must also be aware of how the women want to be portrayed. Jane Henrici recognizes that this can be conflicting at times. She states, “For the person in the middle, in this case the NGO-ATO worker mediating between artisans and international agencies and buyers, retaining respect for unromanticized concerns on the part of the crafts producers while maneuvering within expectations and stereotypes on the part of those with money can be difficult.”²⁴⁰ It may be easier to sell Fair Trade with photographs and personal life stories of the women, but preserving the dignity of each producer must remain at the forefront. Richerby, states that one of the most difficult and trying moments she encounters within her business is the rude responses and comments made by customers about her employees. She explains, “I’ve been pretty horrified by how badly my staff are treated by visitors to the shop. . . try to take photographs of their

²⁴⁰ Henrici, "Non-Governmental Organizations and Craft Producers: Exchanges South and North," 300.

children without asking permission, and push them for discounts that they would never ask me for. We even had one incident where a visitor asked me, in front of my staff, whether all of my staff are HIV positive."²⁴¹ It is counteractive if women are paid a better wage, but their dignity and integrity are undermined by the misguided views from others. Fair Trade organizations, therefore, should be constantly aware of the image they are portraying of the producers to the world.

FINAL THOUGHTS

Fair Trade resulted from a joint belief that poor producers deserve a better wage and better working conditions than what the liberalized international market was offering. As indicated by the examples of this thesis, Fair Trade remains to be a positive and effective model for economic development among women. It has proven to provide not only the primary benefit or much needed cash income, but also secondary benefits that at times can be more meaningful for the women. Although it is far from a perfect solution to eradicate global poverty and empower women, it must be recognized for its efforts to bring justice and fairness to international trade. In the words of Tripp Pomeroy, Fair Trade is "one of the most effective ways to instill ethical, compassionate and transparent business practices in a world where they are sorely lacking, at the expense of so many good people."²⁴² Poverty is a complex issue with multiple layers. Gender equality is yet another complex challenge. Fair Trade addresses but one layer.

²⁴¹ Anna Richerby, Interview by Maribel Lora, February 20 2013.

²⁴² "About Us: Staff," *Cafe Campesino*, accessed June 1 2012, http://www.cafecampesino.com/staff_a/170.htm.

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VITA

Maribel Concepcion Lora
Graduate Program in International Studies
Batten Arts and Letters Bldg., Room 7045
Old Dominion University
Norfolk, VA 23529

Maribel Lora earned her Bachelor's Degree in Theology at Barry University in Miami, Florida. She was part of the Honor's Program where she wrote and defended a thesis titled, "Why Does God Allow Poverty To Exist." Her professional experience includes work in the non-profit sector at the Diocese of Orlando, where she held the position of Program Manager and Mission Education. Currently she is employed at the United Way of South Hampton Roads as a Relationship Specialist. She is also an AmeriCorps alum, committing to one year of service in Brentwood, New York. As part of her academic career, Maribel has participated in the Women's Studies Department's summer abroad course in South Africa that focused on International Development. Her field of concentration is Political Economy, which she aspires to apply in her pursuit of working within an international development organization.