

Do you take unfair cream & sugar with your 'fair trade' coffee?

By C.S. Morrissey

Special to The B.C. Catholic

This is the second part of a two-part article. Please see the Sept. 12 "B.C. Catholic" or bc-catholic.ca for Part 1.

I am sympathetic to the fair traders and their efforts to help the poor. I share belief in the Catholic faith with many of them, even if they haven't been able to persuade me to share their political or economic views.

I would be happy to change my views, and I am humble enough to recognize that they are more experienced with the topic than I. But if they cannot change the mind of an intelligent amateur who brings good will and common ground to the discussion, then what does that say?

My impression is that they are stuck in a rut, with outmoded thinking that will never convince most people outside their small circle. So I offer my own point of view as a way to help move the next generation forward with a more inclusive and innovative approach to social justice.

What is the evidence that "fair trade" really works? The University of Hohenheim study of certification schemes highlighted this fact: "In comparison with previous literature that mainly approached poverty through qualitative studies, we measure poverty based on quantitative data."

This means there is no numerical proof that schemes like "fair trade" reduce poverty. Such claims are quantitatively unsubstantiated. But because the fair-traders get testy and defensive when you challenge their pet idea, the Hohenheim study wisely recognizes that further quantitative studies "are strongly sug-



Christa Richert / sxc.hu

The business behind fair trade coffee isn't all it's chocked up to be, writes C.S. Morrissey.

gested for further research to test the claims that certified coffee production contributes to poverty reduction."

I am happy to leave further studies to the trained specialists, who I suspect will eventually satisfy most of the nitpickers. But do non-specialists really need to postpone the conclusion that "fair trade" is mostly a bad idea?

Even on the basis of its small study area, the Hohenheim study has found the quantitative evidence against schemes like "fair trade" certification to be so compelling that it states: "We recommend that the policy focus of government and donors should move from certification schemes to investments in the farm and business management skills of producers."

What would be the best way to manage things? Victor Claar, author of *Fair Trade? Its Prospects as a Poverty Solution*, pointed

out in an interview with Marvin Olasky that growing sugar, for example, would be more profitable than growing coffee. The real problem is not a lack of "fair trade" schemes; it is the lack of free trade, said Claar, that burdens the globe with injustice and inequality.

"In order to protect the livelihood of sugar beet growers in Michigan, we ban sugar produced in other nations. Sugar producers there could get a higher wage for their work if only we Westerners would decide that people are people and we are going to go buy wherever we can get sugar at a low price.

"Rather than shelter and protect sugar beet growers in Michigan, maybe we ought to open up avenues of opportunity for the truly poor among us, even if they happen to lie outside our borders."

Lack of free trade is the great-

est global injustice that binds the poor. It's not you and your desire to pay lower prices for coffee, or anything else. What would happen, for example, if we allowed free trade in sugar?

"Central America would gain access to a huge market and shift to sugar growing. If I am currently a coffee grower, I know I'm never going to make a lot of money at coffee growing, but all of a sudden there is this large market in the West for sugar, and it pays better in a way more enduring and rewarding than coffee growing," said Claar to Olasky (reported in *World* magazine April 9, 2011).

Even if you're against sugar, Claar also identified the injustice connected with the cream in anyone's coffee: "Dairy products are something else we protect. Dairy farmers are guaranteed minimum prices. I tell my students all the time that we should treat people as people, no matter where they happen to live. We are all created in the image of God.

"I find it distressing that we protect relatively affluent Americans when we should give everybody an opportunity to do something they can do well, at a low cost, in a high quality way."

Supporting "fair trade" price-fixing for coffee is thus no different from supporting price-fixing for cream, or sugar, or anything else. It's all a long-term recipe for entrenching global injustices. But free trade is eminently reasonable, and I commend it to all the faithful, because people are people, no matter where they happen to live.

C.S. Morrissey is an assistant professor of philosophy at Redeemer Pacific College. □