

## Whole World in our Hands: Experiential Activities

# Conscious Consumerism

## The Fair Trade Alternative



### Theme:

Fair Trade as an Equitable Alternative

### Prerequisite:

Students should have a basic understanding of international trade, and the process which occurs to get the products they consume from the producer to their dinner table. If the students are not familiar with this process, a quick overview will suffice.

### Curriculum Entry Points:

Grade 9 Social Studies, Grade 10 Personal Growth and Development, Grade 12 Environmental Science, Grade 12 World Issues, Grade 12 Political Science

### Overview:

When buying our favorite products in the grocery store, are the origins of these products considered? More often than not, we compare brand names and prices, not the social and economic situations of the producers of these very products. A very small fraction of the retail price paid goes to the producers themselves. Some commonly consumed products that are purchased (from the producer) at artificially low prices are coffee, tea, chocolate, sugar, bananas, and rice.

The following is a role playing game designed to help students gain an understanding of how the money they spend is actually divided between the retail stores, transportation, corporate intermediaries (or middlemen) who facilitate getting the products from the producers to the processors to the retailers, and finally the producer. Through a role playing comparison, conventional trade patterns are challenged by the fair trade alternative. A discussion will follow the activity, allowing students to enhance their newfound understanding of the fair trade alternative, and the impact it has on *majority world* farmers and their communities.

Photo: Caitlyn Vernon



*Small producer harvesting cacao.*

### Objective:

To have the students gain a solid understanding of where the products they consume come from, and under what conditions they were produced and traded. With this increased knowledge of production and trade, students will be able to make informed and conscious decisions when purchasing items such as chocolate, coffee, sugar, etc.

### Main Concepts and Vocabulary:

**COCOA BEANS:** Beans from a South American evergreen tree, used in making cocoa and chocolate.  
**CONSCIOUS CONSUMERISM:** Making informed decisions when purchasing products, taking into consideration the social and environmental costs involved.  
**CORPORATE INTERMEDIARIES:** The “middlemen” who act as agents between the producer and the retailer.  
**EQUITABLE:** Just or fair, having qualities of equality.  
**EXPORTS:** Products transported to other countries for trade or sale.  
**MAJORITY WORLD:** Otherwise known as the “third world”. Since the majority of the world fits into this grouping, “majority world” is a better term as it is free of negative connotations.

# Classroom Activity: Role Playing Game

## *Not as Sweet as You Think!*

### Time Required:

One 50-60 minute period

### Materials:

(based on a class size of 25 students- ratios provided below for classes of other sizes)

20 chocolate bars (ideally with a foil wrapper that can be exposed after the paper label is removed- proceed to label 10 of these “fairly traded” and 10 “conventionally traded” with paper label stickers)

\$23.00 in coins broken down as follows: \$1x10, \$0.25x5, \$0.10x7

(distribute this to the two groups as follows- for Fair Trade group- \$1x5, \$0.25x2, \$.010x6 and for Conventional Trade group - \$1x5, \$0.25x3, \$0.10x1)

2 Paper lunch bags containing pieces of paper which will have one of the following roles written on it for students to draw randomly (See scenario cards on page 21) : [Consumer: 2 pieces of paper] [Retailer: 2 pieces] [Transporter: 6] [Corporate Intermediaries : 1] [FTO official: 1] [Farmer: 12]

The first group, then, will have 1 consumer, 1 retailer, 3 transporters, 1 corporate intermediary, and 6 farmers.

The second group will have the same, except the corporate intermediary will be replaced by an FTO official.

1 visual prop to identify each student’s role (e.g. different coloured hats or arm bands) keeping in mind that the ratio of consumer: retailer: transporter: corporate intermediaries: FTO: farmers is 2:2:6:1:1:12

2 small bags of beans (ideally cocoa beans but any brown bean will do for the purposes of demonstration)

World Map

### Background:

This activity is designed to show students where their consumer dollars go, and how small the percentage is that goes to the farmers (when traded using conventional methods). There will be two rounds taking place simultaneously- the first using the free trade model, the second using the fair trade alternative (taking out the intermediaries and replacing it with the Fair Trade Organization- FTO). The income the farmers receive through conventional trade is substantially lower than the income earned through fair trade. This role playing game will highlight the social and economic differences experienced by farmers who produce commodities such as cocoa.

### Opening Questions:

1. Ask the students their favorite kinds of chocolate bars. After they’ve had time to contribute, ask them where chocolate comes from (plant, climate, countries, etc). World map can be used to show where cocoa beans are commonly grown, and where they are exported to. *Cocoa is grown in humid tropical climates. The world’s largest cocoa producing countries are: Côte d’Ivoire, Ghana, Indonesia, Brazil, Nigeria, Cameroon, Malaysia, and Ecuador. The world’s largest consumers of confectionary chocolate are: Switzerland, Germany, Norway, UK, USA, France, Spain, and Canada*
2. Introduce the idea that many farmers around the world work for very low wages, and in very uncertain economic and social situations depending on the market fluctuations. Discuss this with the students, asking for their input and ideas on the situation of farmers world wide. Do they find this to be fair?

### Main Concepts and Vocabulary:

**FAIR TRADE:** An alternative trade model, encouraging ethical, social and environmental practices in production and trade.

**FREE TRADE AGREEMENTS:** Agreements between different countries by which goods can be traded internationally without trade barriers or tariffs.

**MAJORITY WORLD:** An alternative term to describe a major portion of our world (Africa, Asia and Latin America) without the negative connotations associated with the term “third world”.

**POVERTY LINE:** The minimum level of income needed to cover a person or family’s basic needs (food, clothing, shelter, health care, etc).

**SUBSIDIES:** Financial aid given by governments to farmers to offset the costs of production.



### ***Working Conditions in Cocoa Producing Farms***

*Approximately 90% of the world's cocoa is produced on small family farms. The average cocoa revenue annually range from \$30 US to \$110 US per household member (under \$1 US per day), while the corporate intermediaries make billions. Generally all family members that are needed to help in the labour intensive process. Much of the labour provided is provided by children. In West Africa, 60% of these children are under the age of 14. Access to basic formal education is a luxury that many children with ties to this industry do not enjoy. A considerable portion of workers on cocoa farms have been kidnapped or sold into slavery. Worker conditions leave much to be desired, as does the uncertainty involved with lacking a steady income. Market fluctuations take their toll on farmers, who are at the mercy of those who set world prices. Often, the farmers are forced to sell their products for less than what it cost them to produce it. Payments are not always received in a timely fashion, causing more problems in economic and social instability in the lives of the farmers and their families.*

*Farmers involved in fair trade co-ops have much more stability and the chance to sell their products at fair prices. Many areas that have cocoa producing co-ops have been able to dig wells, build health clinics and schools, and to take care of their basic social needs thanks to the stability and justice that comes along with selling their products to fair trade organizations. The worker conditions are also monitored, which means that child and adult slavery are not tolerated.<sup>17</sup>*

### **Activity Instructions:**

1. Following the introductory questions, introduce students to the role playing game. Have the students move the desks off to the sides of the classroom. For each section of the game there should be a large space where the groups can interact, yet the divisions between stations should be clearly defined (by coloured tape on the floor, or some other visual distinction).
2. Divide the students into two groups.
3. The students will each take on a role (as assigned by picking a piece of paper out of one of the two brown paper bags). They will take on the role of the consumer, intermediary, FTO representative, retailer, farmer, etc. One group will be acting out the conventional trade practices, while the other will be acting out fair trade practices.
4. Once their role has been assigned, have the students group together in their assigned spots, according to role.
5. Each sub-group will receive a scenario card. There will be a set for the fair trade group and another for the conventional trade group.

From here the two groups will enact two different trading experiences, one after the other, as shown in the chart on the opposite page. This chart serves as a summary of each scenario, and the role to be played by each student. Each step is repeated twice: first for the conventional trade group, then for the fair trade group, so that students can clearly see the differences between each procedure.

\* \* \*

6. At the end of the trading process, have the two groups compare their findings. The farmers who have had their products traded fairly make significantly more money than their unlucky counterparts. What do the students think of this substantial difference in income?
7. Close this activity by asking how far the students think the farmer's earnings go. If most cocoa farmers selling their cocoa conventionally make between \$30 US-\$110 US annually per household member (which is less than \$1 US per day- well under the poverty line as declared by the UN) are they able to cover their basic needs?

*Those who live under the poverty line must make decisions about what to spend their money on- food, shelter, clothing, education, health services- but they often can't afford all of these! The fair trade cocoa farmers have more economic stability and as such are more likely to be able to cover those very basic needs.*

## Scenario Card Summary Sheet: The differences between conventional and fair trade

Group A: Conventional Trade	Group B: Fair Trade
<b>Step One: The Initial Trade</b>	
The harvest of cocoa beans has taken place. The farmers are approached by the intermediary. A very low price is agreed upon as the farmers don't have very much power in the situation.	The harvest of cocoa beans has taken place. The farmers approach the Fair Trade Organization (FTO). A fair price is agreed upon, and both the FTO and farmers come out of the situation happy.
<b>Step Two: Processing of the Beans</b>	
The beans will go from the hands of the intermediaries to processing centers. The intermediaries contacts retailers to sell the finished products to, with a high profit margin.	The beans will go from the hands of the FTO to processing centers. The FTO contacts retailers to sell finished products to, with a much smaller profit margin.
<b>Step Three: Transportation</b>	
The cocoa beans/chocolate are transported from the exporting country to the retailing country (e.g. Canada). The transporters will be paid an agreed upon amount. The transporters deliver the finished product to the retailers.	
<b>Step Four: Retailing and Consuming</b>	
The retailer has 10 chocolate bars to sell. The consumer chooses to buy conventionally traded chocolate bars. They will pay \$1.15 per bar, \$11.50 in total.	The retailer has 10 chocolate bars to sell. The consumer chooses to buy fairly traded chocolate bars. They will pay \$1.15 per bar, \$11.50 in total.* <i>*Fair trade chocolate is actually more costly, as the cocoa content is quite a bit higher. For the purposes of this activity, they will be "sold" to consumers for a set price.</i>
<b>Step Five: Where the Money Goes...</b>	
The money will make its way back down the line. Each group will receive the typical ratio of the \$11.50 that they would normally receive through conventional trade. The farmer will end up with less than 1% of the price that the consumer pays. (about 10 cents) *	The money will make its way back down the line. Each group will receive the typical ratio of the \$11.50 that they would normally receive through fair trade. The farmer will end up with 3.9% of the price that the consumer pays. (about 45 cents) *

*\* These figures have been approximated for the purposes of demonstration. Real transactions would have the same sorts of inequalities in the monetary breakdown, but not necessarily these exactly.*

### Extension Activities:

To build on this concept of fair trade have the students do research on other products that are available as fair trade products. Have them create posters with images, graphs, and information about typical working conditions in an unfair trade situation, versus the conditions in a fair trade situation. Depending on class size, this may be done in groups or individually.

Suggested products include:

- Coffee
- Tea
- Chocolate
- Sugar
- Rice
- Cotton
- Bananas

Other poster topics could include:

- Reasons why fair trade is preferable to traditional international trade (free trade)
- Government subsidies to farmers in the first world (how does this affect majority world markets and international trade?)
- Free Trade Agreements (NAFTA or CAFTA for example) and their impact on majority world countries when they prohibit these countries from protecting their own markets with tariffs and import barriers.
- Conscious Consumerism

After the posters and research on other products are complete, the students/groups can be given 5 to 10 minutes (or more, depending on group size) to present their findings to their classmates. These posters could later be displayed at a Fair Trade Coffee House.

# Not as Sweet as You Think!

## Role Playing Game Cards

The following are Scenario Cards for the role playing game *Not as Sweet as You Think*. Please photocopy these pages, cut scenario cards up, and distribute them to students as determined by the “role” draw.

<b>Scenario Cards</b>	
<b>Group A: Conventional Trade</b>	<b>Group B: Fair Trade</b>
<b>Step One: The Initial Trade</b> (Beans transferred from Farmers to Intermediaries)	
<p><b>1A) FARMERS</b> The harvest of cocoa beans has taken place. You are approached by an intermediary. You are desperate to sell your crops, and the intermediary knows that. You and the intermediary try to agree on a fair price, yet in the end you agree to sell the cocoa beans for a very low price. You don't know if and when you'll really see the money. You don't have much power in this situation.</p>	<p><b>1B) FARMERS</b> The harvest of cocoa beans has taken place. You approach the Fair Trade Organization (FTO). You and the FTO agree on a fairer price for your crop and you both leave feeling good about the deal. Selling at a fair price allows you to take care of your basic needs (e.g. food and medicine). You can be sure that you will get your payment on time and as agreed upon.</p>
<p><b>1A) INTERMEDIARIES</b> You approach the cocoa farmers to buy their recent harvest. You are in a position of power over them, as they need money desperately. They suggest a price they want, but you beat them down to a very low price. Finally, worried that their crops will spoil, the farmers agree to this low price. You may or not pay them on time, or at all, depending on how greedy you are.</p>	<p><b>1B) FAIR TRADE ORGANIZATION</b> You are approached by the farmers who want to sell their cocoa beans for a fair price. You, the FTO representative, and the farmers settle on fair prices. You will see to it that this deal is honoured, despite the fact that world market prices may fall, and that they are paid in a timely fashion. In this way, their lives can be as stable and as prosperous as possible.</p>
<b>Step Two: Processing of the Beans</b> (Beans combined with other products to make Chocolate)	
<p><b>2A) INTERMEDIARIES</b> Processing the Chocolate: The beans will go from your hands, the intermediaries, to the processing centers, where the cocoa beans will be combined with other ingredients to make chocolate.  You will then contact retailers to sell the finished products to, with a high profit margin. You'd like to make as much money as possible, while still remaining competitive. Many advertising dollars are spent on ensuring the success of product sales.</p>	<p><b>2B) FAIR TRADE ORGANIZATION</b> Processing the Chocolate: The beans will go from your hands, the FTO, to the processing centers, where the cocoa beans will be combined with other ingredients to make chocolate.  The FTO will then contact retailers to sell finished products to, with a much smaller profit margin. Making a huge profit is not your major priority; you are more concerned with fair worker wages and conditions.</p>
<p><b>2A) RETAILERS</b> You will order the conventionally traded chocolate bars, paying the intermediary an agreed upon low price.</p>	<p><b>2B) RETAILERS</b> You will order the fairly traded chocolate bars, paying the FTO an agreed upon reasonable price.</p>

<b>Step Three: Transportation</b>	
<p><b>3A) TRANSPORTERS</b> The cocoa beans/chocolate are transported from the exporting country to the country of the retailer (eg. Canada). You, the transporters, will be paid an agreed upon amount. You will deliver the finished product to the retailers.</p>	<p><b>3B) TRANSPORTERS</b> The cocoa beans/chocolate are transported from the exporting country to the country of the retailer (eg. Canada). You, the transporters, will be paid an agreed upon amount. You will deliver the finished product to the retailers.</p>
<b>Step Four: Retailing and Consuming (Retailing and selling of Chocolate)</b>	
<p><b>4A) RETAILER</b> You have 10 chocolate bars to sell, making the finished product available to consumers.</p> <p><b>4A) CONSUMER</b> You consider your options, and you choose to buy conventionally traded chocolate bars. You will pay \$1.15 per bar, \$11.50 in total.</p>	<p><b>4B) RETAILER</b> You have 10 chocolate bars to sell, making the finished product available to consumers.</p> <p><b>4B) CONSUMER</b> You consider the options and the social costs of your purchases. You choose to buy fairly traded chocolate bars. You will pay \$1.15 per bar, \$11.50 in total.</p>
<b>Step Five: Where the Money Goes...</b> <b>*Read this section aloud to students and have them pass money down the line accordingly*</b>	
<p>The money will make its way back down the line. Each group will receive the typical ratio of the \$11.50 that they would normally receive through conventional trade.</p> <p><b>5A) CONSUMER</b> When making the purchase of 10 chocolate bars, you will give the retailer \$11.50.</p> <p><b>5A) RETAILER</b> After receiving \$11.50 for the sale of chocolate bars, you will set aside 15% for government taxes. (\$1.50) You will then give 53% to the intermediaries. (\$6.10) You will keep what is left. (39%, \$3.90)</p> <p><b>5A) INTERMEDIARIES</b> The money that has come to you will be divided up between processors, farmers and yourselves.</p> <p>You will give 39% to the transporters and processors. (\$4.50) You will keep 13%. (\$1.50) You will give the rest to the farmers. (0.8%, \$0.10)</p> <p><b>5A) FARMERS</b> You will have to divide this money amongst yourselves, and then survive on the percentage that has come to you through the sale of those 10 chocolate bars (approx.10 cents).</p>	<p>The money will make its way back down the line. Each group will receive the typical ratio of the \$11.50 that they would normally receive through fair trade.</p> <p><b>5B) CONSUMER</b> When making the purchase of 10 chocolate bars, you will give the retailer \$11.50.</p> <p><b>5B) RETAILER</b> After receiving \$11.50 for the sale of chocolate bars, you will set aside 15% for government taxes. (\$1.50) You will then give 53% to the FTO (\$6.10) You will keep what is left. (39%, \$3.90)</p> <p><b>5B) FAIR TRADE ORGANIZATION</b> The money that has come to you will be divided up between processors, farmers and yourselves.</p> <p>You will give 38.7% to the transporters and processors. (\$4.45) You will keep 10.4%. (\$1.20) You will give the rest to the farmers. (3.9%, \$0.45)</p> <p><b>5B) FARMERS</b> You will have to divide this money amongst yourselves, and then survive on the percentage that has come to you through the sale of those 10 chocolate bars (approx. 45 cents).</p>

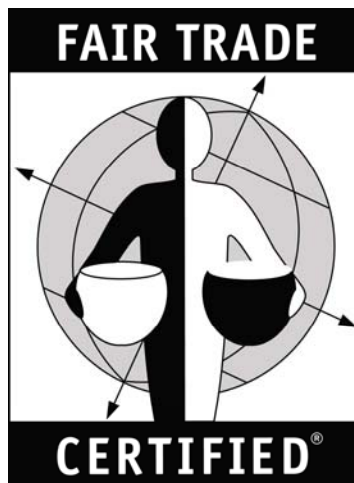
# Community/School Activity:

## *Fair Trade Coffee House*

As a way to involve the school community, or the community as a whole, a *Fair Trade Coffee House* could be organized. The posters made by the students could be displayed around the area, and the students could make themselves available either for short presentations or just for chatting with people who are interested in learning more.

The coffee house entertainment could be provided by local talent- ideally students from the school, but other connected community members could be invited if needed. The logistics will be organized by class members, as a good exercise in event planning. The students can also be responsible for either making 8.5X11 posters for the event, or posting the pre-designed template included after filling in the necessary information. The coffee house could take place at lunch hour in the school or in the evening at another designated location (it would be nice to be able to involve the community at large).

The coffee, tea, hot cocoa, chocolate and snacks provided should be all certified fair trade (and organic) if possible. Snacks and baked goods should be made locally using as many locally grown products as possible. The products can be sold at cost or for a small profit in order to offset the costs of the evening (if the space and talent are not donated). If it is decided to sell the products for larger profit, a worthy cause should be designated to receive these profits. In order to make sure that the product is fair trade, look for this logo:



### **Additional Reading Material:**

<http://www.maketradefair.com> Good resource, providing much information on different products that can be purchased through fair trade (coffee, chocolate, milk, cotton, etc). It gives an overview of worker conditions in the conventional trade system. Also talks about improvements to quality of life that can be made when farmers sell their products for reasonable prices.

[http://www.oxfam.org.uk/what\\_we\\_do/fairtrade/](http://www.oxfam.org.uk/what_we_do/fairtrade/) Facts about fair trade can be found on this site, along with the impacts of purchasing fair trade goods. Information on fair trade cooperatives, along with several "how to" guides and school/educational resources.

[http://en.wikipedia.org/wiki/Fair\\_trade](http://en.wikipedia.org/wiki/Fair_trade) Provides a detailed definition of fair trade, along with a brief overview of the system, information on fair trade labeling, politics and a comparison of fair trade and free trade. Many relevant links are available at this site.



# Fair Trade Coffee House



**Do you ever wonder where your coffee or tea comes from? What about your favourite chocolates?**

Workers around the world produce products like these, often in very harsh conditions and for very little pay.

By choosing fair trade, we not only get to enjoy our favourite products, but we are also supporting ethical practices and farmers around the world!

**Come learn about and enjoy fair trade products at our *Fair Trade Coffee House!***

Where: \_\_\_\_\_

When: \_\_\_\_\_

Featuring: \_\_\_\_\_

