

Outcome 1 Practice Test A

Directions:

- Use 15 to 20 minutes to read the article [“How Fair is Fair Trade?”](#)
- You can read it by yourself, or you can read it in pairs. It's up to you!
- The most important part in this step is to get a main idea of the article. So, only look up words if they cause you to not understand the main idea.

1. After reading the article answer the questions on the Practice Exam A in your Online Workbook.
2. Questions 1 to 6 should each be answered in the space provided. There is enough space.
3. Question 7 should be answered all together. Use bullet points to make your answer clear and easily understood. Use EVIDENCE to support your answers. (Quote or Paraphrase)
4. You can do this exam by yourself or you can help each other. It's up to you!

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How fair is Fairtrade?



By Brendan O'Neill

The Fairtrade label is increasingly common. But while shoppers seem keen to pay a little over the odds for fair trade products, some observers question how effective it really is in helping developing world farmers.

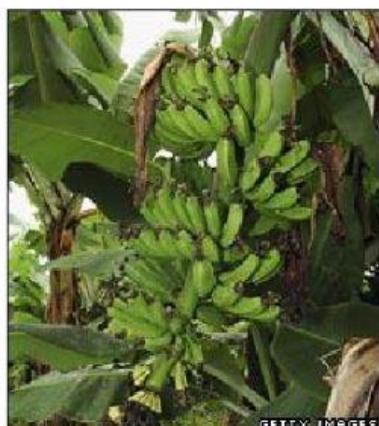
Fair trade products are popping up everywhere.

Gone are the days when you had to trek to an off-the-beaten-track shop that smelt of hemp in order to buy a fair trade woolly jumper or bar of chocolate. Now you just need to visit the High Street.

Topshop, once a bastion of cheap and cheerful garments, sells fair trade tunics, bubble tops and racer-back vests. And Marks and Spencer works with more than 600 fair trade cotton farmers in the developing world, using their cotton to produce chinos (for men), jeans (for women), hooded tops (for the kids), and a host of other fair trade fashion items.

Sainsbury's sells fair trade chocolate and coffee, and recently announced that the only bananas it will sell in future will come from fair trade producers.

There are more than 2,500 product lines in the UK that carry the Fairtrade mark. Last year we spent £290m on fair trade food, furniture and clothing - an increase of 46% on the previous year.



Fair trade bananas are big sellers

It is currently Fairtrade Fortnight, organised by the Fairtrade Foundation. Events at schools, colleges, universities and workplaces up and down the country consist of everything from makeovers (swap those ordinary store-bought clothes for fair trade threads) to food exchanges (bring along your favourite brand of tea, coffee or jam and swap it for a fair trade alternative).

The aim of fair trade is clear - to get a better deal for Third World farmers.

In order to win the Fairtrade tag, the application of which is monitored by Fairtrade Labelling Organisations International, companies have to pay farmers higher than the market price for their products. This means fair trade farmers are not at the mercy of the market's whims, and have extra money to invest in education for their children and other social needs.

Poverty trap

But not everyone is convinced that fair trade is a good idea.

Some critics claim that by focusing on achieving a fair price for poor farmers, the movement doesn't address issues of mechanisation and industrialisation - radical changes that might allow farmers in the developing world to stop doing back-breaking work and break out of the poverty cycle.

So how fair is fair trade? Is it about getting Third World farmers to accept their lot, or, at best, a little bit more than their lot?

Eileen Maybin, a spokeswoman for the Fairtrade Foundation, says it does help to improve farmers' lives.

"Fairtrade focuses on ensuring that farmers in developing countries receive an agreed and stable price for the crops they grow, as well as an additional Fairtrade premium to invest in social projects or business development programmes.

"Typically, farmers' groups decide to use the premium on education, healthcare and clean water supplies, or the repair of roads and bridges, and to strengthen their businesses, improve the quality of their crop or convert to organic production."

Ms Maybin says that those farmers involved in fair trading are happy with the results.

Student Notes:



"The farmers and workers involved in Fairtrade always talk about how much they, their families and their communities benefit."

Yet others argue that fair trade can end up being a trap for farmers, tying them into a relationship of dependence with charity-minded shoppers in the West.

“How can a few extra pennies a day from Fairtrade be celebrated as an outstanding achievement?”

Steve Daley, of the Worldwrite charity

Madsen Pirie, of the right-leaning think-tank the Adam Smith Institute, says that in protecting the market for certain producers, the movement effectively makes farmers "prisoners to our market".

"They become dependent on us continuing to pay premium prices for their goods."

Many tens of thousands of people escaped poverty last year, most of them in India and China, but he says that was done through real market developments rather than small-scale fair trade deals. They were lifted out of poverty because they could sell their products on the open global market, rather than being sectioned off in the fair trade market.

Extra pennies

In the charity world, too, there are critical voices in the fair trade debate.

Steve Daley, who works with the education development charity Worldwrite, argues that fair trade's horizons are dangerously low.

"How can a few extra pennies a day from Fairtrade be celebrated as an outstanding achievement for the poor?" he asks.

He cites a report from the Financial Times last September, which revealed that some fair trade coffee farmers in Peru were being paid 10 soles a day (about US\$3) for working from 6am to 4.30pm. This is more than the conventional coffee farming wage of eight soles a day, but not much more.



Oxfam has opened fair trade cafes

Mr Daley is concerned that the fair trade movement is reshaping the debate about underdevelopment, so that the main concern today is with increasing farmers' wages by fairly small amounts rather than really transforming poor communities through development, modernisation, even industrialisation.

Student Notes:

"Fairtrade seems to be rooted in a conviction that 'small is beautiful'," says Mr Daley, who argues that the movement does not focus enough on developing modern agricultural methods, which is "surely what farmers in the developing world need".

Mr Daley says that fair trade is more about "flattering Western shoppers" than transforming the lives of Third World farmers.

Self-sufficient

Justin Purser, the commodities manager for Trade Aid Importers in New Zealand, disagrees. He has witnessed some of the big changes fair trade can make.

"It is very common for fair trade coffee co-operatives to seek to build infrastructure which will cut down on the amount of labour required to process their coffee, and will also enable them to improve their coffee quality and, thereby, the higher prices they can command in the market."

He gives as an example Prodecoop, a coffee cooperative in Nicaragua that he has worked with.

"Prodecoop has grown, with the aid of a longer history of fair trade sales, to the size where it is now constructing wet mill facilities for its smaller member co-ops. And to help them along, Trade Aid is supplying an additional US\$7,000 in funding this year."

Fair trade helps to "promote self-sufficiency" among Third World farmers, he says.

Student Notes:

Outcome 1 (Reading): Formative assessment instructions

Read the article from the BBC news site *How fair is Fairtrade?* By Brendan O'Neill

Using your own words, answer all of the following questions, referring to the text to support the points you make.

1. Explain the aim of the fair trade movement.
2. How do products get the Fairtrade label?
3. Summarize the arguments in favor of the fair trade movement.
4. Summarize the arguments against the fair trade movement.
5. What is the writer's main purpose? Give a reason for your answer.
6. For what type of reader is the article intended? Give a reason for your answer.

7. Evaluate the success of the article in achieving its purpose and meeting the needs of the intended reader. Your response should consider:

- The content (are arguments for and against the fairness of the fair trade movement balanced and fair?)
- The presentation and format of the article (is it logical? does it have an introduction, middle and conclusion? do the layout and headings make it easy for the reader to follow?)
- The words used (are they complicated, specialist, suitable for an ordinary reader?)

Your comments for question 7 should be supported with quotes, explanation and examples from the article. Your response to this question should be at least 200 words long.

Answer question 7 in the space below: