

Fair Trade: An Empowering Vehicle for the Latin American Female Artisan

“Human rights are violated not only by terrorism, repression or assassination, but also by unfair economic structures that create huge inequalities.” – Pope Francis I

White Paper

By

Marianty Mavros

July 2015

Fair Trade: An Empowering Vehicle for the Latin American Female Artisan

Throughout the twenty first century, the world has seen the market for craft objects grow due to a larger global audience. We have better communication and transportation systems that enable once remote groups of artisans to reach wider local and international markets.

Craft production is a rural industry that is becoming more prominent in various Latin American communities, as artisans integrate the trade of crafts with their subsistence activities (farming, herding, and hunting, among others). The increase in local competition for crafts has driven prices down, making international markets an appealing option (Milgram and Grimes 2000).

Luckily, as the economy becomes more globalised, fair trade emerged as a concept that is enabling artisans to grasp a broader audience, sell more products, and consequently, raise their standards of living.

Fair trade is a relatively new, and important way of doing business as it brings together producers, retailers, and consumers from all around the world in an attempt towards implementing social justice in the economy.

Fair trade is responsible for bridging the artisans' need for income, the retailers' goal for transforming trade, and the consumers' concerns for social responsibility through a more humanized system of exchange (Littrell and Dickson 1999).

Fair trade is also an attempt to reshape relations of power in current markets in favour of those with the smallest share; the movement has also articulated principles that address both market failures affecting marginalised producers' ability to engage in the current market, and develop new terms for international trade that serve producers' economic and developmental interests (Hutchens 2009).

Other goals pertaining to fair trade are long-term buyer-seller relationships to facilitate access to financing for producers, better working conditions, the creation of

effective worker/producer organizations, and an environmentally friendly production process. Additionally, there are often third-party certification processes that regularly check that producers and suppliers adhere to certain requirements to achieve these objectives (Dragusanu, Giovannucci and Nunn 2014).

In the book “Social Responsibility in the Global Market: Fair Trade of Cultural Products,” the authors conducted a 6 year study of various organisations engaged in fair trade, and deem it successful, as long as it is implemented with social responsibility. The authors define social responsibility as a practice which *“involves a system-wide range of practices for conducting business, in which artisans, retailers, and consumers make decisions based on how their actions affect others within the marketplace system.”* This kind of philosophy is what makes fair trade stand out as a way of doing business with a human face, and in order for this kind of system to be effective every participant needs to be fulfilling a socially responsible roll.

Social Responsibility: Interpreting Facts on Gender Power Relations in Latin America

The 2014 United Nations Development Program’s (UNDP) Report on Human Development indicated that most Latin American countries remain in early developmental stages. Even though progress in the region is visible, the majority of the population remains in the lower income brackets, and political corruption, as well as cultural and economic challenges severely diminish the possibilities for people to climb up the social ladder and generate sufficient income to support themselves and their families.

It is also no secret that Latin America functions under a male-dominated culture, evidenced by a recent report by UN Women which found many Latin American countries to have higher-than-average domestic violence. UN Women also reported

that out of the 25 countries in the world with “high” or “very high” UN rankings for femicides, more than half are in The Americas.

This is not the only way in which women are affected by a culture of machismo, a different study carried out by the World Bank in 2012, gathered data which indicated that, in disadvantaged segments in Latin America, girls’ enrolment in primary and secondary school remains below that of boys. For example, in Guatemala the illiteracy rate among indigenous women is 60%.

The same report stated that women frequently work in traditionally “female sectors” with lower earnings, and that in the agricultural sector they often harvest smaller crops of lower value products than those harvested by men (Muñoz Boudet 2011).

A combination of low income, low employment opportunities, and gender inequality, leaves many women in the region with few opportunities to support themselves, and makes them vulnerable to enduring abuse in their households and in the workplace. When attempting to alleviate the gender inequality in Latin America, there is a clear need for women’s empowerment and independence in a culture that privileges men.

Scholars struggle with providing a definition of development that encompasses all aspects beneficial to a society, the uniqueness of each country and the disparities found among social classes are evidence that development is not exclusive to economic growth.

Factors like gender equality, life quality, access to basic resources, and wealth distribution are all relevant to the development of a country. Therefore, one of the main vehicles for development is providing women with opportunities to become independent from men, to have a disposable income and use their purchasing power to engage in their current economy and be able to provide for themselves and their families.

It is important to note that not all female artisans are victims of abuse or illiterate, but in a climate that is prone to the abuse and disadvantage of women, it is imperative that there are ways in which they can find opportunities to raise their standards of living.

Beyond Coffee and Diamonds: Fair Trade for the Latin American Female Artisan

Whereas many of us are familiar with the concept of fair trade raw materials, i.e. fair trade gold, diamonds, produce, grains and many other goods coming from all corners of the world, there is a small and powerful market rising in which artisans in Latin American countries are making use of raw materials in order to create decorative goods and jewellery.

The crafting techniques used by these women are deeply embedded in their native traditions; they use production techniques that combine weaving, designing, sculpting, and even recycling to make jewellery and other decorative items. These goods have captivated the interest of international buyers, and the many women behind their production are now responsible for creating a steady supply to satisfy the foreign demand. At the same time, these women's lives are changing as they find themselves able to provide for themselves and their families and to attempt to rebalance gender relations.

A good example is the case of women in La Chamba, Colombia. La Chamba is a village in the Magdalena River Valley of south central Colombia with 2,000 inhabitants whose ancestry is deeply linked to the indigenous people that inhabited the region before the Spanish conquest. These women have a tradition of pottery, which they see as a characteristic of humanity, culture, and civilization, and it serves as supplementary income due to the fluctuating wages of men in their agricultural jobs.

Pottery is a skill they meticulously pass on to their children, with special attention to their daughters. It is common for women in this region to live in matrilineal settlements, sharing food, clothes, child-rearing, and ceramics tasks. The joint production and sell of pottery products forms a matrilineal extended family that functions as a support network of social security that makes these women less dependent on men than is the case for the average Colombian family. However, one of the main complaints voiced by these women was that their pottery work was seen as a hobby and attributed low value in the local market (Bartra 2003).

Today, a quick internet search for La Chamba pottery will turn multiple results from fair trade organizations supporting these women's art and attributing it a fair value for the materials used and work invested. In this case, fair trade has boosted the sales of the already existing network of female artisans support in La Chamba, while granting them higher revenue and greater financial independence.

Furthermore, there are now many local entrepreneurs seeking to enable female artisans in their countries gain a share of the international markets by exporting their products and joining the online market arena. Such is the case of Mixy Fandino, a Colombian entrepreneur who started an online business venture that aims to distribute Colombian handmade jewellery to customers in the United Kingdom. Mixy Fandino is quickly growing into its own brand, and it now helps many female artisans generate an income through a system of fair trade.

Mixy Fandino's website does a great job at not just marketing the products, but of also showing the consumer the materials, processes, and the real faces of the artisans. Many of the female artisans involved in this project come from backgrounds with limited access to resources, and the fact that they are part of a system of fair trade enables them to get a fair price for their work and to gain independence in an environment that often does not favour their gender, as the data below will show.

Reducing Vulnerabilities and Seeking Social Responsibility

The introduction of fair trade has given female artisans in Latin America an opportunity to rise in a new market niche, and it requires the withholding of quality guidelines in which every party involved takes into account certain rules to protect themselves and each other.

For the artisans, it is important that the manufacturing of their products is made in a way that is not damaging to the environment, that workplaces are safe, that cultural traditions are preserved, and that their products continuously evolve to adapt to a changing international demand.

Retailers are responsible for marketing and distributing fair trade products at a reasonable price, and in the current climate of the advertising industry, they face the challenge of educating consumers on why choosing fair trade is in line with social justice and fostering development in the artisans' communities. The consumer is responsible for understanding what their money is supporting, and even to ensure that the fair trade label on their product carries the complete ideology of social justice in the marketplace.

Finally, third-party organisations that certify fair trade products need to be strict with their guidelines to ensure that the market and the lives of these artisans are, in fact, being transformed for the better.

Fair trade has already proven to be a successful vehicle of empowerment, especially among communities of women in developing countries who have formed fair trade cooperatives to help each other.

The case in La Chamba is one of many examples in which women have been economically empowered through fair trade. Another prime case is found in one of the "Unidas para Vivir Mejor" (UPAVIM, United to Live Better) settlements, which was born in Guatemala in the 1980s, in the midst of a civil war, with the intent to

generate income for desperately poor women. In less than 10 years, the women created a development project that is able to cater not only to the needs of its 60 members and their families, but also to those of the entire community. The expansion of UPAVIM is mainly due to the success of the production of crafts for export through fair trade.

However, the effects have spilled over to other substantial areas of development: these women are now capable of making a significant contribution to their households, and are growing in awareness of the ideology of machismo and how it affects their entire lives, while also struggling to transform gender relations within their families (Milgram and Grimes 2000).

A Fair Trade for Empowerment and Development

The largest challenge that fair trade artisans and retailers face is educating the public of the importance of rebalancing power structures in the global economy. The consumer is acquiring a product in exchange for money, but what is given is far beyond the scope of what money can buy. We have already visited how having access to financial resources provides female artisans in Latin America an opportunity to stand on their own, and to contribute to their families and communities.

Fair trade serves as an alternative job prospect for people who do not have access to other means of acquiring skills, fair trade is also a response to the corporative abuse of “cheap labour” in developing nations, which resulted in child labour and the creation of sweat shops with unsafe conditions for workers as well as exploitative wages.

It is hence imperative to think of the long term effects of this exchange as providing business opportunities to the small-scale artisan, empowering women economically,

and stimulating developing economies are contemporary tools with amazing potential to create so much more in the future.

Considering the lack of infrastructure and resources that are often readily available in developed nations (i.e. education, healthcare, roads, transportation, and drinkable water), the families and communities in rural areas of developing countries that acquire more resources are able to provide better opportunities for future generations. A family that can afford to travel to another part of the country on a regular basis may now be able to find a school their children can attend there, they can find a hospital for their sick relatives, and improve their living conditions overall.

If followed strictly, fair trade is not just a system of global exchange, it is not just means to generate money, it becomes a tool of power for those with scarce opportunities, and a tool for the betterment of an economic system that has long been polluted by the notion that money supersedes human value.

References

Bartra, Eli. 2003. *Crafting Gender: Women and Folk Art in Latin America and the Caribbean*. Durham: Duke University Press.

Dragusanu, Raluca, Daniele Giovannucci, and Nathan Nunn. 2014. "The Economics of Fair Trade." *Journal of Economic Perspectives* 217-236.

Hutchens, Anna. 2009. *Changing Big Business: The Globalisation of the Fair Trade Movement*. Northampton: Edward Elgar Publishing, Inc.

Littrell, Mary Ann, and Marsha Ann Dickson. 1999. *Social Responsibility in the Global Market: Fair Trade of Cultural Products*. London: Sage Publications, Inc.

Milgram, Barbara Lynne, and Kimberly M. Grimes. 2000. *Artisans and Cooperatives: Developing Alternate Trade for the Global Economy*. The University of Arizona Press.

Muñoz Boudet, Ana Maria. 2011. *The World Bank*. September 22. Accessed April 4, 2015. <http://blogs.worldbank.org/latinamerica/latin-america-women-still-struggle-for-equality-at-work-and-at-home>.

The Economist. 2013. *The Economist*. September 21. Accessed May 4, 2015. <http://www.economist.com/news/americas/21586575-laws-punish-domestic-violence-are-too-often-honoured-breach-everyday-aggression>.

Many Fair Trade buyers do not see a reason why they should pay any more than the fair trade price for the value that is Fair Trade," explains Macray. In the past, coffee growers were often isolated in remote regions and had little access to market information on the value of their product. Unscrupulous buyers might offer only very low prices, taking advantage of farmers' lack of information. But during that time many of FLO's provisions have become duplications of regulations already in place in Latin American countries, such as minimum wage requirements, credit financing, and contracting terms. "I don't think that the benefits are trickling down," says Philip Sansone, president and executive director of the Whole Planet Foundation (the philanthropic arm of Whole Foods). The first goal of fair trade is to improve the livelihood and welfare of manufacturers through refining market accessibility and empowering producer groups. Get your 100% original paper on any topic done in as little as 3 hours. Learn More. Moreover, paying an equivalent amount for the goods and endorsing continuity among international trade stakeholders will improve the livelihoods and welfare of producers. Secondly, fair trade aims to prop up development opportunities for underprivileged manufacturers, particularly women and aboriginal persons and prevents opportunists from taking advantage