



Small Farmers. Big Change.

International & Intercooperative Connections

A Model for Solidarity
with Small Farmers
& their Organizations

PowerPoint by Erbin Crowell

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&

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www.equalexchange.coop

Complementary Principles

“There is a close relationship between Fair Trade and co-operatives. The principles of Fair Trade are quite compatible with the principles of co-operatives. For both the ultimate goal is to improve the living conditions of workers.”

International Co-operative Alliance & International Labor Organization, *Co-operating Out of Poverty* (2005:16).



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Fair Trade Principles (IFAT)

www.ifat.org

PRINCIPLES

- Creating Opportunities for Economically Disadvantaged Producers
- Transparency & Accountability
- Capacity Building
- Promoting Fair Trade
- Payment of a Fair Price
- Gender Equity
- Working Conditions
- **The Environment**



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Fair Trade & Co-operativism

FAIR TRADE	CO-OPERATIVES
Creating Opportunities for Economically Disadvantaged Producers	<ul style="list-style-type: none">• Self-Help• Open & Voluntary Membership• Economic Participation
Transparency & Accountability	<ul style="list-style-type: none">• Openness• Honesty• Democracy• Democratic Member Control• Autonomy & Independence• Cooperation among Co-operatives



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Fair Trade & Co-operativism

FAIR TRADE	CO-OPERATIVES
Capacity Building	<ul style="list-style-type: none">• Self-Responsibility• Training & Information
Promoting Fair Trade	<ul style="list-style-type: none">• Education
Payment of a Fair Price	<ul style="list-style-type: none">• Solidarity• Equity
Gender Equity	<ul style="list-style-type: none">• Equality
Working Conditions	<ul style="list-style-type: none">• Caring for Others• Social Responsibility
The Environment	<ul style="list-style-type: none">• Concern for Community



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Parallel Movements

Co-operativism

- *Response to Inequities of 19th Century
Globalization (Industrial Revolution)*

Fair Trade

- *Response to Inequities of 20th Century
Globalization (Post-colonial/Cold War)*

Co-operative Fair Trade?

- *Response to Inequities of 21st Century
Globalization (Neoliberal/Corporate)*



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Brief Equal Exchange History

Founded in 1986

- Purpose – help small farmers receive a decent price for coffee

Fair Trade principles state coffee farmers must be organized in Farmer Cooperatives

- Equal Exchange felt it should have a similar structure that was required of Farmers

Initial customer base became Food Cooperatives

- Not only was the mission compelling, but the structure of both Eq. Exchange & Farmers were familiar



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An Opportunity

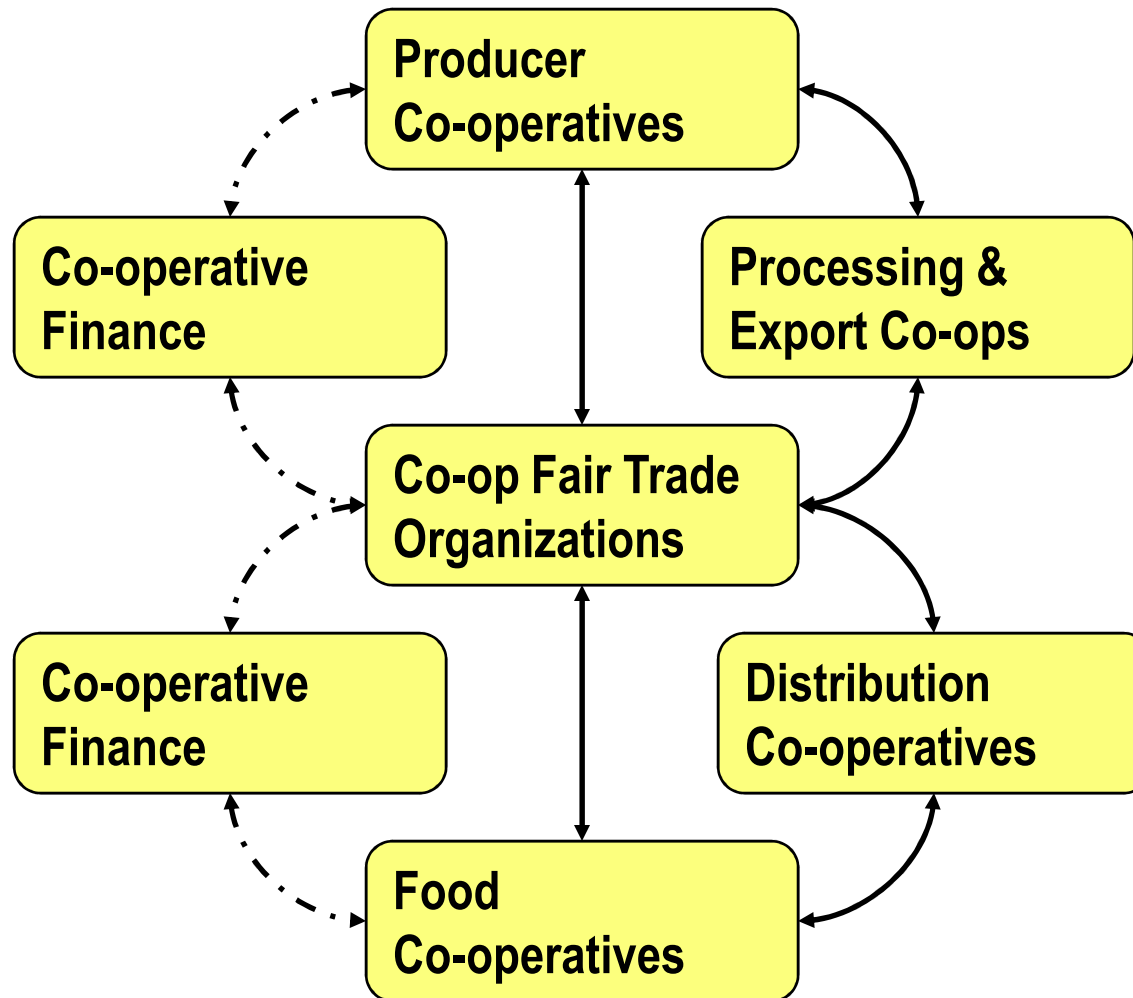
“Many northern co-operatives are presently trying to identify the distinctive characteristics of modern co-operatives. Involvement in fair-trade is one excellent opportunity to show that ethics is at the heart and core of co-operative distinctiveness.”

Develtere & Pollet,
Co-operatives & Fair-Trade (2004:21-22).



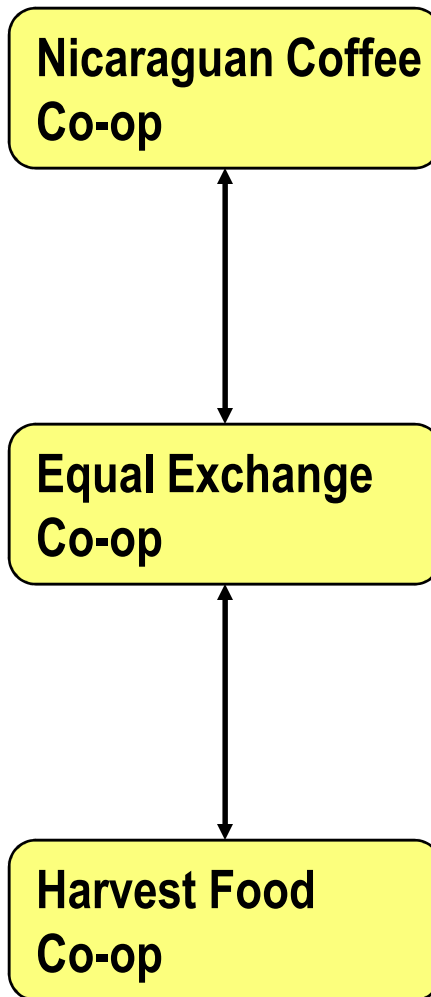
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Co-operative Fair Trade



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Equal Exchange's first Exchange



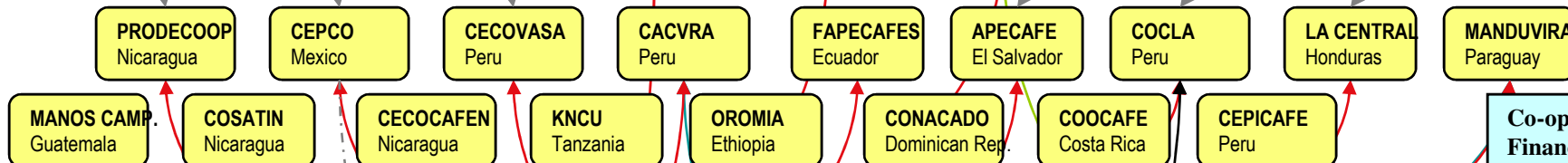
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Co-operatives in the Fair Trade System

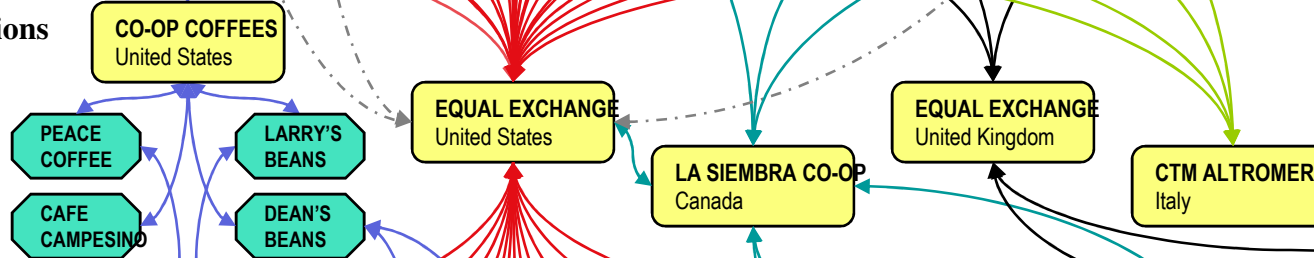
Producer Co-ops (Primary Level)



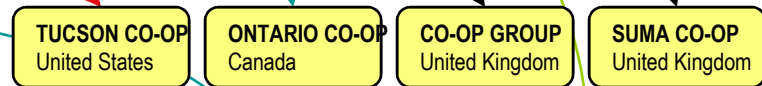
Producer Co-ops (Second & Third Level)



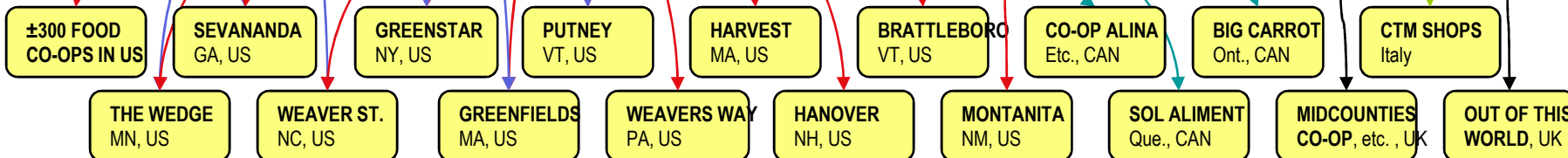
Co-op Fair Trade Organizations



Distribution Co-ops



Food Co-ops



Characteristics of Co-operative Fair Trade

Co-op Finance:

- Collaboration among Co-ops
 - *Linking across Sectors*
- Resources for Fair Trade (South)
 - *Pre-financing, Development Support*
- Investing in co-operation in the North
 - *Food Co-op 500, Regional & National Networking*
- More?



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Co-operative Fair Trade

An Example

Equal Exchange

- 100% Fair Trade, Moving toward 100% Co-op
- “Cooperación en Calidad” Program
- Food Co-ops first customers, 30% of sales today
- Food Co-op Delegations to Central America
- Collaboration with Cdn., & UK co-ops
- Shared Interest (UK), Co-op Fund of New England, Nat’l Co-op Bank (US)
- “Domestic Fair Trade” with Farmer Co-ops



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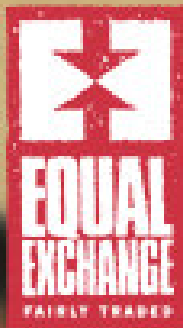
FAIRLY TRADED GOURMET COFFEE, TEA & CHOCOLATE

Thank you.

Equal Exchange and our Farmer Partners would like to thank you for 19 years of support.

Last year, food co-ops sold over 600,000 pounds of Equal Exchange fairly traded coffee providing \$388,000 in additional above-market income for small-scale farmers.

“Consumers and producers must continue to walk together. We are all working together in this cooperative effort for the good of all...we are all in the same struggle for a life of peace.”



—Diego Perez Lopez
President of CIRSA Cooperative
Chiapas, Mexico

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