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Role of the Fair-Trade Organisation on the status of women producers with respect to global trade

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ABSTRACT

The fair-trade movement began in the year 1946, in America at the time when handicrafts were being imported. The concept of fair trade soon gained popularity in the U.S. and also spread to Europe. The foundation of fair-trade movement was based on the fact that the producers receive a fair price for their produce. FT programme began with the handicrafts and soon expanded to other products like coffee, banana, sugar, tea, wine. It was in the mid 1980's, when the model of fair trade came into the picture and at that time, the progressive entrepreneurs including Paul Katzeff started importing coffee from Nicaragua so as to support the Sandinista farmers. The plight of the Nicaraguan farmers was such that they were suffering from starvation and malnutrition at the time when the U.S. boycotted their country's goods. A national standard for fair trade certification came into existence which was founded in the year 1997 as an umbrella organization with the aim to collaborate and coordinate this system of fair trade across the world. In the backdrop of Fair Trade, the study aims to analyze the impact of Fair-Trade Organization on the status of women producers in the field of global trade. It seeks to understand the role played by FTO in reducing the gender gap by taking into consideration the gender inequalities in the global trade. Further, it focusses on the effectiveness of FTO in terms of the participation of women producers in global trade and also the benefits received by the women producers after its establishment. This study will help in better understanding of the role played by Fair trade in addressing the various issues faced by women producers and how effective it has been in reducing the gender inequality in the global trade.

Keywords— *Global trade, Fair Trade Organization, Impact, gender inequalities, women producers*

1. INTRODUCTION

A fair -trade regime can be described as a global system which follows that the women producers should be empowered and there should be gender equality by ensuring that there is no gender discrimination and that there are equal opportunities for both men and women. It is based on the principle of ethics so that the producers can receive a minimum price for their produce. The fact also remains that the women were assigned low positions and given unskilled jobs which often leads to lower returns than expected if the gender-based wage gap did not exist in the society. Thus, in order to encourage women participation and ensuring fair prices for them, the initiatives of fair-trade movement has been in terms of promoting products which are produced by women. For instance, promotion of handicrafts made by women which would help in improving the livelihood of women. With respect to this, the fair-trade craft industry can be analyzed which addresses the problem of wage gap in case of gender differences at the same time ensuring that the goal of gender equity is attained.

1.1 Gender Inequality as an emerging issue

Gender Inequality has been emerging as an issue in both the developed as well as a developing country. There have been several attempts made by the NGOs and the Governments in order to resolve the issue. A study by Boserup's highlights on the fact that how gender inequality has emerged as a problem in the field of agriculture and trade. There have been various discussions on the marginalization of women in the aspects related to development where it is believed that women are relatively lower contributors to the economic gains in the economy. The various other studies focus on the empowerment of women and their freedom to take decisions without any constraint. This concept of 'women empowerment' gradually gained importance in the year 1990's so that women could be seen as people having their own individuality and status.

1.2 Women empowerment and Fair Trade

The concept of women empowerment and gender equality gradually developed with it showcasing its lenses in the different areas related to work and home. It changed the perception of women in field of global trade with the establishment of FTO and its principles.

It thereby is essential to get an overview of the impact of Fair Trade from a gender perspective. The establishment of FTO had direct as well as indirect benefits in the case of the producer community and society. "The Fair-Trade Organization aims to help women producers by ensuring that their work gets recognized, to increase employment opportunities for women, improving their level of income, reducing gender inequality and empowering women." HUTCHENS, A. (2010).

1.3 Fair Trade and women producers

A study emphasized on the impact of fair trade on the status of women cotton producers had helped in improving their status as they were able to educate their children because of the social premium which was available to them after the existence of FTO. This can be considered as a positive impact on the family and the status of women producers.

According to Ershuis and Harmsen, women have been associated with the production of Shea butter, coffee production, handicrafts and horticulture.

"The benefits pertaining to FTO have been in the form of Fair-trade premium and fair Price." (McArdleL, 2012).

In the case of India, many women have been associated with the production of handicrafts. Fair Trade has helped women by improving their social status with their involvement in the handicraft production and also by increasing the income of households.

The Burkinabe women are involved in the Production of Shea Butter. Many women have got opportunities pertaining to the oil production and butter production after the fair-trade establishment. This has helped in increasing the employment opportunities for women and also have helped in gaining respect and authority in the family and society as they are employed in production process of Shea butter.

2. CONCLUSION

There has been a positive correlation with respect to the impact of FTO on the status of women producers as there has been an increase in employment opportunities, the income of women producers and their status. Although it is difficult to measure the impact of Fair-Trade Organization (FTO) on the status of women producers, there have been cases where the FTO has positively affected the status of women producers. Fair trade has been working actively towards attaining gender equality, encouraging participation of women producers, preventing any kind of gender discrimination. The collective principles of Fair trade have helped women to earn for themselves and their family which has also improved their status in the society. In addition, there are gender committees which are associated with the producer organizations which help in reviewing the reports so as to ensure that there is no gender inequality. Although FTO has positively impacted the lives of women producers, still the obstacles seen in the way of attaining gender equality in the global trade that can be seen in the form of gender discrimination, the existence of patriarchy, stereotypes. From a micro perspective, the principles of Fair Trade have been helping in attaining one of the sustainable developments which aim at achieving gender equality. Still, there are few instances where various hindrances occur including exploitation, patriarchy which make it difficult to achieve gender equality in the long term.

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