

## Global Fair Trade, an alternative to the liberal market (II)

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### 3. Proposals and Strategies

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#### Fair Trade as a model for alternative regulations

In its practices, Fair Trade takes into account social, economic, cultural and environmental dimensions. It can thus be seen as an alternative to a liberal regulation of the economy. It is a way to guarantee that economic exchanges comply with human rights, not just civil and political rights, but labor, social and environmental rights, as well as emerging rights, such as food sovereignty. An alliance with the movements that oppose neo-liberal globalization is necessary to discuss the contents of those regulations, and defend them at local, national, regional and international levels.

#### Re-embedding trade into a global framework for international regulation

The World Trade organisation is the only international organisation that benefits from an executive arm. It thus tends to ignore social and environmental regulations. But international regulations are not only trade regulations. The international community has a set of tools, still in development, regarding the environment (endangered species, climatic change, etc.), labour standards (International Labor Organization), Economic, Social and Cultural Rights (United Nations), as well as an emerging International Criminal Court. Negotiations on Sustainable Development have advanced slowly and with difficulty, but according to the general definition of the notion, **sustainable development** seeks a balance between the environment, the economy and society (which in its turn involves complex issues as : culture, political structures, etc.).

International trade should thus be submitted as a starting point to the respect of :

**Economic, Social and Cultural Rights**, as defined by the International Covenant on Economic, Social and Cultural Rights (United Nations)

The Standards or the International Labour Organization or of national governments, if higher.  
Environmental Law : conventions on biosecurity, endangered species, climate change, etc.

**The right for nations to set up principles regulating trade at national and regional levels should be recognized.** WTO negotiations tend to marginalize governments and undermine national sovereignty. Bilateral bargaining and closed-negotiations (the famous "green rooms") tend to favour countries from the North. This means that national governments can be more

reluctant to deal with the incidences of non-compliance with internationally agreed codes and standards by private companies. States and governments have the responsibility to build frameworks for living together, including the respect of principles like food sovereignty and security and the right to sustainable livelihoods (the same that have been declared at the United Nations).

The notion of **food sovereignty** is emerging as a global legitimate demand of farmers movements and people worldwide. The Fair Trade movement, by specifying its position on crops and commodities, can join force with them. Pressure should be built to have it adopted by international institutions, such as the UN (within the Covenant on Economic, Social and Cultural Rights) and recognized by WTO and other multilateral institutions.

**Better transparency and accountability** is necessary in the trade of goods and services. Producers and consumers, which are also citizens, have the right to know and regulate the social and environmental conditions of the production and exchange of goods and services. Information on those conditions must be made available by related companies. Irresponsibility must be accounted for. Better communication between fair trade partners is necessary.

**Trade should favour more value added** in developing countries and regions. Developing countries from the South should benefit of fair prices not only for primary goods, but also for processed goods, which leave more value added to the country. Small-scale producers should benefit from facilities to process and sell internally or on foreign markets processed goods.

### **Expanding Fair Trade channels in the North and the South**

We need to develop **alliances between producers and consumer**, i.e. Fair Trade relations in the South and in North, **at local, national, regional and international levels**. We are all producers and consumers of goods that are or can be produced domestically, and of goods produced in other countries. It is necessary to build alternative channels based on the principles of Fair Trade, which can produce a momentum force capable of undermining the power of transnational corporations in food, distribution and other sectors. At the same time, it is necessary to continue and extent campaigns pressuring those corporations and asking for their accountability concerning social and environmental conditions of their production.

### **Pushing for regional agreements based on the principals of Fair Trade**

WTO constricts the right to build regional agreements by very strict principles, that state that does should not be "trade diverting" and that obligations between signing parts should be as strict as WTO obligations are. This is an important issue, because the number of trade regional agreements has risen a lot since 1990, and many countries from the South are involved in those agreements (Mercosur, ASEAN).

In 1992, before NAFTA was implemented between Canada, the United States and Mexico, several farmers organizations from the two latter countries have signed an "alternative fair trade agreement".. In Latin America, the Alianza Social Continental talks about "social integration" instead of just "economic integration" (the FTAA). Fair Trade should be more involved in regional integration, and campaign for "regional fair trade agreements."

### **Alliances with the movements for a globalization of solidarity**

"Our World is Not for Sale", a broad collation including Food First, Friends of the Earth, Focus on the Global South, the Third World Network has been very active in Cancun. The expertise of certain NGOs has been very useful for governments to understand issues underlying issues. Small-scale farmers of the world have build a strong movement, Via Campesina, which has made their voices heard at international gathering. Some Fair Trade organisations have taken part into this movement, however most have just started to step out of their "apolitical" attitude. Now is the moment to build stronger linkages. Economy of solidarity is also building up as an effort to "globalize solidarity" and not just financial and goods markets. Fair Trade is part of this alternative, but must again reinforce its linkages.

## **Conclusion**

Fair Trade and social movements striving for "another globalization" (based on solidarity for instance), by acting together, can contribute to build a global framework, where the WTO wouldn't be an institution with more power than other multilateral institutions, and where the relationships between human rights (civil, political, economic, social, cultural), environmental right and the right to trade would be clearly defined and commonly accepted.

These proposals would be the basis and precondition for a serious and respectful work between all countries and stakeholders (governments, companies, SMEs, unions, producers and consumers) on trade issues. The focus of negotiations on trade, within or without WTO, would then be dramatically changed. Trade would probably seen as just a part of social and individual life, and not as an aim in itself. The Fair Trade movement can be a valuable reference and illustration of how this can occur.

I hope this meeting can be a useful opportunity to discuss how we can build stronger relationships, and a common framework for discussion, proposals and action. Of course, discussion within a multilateral environment, be it institutional or not, makes things particularly difficult. Numerous reasons for incomprehension are there : differences in languages, in contexts, or in cultures. But I have found that, often, the most difficult communication barriers are not due to language or nationality, but to the different perspectives of actors. Governments and there people don't always

think alike, NGOs and farmers or producers either.

Broader communication, mutual respect and listening will be necessary to move forward. The Fair Trade movement faces this specific challenge to gain a better balance between producers, consumers and NGOs. But it is determined to move forward in an open spirit and to make alliance with convergent forces, for a globalization of solidarity.

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