

## Useful websites

### Fair Trade:

#### British Association for Fair Trade Shops (BAFTS)

[www.bafts.org.uk/](http://www.bafts.org.uk/)

Network of independent Fair Trade and World Shops across the UK. It seeks to raise the profile of Fair Trade.

#### Clean Clothes Campaign [www.cleanclothes.org/](http://www.cleanclothes.org/)

Comprehensive reports on different companies, eg Nike, Adidas, Levi Strauss.

#### Ethical Trading Initiative (ETI) [www.eti.org.uk/](http://www.eti.org.uk/)

Coalition of trades unions, business and NGOs working together to identify and promote good practice in the implementation of codes of labour practice.

#### Fairtrade Foundation [www.fairtrade.org.uk/](http://www.fairtrade.org.uk/)

Promotes Fair Trade and awards and monitors the Fairtrade Mark

#### Labour Behind the Label [www.labourbehindthelabel.org/](http://www.labourbehindthelabel.org/)

Campaigns and resources on sweated labour.

#### Make Trade Fair [www.oxfam.org/en/programs/campaigns/maketrade/fair/](http://www.oxfam.org/en/programs/campaigns/maketrade/fair/)

Campaign by Oxfam International and its 13 affiliates, calling on governments, institutions, and multinational companies to change the rules so that trade can become part of the solution to poverty, not part of the problem.

#### Oxfam [www.oxfam.org.uk/coolplanet/milkingit/](http://www.oxfam.org.uk/coolplanet/milkingit/)

online activities exploring the real lives of small farmers and the issues of international trade in a global marketplace.

#### People and Planet [www.peopleandplanet.org/tradejustice/highcost](http://www.peopleandplanet.org/tradejustice/highcost)

New trade campaign for 2007/08 will focus on exploitation in cotton and clothing production.

#### Trade Justice Movement [www.tjm.org.uk/](http://www.tjm.org.uk/)

fast growing group of organisations including trade unions, aid agencies, environment and human rights campaigns, fairtrade organisations, faith and consumer groups.

#### Women Working Worldwide [www.poptel.org.uk/women-ww/](http://www.poptel.org.uk/women-ww/)

Organisation supporting the struggle of women workers in the global economy, through information and international networking.

#### World Development Movement (WDM)

[www.wdm.org.uk/campaigns/trade/index.htm](http://www.wdm.org.uk/campaigns/trade/index.htm)

Development agency which campaigns for political changes which directly benefit the poor

### East India Company:

[www.bl.uk/learning/histcitizen/trading/timeline/timeline.html](http://www.bl.uk/learning/histcitizen/trading/timeline/timeline.html)

useful timeline and history of the Company

[www.bl.uk/whatson/exhibitions/trading/exhibition1.html](http://www.bl.uk/whatson/exhibitions/trading/exhibition1.html)

online exhibition about the East India Company and its effect on Asia and Britain

[www.portcities.org.uk/london/server/show/ConNarrative.136/The-East-India-Company.html](http://www.portcities.org.uk/london/server/show/ConNarrative.136/The-East-India-Company.html)

another timeline and history of the company, its place in London's history and a good collection of images

[www.fathom.com/course/21701760/session1.html](http://www.fathom.com/course/21701760/session1.html)

in depth seminar about the EIC

[www.scheepvaartmuseum.nl/index.php?PageID=189](http://www.scheepvaartmuseum.nl/index.php?PageID=189)

detailed description and pictures of Dutch East India ship

[www.platformlondon.org/fitc3.asp](http://www.platformlondon.org/fitc3.asp)

excellent description of the Company's activities and a walk around London landmarks associated with the Company

[www.bl.uk/learning/histcitizen/trading/tradingplaces.htm#](http://www.bl.uk/learning/histcitizen/trading/tradingplaces.htm#)

interactive, virtual voyage on an East India Company ship

[www.plantcultures.org/themes/empires\\_east\\_india\\_company.html](http://www.plantcultures.org/themes/empires_east_india_company.html)

[www.plantcultures.org/plants/plants\\_landing.html](http://www.plantcultures.org/plants/plants_landing.html)

descriptions of plants and how humans have used them– in particular cotton, indigo, opium and tea

[www.portcities.org.uk/london/server/show/ConNarrative.126/chapterId/2598/Bengalisspeaking-community-in-the-Port-of-London.html](http://www.portcities.org.uk/london/server/show/ConNarrative.126/chapterId/2598/Bengalisspeaking-community-in-the-Port-of-London.html)

an excellent online account of Bengali/Bangladeshi settlement in London

[www.soic.se/engelska/inenglish.4.1e228bcf782be0db97fff408.html](http://www.soic.se/engelska/inenglish.4.1e228bcf782be0db97fff408.html)

Interesting website about replica Swedish East India Company ship with lots of pictures

### Ideas for action

- Buy your friends a bar of Fairtrade Chocolate.
- Challenge your school to stock Fairtrade tea and coffee in the staff room.
- Get your school council to vote for a policy to promote and support Fairtrade.
- Use the contents of the Bengal box to make a display in your school
- Invite a fair trade guest speaker into your school
- Do the East India Company walk and discover places in your area associated with the Company. Details at: [www.platformlondon.org/fitc3.asp](http://www.platformlondon.org/fitc3.asp)
- Interview Abdul Miah the lascar at the Museum in Docklands. Details at: [www.museumindocklands.org.uk/English/EventsExhibitions/Events/](http://www.museumindocklands.org.uk/English/EventsExhibitions/Events/)
- Organise a fair trade assembly to inform people in your school about the issue. Excellent instructions at: [www.risc.org.uk/education/FT%20assembly%20lores.pdf](http://www.risc.org.uk/education/FT%20assembly%20lores.pdf)
- Do a fair trade survey of your local shops. Details at: [www.globalfootprints.org/teachers/activities/trade/fairtradesurvey.htm](http://www.globalfootprints.org/teachers/activities/trade/fairtradesurvey.htm)

### Glossary

**EIC:** abbreviation for East India Company

**Free trade:** Trade without intervention from governments. Prices and products are determined by market forces of supply and demand.

**Monopoly:** Sole control of the trade in a particular commodity.

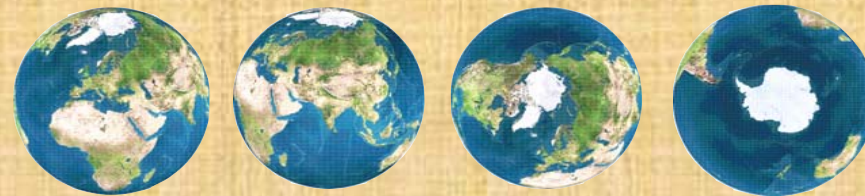
**Multinational company:** Sometimes called a transnational company or corporation (TNC), a business that operates in many countries. In 1999, 48 of the richest economic players in the world were companies, and 52 were countries.

**Subsidy:** Support provided for traders for reasons such as developing new industries or maintaining employment. Might be a straightforward grant, or could be something like a tax exemption

**Sustainable development:** actions that meet the needs of the present without compromising the ability of future generations to meet their own needs.

**Tariff:** Tax imposed on imports and exports. Can be an important source of revenue for a government. Can also be used to make imports more expensive in comparison to locally produced goods, protecting local traders.

### The Bengal Box



# Global Footprints

promoting global learning in schools

## Fair trade – past and present

There is nothing in the human activity of trade that is intrinsically cruel or exploitative. Trade that takes place between equal partners can lead to satisfied producers and consumers and can create real economic improvements and wealth. Trade between various parts of the world has taken place for thousands of years.

Originally trade enabled people to obtain food, materials and services that they could not produce for themselves. For example, the UK does not have a climate suitable for growing cotton or tea, and therefore needs to import these from abroad.

Trade has the potential to reduce poverty and enable people to lead decent and dignified lives but if this is so why are the benefits of trade not shared equally? Why do millions of people around the world live and work in miserable conditions to produce goods which only a minority of the global population can afford?

Why is the disparity between the wealthy nations and the poorer countries of the world increasing rather than diminishing? What are the implications of the environmental as well as the social and economic impact of trade on a planet in the throes of climate change?

Has it always been so? Are there examples of fair trade relationships in the past as well as in the present from which we can learn about the potential for humans to live together in a just and peaceful way?

Because of globalisation more and more power is being transferred to multinational and transnational companies. How far are people's human rights being eroded in the quest for profit?

### The East India Company

The history of the East India Company provides us with a rich and fascinating example of what has been described as the "...powerful linkages between the issues of corporate power, fair trade and human rights

**“clear and enforceable systems of justice are necessary to hold the corporation to account for any damage to society or the environment. These are tough conditions, and have rarely been met, either in the age of the East India Company or in today's era of globalisation.”**

Nick Robins, *The world's first multinational*, Dec 2004  
[www.newstatesman.com/200412130016.htm](http://www.newstatesman.com/200412130016.htm)

that affected 18th century merchants as much as 21st century multinationals.”

Investigating the links between the shared history of Bengal and Britain can uncover some vivid examples of a potentially fair trade connection which developed into an exploitative and violent economic relationship. Through learning about the interconnections and interactions between individuals and communities over the years, it is possible to illuminate the present in such a way that young people can come to grips with complex issues and consider actions that they can take to change injustices that they discover.

### What is fair trade today?

Fair trade means that producers are paid fair prices for the products they produce, instead of the minimum prices that the marketplace will allow, as is the case in the mainstream market today. It is generally accepted that farmers or workers earning a fair price or wage are able to live relatively comfortable lives within the context of their local area. This means enough money for housing, a generous amount of food, health care, education for children, and some disposable income.

The Fairtrade Foundation, Oxfam and Tradecraft have agreed the following common definition of fair trade:

“Fair Trade is an alternative approach to conventional international trade. It is a trading partnership which aims at sustainable development for excluded and disadvantaged producers. It seeks to do this by providing better trading conditions, by awareness raising and by campaigning.”

[www.fairtrade.org.uk/about\\_partnership.htm](http://www.fairtrade.org.uk/about_partnership.htm)

## Cotton manufacturing

In the middle of the 18thC the Indian subcontinent produced nearly a quarter of the world's manufactured goods. Britain produced just under 2%. Bengal was the richest province in the Mughal empire and was renowned for its well established cotton industry. It had an effective integrated system which combined the farming of the raw material with a highly skilled workforce. A vast range of high quality fabrics – amongst which were chintz, muslin, gingham, calico, seersucker, taffeta – were produced by spinners, weavers, dyers and other craftsmen and were exported around Asia.

## The East India Company – from trade to exploitation

The main market for these goods had always been other regions of Asia but with the arrival of the European traders at the end of the 16<sup>th</sup> C there was a growing demand from European customers. The British East India Company was set up in 1600 and was given the monopoly of trade with Asia. Over the years the Company managed to carve itself a place in the highly regulated, Mughal controlled market by exchanging silver bullion for the increasingly popular textiles which they could sell back in Britain - eventually at great profit to themselves.

After the battle of Plassey in 1757, the EIC took over control of Bengal and in 1765 they were granted tax gathering powers. They proceeded to shut down competition from French, Dutch and other rivals and to loot the riches of the Bengal treasury. They used their agents to force weavers into selling their goods at cut price rates. They made even greater personal fortunes than before through private trade. They had the might of a well organised business, with their own private army, behind them.

## Wealth and famine

The Bengal famine of 1770 led to extremes of greed and callousness on the part of the EIC. What started as a drought caused by the failure of the monsoon rains, turned into a terrible famine. Many Company servants ruthlessly exploited this human tragedy. The Company's policy of buying up rice stocks and increasing taxes during such a terrible time contributed to the deaths of up to 10 million people. Back in Britain there was widespread horror and concern about the conduct of the EIC and the government intervened to bring some control over how it was run.

## Handlooms v mechanised mills

Throughout the 18<sup>th</sup> century the technical advances of the Industrial Revolution were changing the situation in Britain where the basis of the domestic textile trade had been wool but was now changing to cotton. Cheap raw cotton was imported from the plantations of the West Indies and the American colonies – almost entirely produced by slaves.

The huge quantity of British manufactured cotton was inferior to the traditionally produced textiles of India but it was cheap and there were big profits to be made. This was because of a combination of the cheapness of the slave produced raw material, the scale of machine production, the low wages paid to factory workers and the tariffs placed on imported Indian goods. India struggled to compete because its production was unmechanised and relied on a large labour force. India, instead of exporting cotton goods, became the largest importer of British cotton textiles. By 1840, 60% of the world's cotton cloth was made in Lancashire.

## Ghandi's description of the cotton trade in the late 19thC is still relevant today

1. English people buy Indian cotton in the field, picked by Indian labour at seven cents a day, through an optional monopoly.
2. This cotton is shipped on British bottoms (ships), a three weeks journey across the Indian Ocean, down the Red Sea, across the Mediterranean, through Gibraltar, across the Bay of Biscay and the Atlantic Ocean to London. One hundred per cent profit on this freight is regarded as small.
3. The cotton is turned into cloth in Lancashire. You pay shilling wages instead of Indian pennies to your workers. The English worker not only has the advantage of better wages, but the steel companies of England get the profit of building the factories and machines. Wages; profits; all these are spent in England.
4. The finished product is sent back to India at European shipping rates, once again on British ships. The captains, officers, sailors of these ships, whose wages must be paid, are English. The only Indians who profit are a few lascars who do the dirty work on the boats for a few cents a day.
5. The cloth is finally sold back to the kings and landlords of India who got the money to buy this expensive cloth out of the poor peasants of India who worked at seven cents a day.

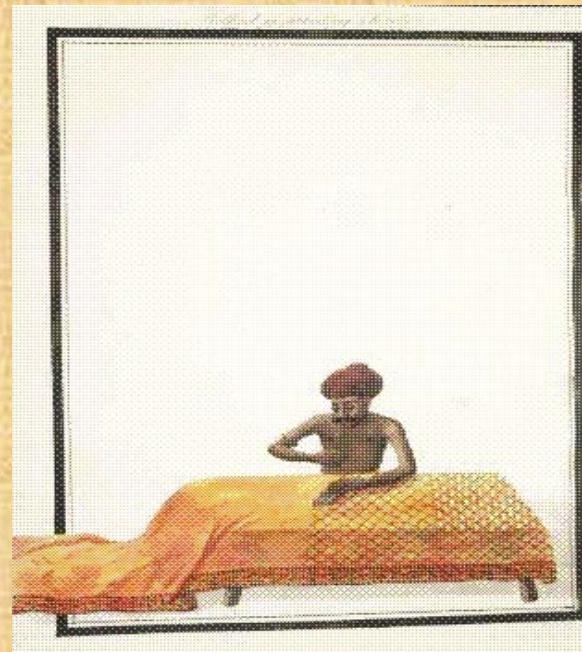
<http://en.wikipedia.org/wiki/Cotton>

## Compare Gandhi's account with Oxfam's description of the state of the garment industry in Bangladesh today:-

International trade rules are creating a crisis in Bangladesh's garment industry, and could cost thousands of women their jobs  
*"I haven't received any wages for months and I don't know what to do. I don't have any other skills."*  
- Shima, a garment worker in Bangladesh.  
More than 1.5 million young women earn a living by stitching garments in factories in Bangladesh. Conditions are poor and pay is desperately low - most women earn less than US \$1.50 for a day's work. But it's vital income, and the women and their families depend on it.  
In 2000 a US trade act, which gives preferential treatment to poor countries, became law. However, even though Bangladesh is one of the world's poorest countries, it was excluded from the act. Garment orders from US customers have since fallen by 30-40 per cent. And things are set to get even worse when the 'Multi-Fibre Arrangement' - which currently protects Bangladesh from competition with bigger exporters - ends in 2005.  
Rich nations could put the crisis into reverse by reducing their high import tariffs - and giving Bangladesh its fair share of the market.  
Bangladesh's garment industry was built on the back of women's labour - but the women will be the ones who pay the price if it collapses. Up to 300,000 of them have already lost their jobs.

[www.maketrade4fair.com/en/index.php?file=24052002162616.htm&cat=4&subcat=1&select=1](http://www.maketrade4fair.com/en/index.php?file=24052002162616.htm&cat=4&subcat=1&select=1)

## Contrasting methods of production in the cotton industry at the end of the 18th century



Block printing of chintz in India (British Library)



Power loom weaving in Britain (Wellcome Library)

## Social enterprises and cooperatives

Many fairtrade businesses are also social enterprises or cooperatives as these are ways of working that are most likely to ensure a fair and transparent employment system. In most factories there are workers and owners, but in a cooperative, the workers are the owners. This means they make all the decisions and share all the profits generated by their business.

## An early example of social enterprise

**Robert Owen** (1771 -1858) was horrified by the misery imposed on so many factory workers by the technical advances of the Industrial Revolution. With some partners he transformed New Lanark, a big cotton mill in Scotland, into a model working village and factory as an example of a cooperative community. He proposed it as a model for the whole nation, but, despite its success, the short term costs and the egalitarian philosophy guaranteed that such an approach would not be accepted by most other employers and owners. The mills finally closed in 1968.

Robert Owen showed that it was not necessary for a business to treat its workers badly to be profitable. He continuously campaigned for a fair and just society and with his approach to the social and cultural organisation of New Lanark life, he proved that it would be possible to achieve this.

## A contemporary example of a social enterprise

### Assisi

People Tree's organic cotton garments are manufactured to the highest Fair Trade standards throughout. They are produced by **Assisi Garments**, a Fair Trade project in Southern India, which was established in 1994 as a rehabilitation centre for deaf, dumb, and poor women who were considered unfit for marriage by their families. Assisi was the first Indian manufacturer to receive the Soil Association mark for organic cotton. Their employees are paid 50% above the standard wage, given free accommodation, water and electricity and help towards paying their dowries. **People Tree** has worked with Assisi since its onset, during which time our regular orders have helped their initial staff of just 8, grow to 150.  
[www.peopletree.co.uk/organic\\_cotton.php](http://www.peopletree.co.uk/organic_cotton.php)



Examples of products produced in Bangladesh today from jute, paper and cotton. Goods like this are distributed worldwide on a fair trade basis by fair trade organisations like **ECOTA** in Bangladesh and **Traidcraft** in the UK.

[www.ecotaftf.org/](http://www.ecotaftf.org/)  
[www.traidcraft.co.uk/](http://www.traidcraft.co.uk/)