

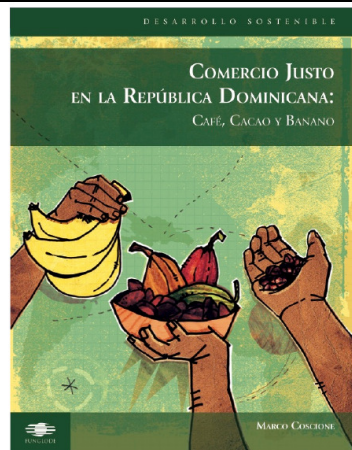
The development approach of Fair Trade and its importance for the Dominican Republic

National Museum of Ethnology (MINPAKU)
OSAKA - Japan – March 2012

Marco Coscione
(FUNGLODE)

First of all, I would like to thank the invitation of the National Museum of Ethnology and in particular Professor Motoi Suzuki whom I had the opportunity to meet in Santo Domingo during a presentation of my research.

This time I want to open a debate on the importance and future challenges of Fair Trade for countries like the Dominican Republic. For this reason, we must start framing this presentation in the current political, economic and social situation of the country.



...speaking of "Fair Trade" in the Dominican Republic means talking about something quite unknown...

Speaking of "Fair Trade" in the Dominican Republic means talking about something quite unknown. Although there are organizations that export their products through fair trade networks for about 20 years now, the movement for trade justice in this Caribbean country is still not very popular and not all organizations have gained a privileged place in the relations with public institutions or with other social organizations.

However, talking about fair trade in this historical moment is very important, especially for countries like the Dominican Republic: small countries that can hardly compete with great countries in equal conditions, and where peasant population living in rural areas is still very relevant.

Currently, about 70% of the Dominican population lives in urban areas, and the remaining 30% in rural areas. A few decades ago the percentage was exactly reversed. Public institutions, rulers and elites of the Dominican Republic often take urbanization as an indicator of "improvement of living conditions"; even though the urban population depends heavily on the rural population, it is still unknown the value and importance that peasant and small producers have in the economic, social, environmental and food sustainability of this country.

Some facts of the country...

- 48,600 square km (Japan is 378,000), 360 km of border with Haiti and a coastline of 1,288 km;
- about a million and a half Dominicans live abroad, mostly in the USA and Europe;
- Remittances 2011: 1.5 billion dollars. Before the financial crisis in 2008 this flow reached 3.2 billion dollars;
- The country's economy is based largely on services (65% of GDP) and industry (28%). Only 7% of GDP depends on agricultural production.

The Dominican Republic has a population of 10 million inhabitants. It is estimated also that about a million and a half Dominicans are living abroad, especially US and Europe. These Dominicans abroad ensure a steady flow of remittances which, according to the Dominican Central Bank, amounts to a total of 1.5 billion dollars last year.

The country's economy is based largely on services (65% of Gross domestic product) and industry (28%). Only 7% of GDP depends on agricultural production. Despite an average growth rate of 5.4% per year over the past five decades, in the Dominican Republic the economic, social and political power remains in the hands of a few; this generates great inequality and great exclusion at all levels, and "converts human development in a matter of power, when it should be a matter of rights". This was the main thesis of the Human Development Report 2008 and it remains valid today.

Some facts of the country...

- Despite an average growth rate of 5.4% per year over the past five decades, in the Dominican Republic the economic, social and political power remains in the hands of a few...
- The gap between growth and human development is the core characteristic of Dominican society...
- In the last decade, the activities that have contributed more to create additional job (65.9%), are not productive activities, but essentially services that don't generate added value...

The gap between economic growth and human development is the background characteristic of the Dominican society: the modernization in the recent years was not translated into economic, social and political development. Economic and social policies have walked separately, denying the sequential approach of development, according to which you must first promote economic growth because human development will automatically happens.

According to several studies on the Dominican economy, the point is that GDP growth has been sustained by economic branches that do not generate many jobs, and the created jobs are mostly precarious and informal. The activities that in the past ten years have contributed more to additional jobs (66%) are not productive activities, but essentially services that do not generate added value; therefore they cannot be a real catalyst for long-term development and only solve a short-term monetary problem.

Some facts of the country...

- According to the latest income and expenditure survey of households in the country in mid-2007, 35.8% of the population lived in poverty, while 11.8% in extreme poverty.
- Poverty has been declining since its peak in 2004, with 43.4% of poor and 16.5% of indigent population.
- However, in recent years, the problem of inequality remains...

For example, in 2005, GDP grew more than 9%; the economically active population grew at a rate of 2.1%, but employment grew only 0.5%. Between 1991 and 2006, for each percentage point of GDP growth, employment grew half. According to the latest income and expenditure survey of households in mid-2007, 35.8% of the population lived in poverty, while 11.8% in extreme poverty. Poverty has been declining since its peak in 2004; however, the problem of inequality remains, due to a not inclusive economic growth that does not generate quality jobs and a fair redistribution of wealth.

In addition, social investment in the Dominican Republic remains one of the lowest in Latin America. If to this problem we add the fact that real wage in the past ten years has fallen steadily (and wages in rural areas are the lowest), there is no doubt that the situation for the poorest is rather complicated. Especially for those who live in rural areas. Despite being the third largest source of employment for the country (15% of the employed workforce, 4,600 new jobs per year), the agricultural sector remains a slow-moving activity: in addition, 70% of the rural population receives 35% of the income, while the richest 10% receives 34%; to 81% of farmers corresponds 22% of land.

Some facts of the country... - MDG

Target 1.A	Target 1.B	Target 1.C	Target 2.A	Target 3.A	Target 4.A	Target 5.A
<i>unlikely</i>	<i>No</i>	<i>No</i>	<i>No</i>	<i>Yes</i>	<i>unlikely</i>	<i>unlikely</i>
<i>(but partially)</i>						
Target 5.B	Target 6.A	Target 6.B	Target 6.C	Target 7.A	Target 7.B	Target 7.C
<i>unlikely</i>	<i>likely</i>	<i>No</i>	<i>unlikely</i>	<i>likely</i>	<i>Yes</i>	<i>Yes</i>
Target 7.D	Target 8.E	Target 8.F				
<i>Yes</i>	<i>likely</i>	<i>Yes</i>				

Three years until 2015, date in which the countries of the world had committed to meeting the Millennium Development Goals, the Dominican Republic has still a long way to go. According to the last Monitoring Country Report, this is the situation.

Despite being quite far from achieving the development goals, in these recent years the Dominican Republic is generating a considerable debate about the path the country should stride to improve life conditions of its citizens, and about what model of development, production and consumption, the country should implement.

The debate on rural development...

- 1) National Development Strategy 2030
- 2) Draft Law of the Solidarity Economy Sector (REDESOL)
- 3) Draft Law of the Institute of Agrarian Reform and Rural Development (Articulación Campesina)
- 4) Draft Law on Sovereignty and Food Security and Nutrition

Within this political and social debate that has involved both public institutions and government authorities such as social organizations and UN agencies, we find, in my opinion, some key elements that it is worth remembering here:

- 1) For the first time in its history, the country has approved the "National Development Strategy" which has generated a broad debate within the Dominican society. It is the first proposal for long-term development, 20 years, and we must underline it, in a country like DR so used to live day by day and where both the business and political class, and ordinary citizens are mainly interested in short-term benefits and "forget" the relevance of "planning" and "preservation".
- 2) The Network of Organizations of Solidarity Economy (REDESOL) for the first time introduced in the Congress a Draft Law of the Solidarity Economy Sector for the country. Among the organizations that make up the REDESOL, we also find CONACADO, of which we will speak in this presentation.
- 3) The organization "Articulación Campesina" (Peasants Network) has presented the Draft Law of the Institute of Agrarian Reform and Rural Development, whose main objectives would be to ensure equitable redistribution of land, promote rural development and food sovereignty.
- 4) From various ministries, international agencies, national deputies and senators, has been developed a Draft Law on Sovereignty and Food Security and Nutrition which is currently subject of a public consultation to receive input from all citizens and social organizations interested in this process, before the text will be introduced to the Congress.

The vision of a different, alternative, solidarity and fair development had just penetrated the public debate, but has not yet reached its center. It was during this juncture that I published the book "Fair Trade in the Dominican Republic: coffee, cocoa and banana", where, for the first time in the country, have been collected Dominican experiences of fair trade and has been presented the principles and ideas of this great international movement.

Fair Trade in the Dominican Republic

Coffee	Cocoa	Banana
Members of COORDOM (December 2011)		
Coscafé	Conacado	Aprobano (Finca 6)
Fedecares	Fundopo	Asoarac
Junta Monseñor Romero		Banelino
		Coopprobata
Not members (December 2011)		
	Junacas	La Santa Cruz
	Cooproagro	Asobanu
		Máximo Gómez
		Asexbam

At the end of 2011, in the Dominican Republic there were 15 small and medium fair trade producers organizations whose products were certified by the Fairtrade Labelling Organization International (FLO).

However, only 9 of these organizations were members of the Dominican Coordination Network of Small Fair Trade Producers (COORDOM), created in January 2006 with the objective of providing small producers a space for discussion and decision-making at national level. In this sense, my research concentrated on the nine members of the Network.

In late 2010, when I was finishing my research, the total of small fair trade producers that conformed the COORDOM was 18.400. However, this number has now increased, because many organizations have increased their membership. CONACADO, for example, increased from more than nine thousand in 2010 to 10.300 in 2011. One thousand new members in only one year.

The two historical fair trade coffee producers' organizations (Fedecares and Monseñor Romero Board) were already formed when the FLO mark made coffee the star of the world Fair Trade. The organizations of the other items (including Coscafé and excluding Conacado) were founded all since the 90's.

However, these are not static organizations and their structures have changed over time, to respond to internal management difficulties or other difficulties related to the FLO criteria, or to assume, in an easier way, other business tasks like direct export, or to respond to legislative changes that occurred nationally.

In this respect, it is interesting to recall the case of the National Confederation of Dominican Cocoa farmers (CONACADO), that became, by 2011, "Conacado Group", under a more "business scheme" but without leaving behind the values and principles of Fair Trade, and this, in order to respond to the pressures of a very competitive cocoa market where great companies are increasingly joining forces.

Fair Trade in the Dominican Republic

The reasons that led the Dominican producers to join, or to further consolidate their organizations, were essentially three:

- 1) The strengthening of existing peasant organizations or associations (particularly in the case of Junta Monseñor Romero);
- 2) Joint marketing of the product as the only solution to avoid exploitation by middlemen and continue engaging in agriculture (for all the analyzed experiences);
- 3) The reorganization after major weather events influenced both the foundation (hurricanes David y Federico in the cases of Fedecares and Conacado) and substantial changes in organizations (hurricane Georges particularly in the case of Banelino).

As we know, the union between small producers and the establishment of truly democratic organizations representing the interests of its members, is the fundamental principle to make trade relationships fair. Furthermore, it is only through unity that small producers can survive in “a sea of sharks”. Small CONACADO producers have understood it perfectly.

In December 2011, CONACADO received the “Top Agricultural Exporter Award” from the Dominican Association of Exporters (ADOEXPO). This award is just the latest recognition of a history of work, effort, dedication and social commitment that characterizes Dominican cocoa fair trade producers. It is not a coincidence that the Fair Trade organization Max Havelaar France, in its CONACADO case study, considers the confederation as “the reference institution for the State and Operators of the Dominican cocoa sector”.

CONACADO

“Excelent cocoa for exigent markets”

Vision: To reach a technically developed cocoa sector, with products of high quality, internationally recognized and positioned, produced by men and women who have achieved an adequate standard of living.

Mission: To improve income and quality of life for cocoa producers and their families by supporting the sustainable management of their plots, improving the quality of its products, efficient marketing of their crops, strengthening their organizations, and supporting the development of their communities.

Founded in 1988 with the initial support of the German Agency for International Cooperation and of the Cocoa Department of the Dominican Ministry of Agriculture, the organization initially had to reorganize small cocoa producers of Yamasá, in the province of Monte Plata, affected by Hurricanes David and Federico. The current Executive Director of CONACADO, Isidoro de la Rosa, told us that “the Germans really wanted to create great centers of fermentation like in Africa, as centralized marketing tools”, but the future members of CONACADO explained to them that this process in the Dominican Republic “was not practicable, and that the most viable way was to organize small farmers to improve quality and productivity of the crop. And they finally accepted this approach”.

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	1988	2011
Associations	26	162
Blocks	4	7
Members	980	10301
Sales Volumes	USD 1.6 MM	USD 47 MM
Sánchez quality (unfermented)	97%	35%
Hispaniola quality (fermented)	3%	65%
Destination of exports	USA: 97% UE: 3%	USA: 32% UE: 68%

CONACADO is a third level organization; on the second level, we find currently 7 blocks. At the first level, the Confederation has grown from 26 base associations in 1988, to the current 162.

From the first 980 members, CONACADO has now reached 10.300. Only this data helps us to understand how important the union and the organization are, for small economically disadvantaged producers. In 1995, CONACADO achieved Max Havelaar certification, and it could thus have an expansion of markets for its principal product. However, between 1997 and 2004 the confederation only exported 10% of its cocoa under the FLO criteria. It was from 2005 that Fair Trade sales grew rapidly and this is clearly noted in the largest quantities of Fair Trade Premium received by the organization.

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Year	Volume MT	OVERALL SALES USD	AVERAGE PRICE	FAIRTRADE SALES MT	% FT	AVERAGE FT PRICE	TOTAL PREMIUM USD
2000	6,534	8,824,154	1,350	226	3	1,860	34,020
2001	7,348	6,572,391	894	151	2	1,783	47,230
2002	13,501	22,876,894	1,694	948	7	2,019	142,230
2003	10,491	18,983,788	1,809	1,225	12	2,343	197,237
2004	11,831	19,190,271	1,621	1,080	9	2,089	168,360
2005	6,265	10,982,391	1,752	1,854	30	2,071	252,734
2006	7,752	15,262,426	1,968	3,643	47	2,189	562,132
2007	12,021	32,595,126	2,711	5,678	47	3,347	875,460
2008	11,576	44,480,314	3,842	5,915	51	4,127	887,353
2009	18,184	47,325,239	2,602	1,304	7	2,937	195,709
2010	12,542	42,349,178	3,376	7,841	63	3,519	1,176,237
2011	12,462	46,292,072	3,714	8,800	71	3,842	1,663,862

Datos de CONACADO

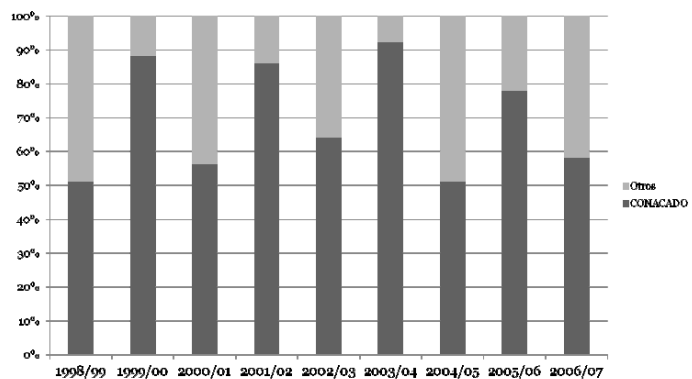
In recent years, the difference between the average price of total sales and average price of Fair Trade sales has been greatly reduced. This is because the price of cocoa on the world market has been expanding quickly, surpassing by thousand dollars the Fairtrade minimum price.

At the end of 2011, the Fairtrade minimum price was 2,000 USD MT. To this price are added 300 USD for organic cocoa and 200 USD as social premium. In total, therefore, CONACADO is currently receiving a minimum of 2,500 USD per MT, for its organic cocoa. However, when the market price exceeds the fair trade minimum, fair trade importers are required to buy as the market price (in 2011, the average price has reached 3,800 USD).

In 2008, for example, of the 100 million dollars cocoa the country exported, CONACADO contributed with 35 million. Today the Confederation members produce between 20 and 25% of the Dominican cocoa production, and these percentages are increasing.

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In 2007, CONACADO was the tenth largest cocoa producer worldwide. Today represents between 25 and 30% of all cocoa exported from the Dominican Republic. Until the early twentieth century, the main destination of cocoa from the island was Europe, but gradually trade flows were moving to the United States, and Europe became a more exigent importer.

CONACADO's work in terms of improving quality also meant penetrating again the market of the old continent. The Confederation consolidated itself as leader in organic cocoa exports to Europe: in 2004, 92% of all Dominican cocoa exported to Europe came from the producers of CONACADO. Between 1998 and 2007 the average was 70%.

It was thanks to the work of CONACADO and the relationships with Fair Trade, that the whole country has become a world's leader in high quality organic cocoa exports. Once CONACADO successfully raided the organic market, the other private firms did the same.

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CONACADO maintains 10 international certifications: EU organic standards, Bio Suisse, National Organic Program (NOP) of the United States Department of Agriculture, Kosher Certification, Fair Trade, Rainforest Alliance, Hand in Hand, Öko-Garantie, Canadian Organic Regime (COR) and Biodynamic.

In the past, CONACADO had also the certification of Japanese Agricultural Standards Association, but currently not. Because of the low demand and high costs of certification, the relationship was suspended. In recent years, CONACADO has exported to Japan an average of 150 MT per year. The CONACADO's cocoa is processed in Japan by "TopValues" private label of AEON Emporium.

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In August 2008, the Dominican newspaper “CLAVE” published an article entitled “Italian consortium says Dominican cocoa takes over the European market”. It is the Consortium of Fair Trade organizations CTM Altromercato, the largest organization in Italy and the second fair trade organization in the world. The headline explains it all: CONACADO is undoubtedly the leader in cocoa exports to the European Fair Trade, and also worldwide. In the same year, took place in Santo Domingo the “Choco-Caribbean” event, under the auspices of the Italian-Latin-American Institute, the Italian Ministry of Foreign Affairs and the Dominican Government. During this event, CTM representatives underlined the quality of Dominican cocoa and recognized that CONACADO is a very prestigious supplier within Fair Trade. During my research, Isidoro de la Rosa, stated me that relations with CTM are very good and also that CTM is the only organization that does not require FLO label in order to import cocoa produced according to Fair Trade standards and principles.

CONACADO

“Excellent cocoa for demanding markets”



CTM chocolate, made from CONACADO cocoa, since September 2008, reaches several Italian schools, public dining rooms of many institutions and it is even sold through food vending machines, thanks to the implementation of the project “Ristorazione Solidale”, Solidarity Meal. It is a project promoted by the Italian consortium which received during the first three years of implementation (2004-2007) funds from the European Commission, under the program “Fair Procura - Fair Trade Public Procurement, a tool for sustainable development”. It aims to convince public administrations and other institutional actors to become potential clients of the fair market, buyers of fair trade products, and thus active agents of sustainable development.

“Guero” cookies, stuffed with chocolate, are one of the products included in this project. They are a clear example of how the work of several Fair Trade producers from different countries becomes a “fair processed product”. To produce them, they use: CONACADO cocoa, sugar from Coopeagri (Costa Rica), yucca of APPY (Ecuador) and the honey of the United Peasants of Chenes Kabi’tah Kabi’tah (Mexico) and Apicoop (Chile).



In the manufacture of the “surprises” of the Ponchito eggs, we can find the work of several cooperatives of artisans in Asia and Latin America: La Selva (Guatemala), CIAP (Peru), Señor de Mayo (Bolivia), Preda (Philippines) and Usha (India).

Another example of the possible networks that can be formed for the production of processed fair trade products is “Ponchito”, the chocolate egg commercialized by the Italian cooperative Commercio Alternativo (Alternative Trade).

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Some Challenges for CONACADO...

- 1) Low productivity;
- 2) Generate more value-added;
- 3) Industrialization process of cocoa;
- 4) New internal trade channels...

The main problem for Dominican cocoa sector is a low productivity, as the country hardly produces an average of 720 pounds per hectare, and this value could surround the 2,400. But the 85% of plantations are old. According to CONACADO, the main State support to the cocoa sector should focus on the renewal of the plants and on the improvement of infrastructure to increase productivity. In addition, this support should be directed also to the realization of new processes of industrialization, as well as training projects that can generate more added value through the production of chocolate and other cocoa substitutes, and greater economic integration in the economic and social network of those communities with more tourist attraction.

This support would enable small fair trade producers in really beginning to build business relationships within the country and not continue to depend only on the export of cocoa beans. The industrialization process of cocoa could open new market opportunities both locally and nationally, through supermarkets or restaurants and hotels around the country. The authorities should support the public procurement by small producers and ensure that also private actors do the same, rather than importing from abroad cheaper products that damage the economy of the Dominican countryside.



CONACADO owns a little industry and produces cocoa butter, powder, cocoa wine, jam and chocolate, but in very limited quantities. Without a proper marketing network, this production cannot take off. This internal market for small producers is still missing, so CONACADO has chosen to add value to cocoa supply through ecotourism. A few years ago, the organization creates the “Tour of Chocolate” in El Seibo and Hato Mayor.

There are many other challenges for an organization like CONACADO (for example, the proper functioning of the new organizational structure), but I wanted to emphasize these, because they are those conjunctural needs that social organizations, rural and urban, want to reflect in the above mentioned drafts of law: Rural Development, the Solidarity Economy and Sovereignty and Food Security and Nutrition. Peasants’ organizations have to work so the national authorities develop sufficient political will, in order to focus the national development strategy more on the needs of small producers.

These producers, in this case through external support of Fair Trade, but in general without a true national rural development policy, are proving that local development can be generated through the work and commitment to their communities.

Multidimensionality of the development Fair Trade approach...

The 10 principles of Fair Trade

1. Creating opportunities for economically disadvantaged producers	2. Transparency and accountability	3. Long-term relations based on solidarity, trust and mutual respect	4. Paying a fair price	5. NO employment of children, or forced labour
6. No discrimination gender equality and association freedom	7. Decent working conditions	8. Capacity Building	9. Fair Trade promotion	10. Environmental sustainability

As we know, a real and sustainable human development is an integrated development that includes many dimensions: poverty and hunger, education, gender equality, healthcare, environmental sustainability, water, sanitation and housing, access to communications and building of a global partnership for development. The Fair Trade development approach includes all these areas through its multidimensionality. This is certainly one of its key characteristics. The second, in my opinion, is the necessary importance attributed to work. Fair Trade is not development cooperation, is not assistance; it is essentially trade. Therefore, there is no fair trade without the effort and hard work of everyone.

Fair Trade was born to meet the needs of the smallest producers, who have the greatest difficulties and fewer opportunities to access their products to markets. And it is born to provide better living conditions through a more equitable relationship. CONACADO is an example of how the union between small producers makes them stronger, and how, by joining forces, small producers can become leaders in exports of high quality organic cocoa and generate local development.

¿How, therefore, can a fair trade organization like CONACADO generate a real local development and then answer the many dimensions of it? For example:

- By giving credits both to the blocks and the producers, CONACADO answers to the high costs of conventional bank loans and allows small investments of the producers;
- Thanks to a democratic and participatory organizational scheme, CONACADO maintains high levels of commitment of its members with the development of their communities;
- Thanks to the gender perspective in all its processes and programs, it tries to rebalance gender relations in rural communities;
- Thanks to training and community leadership processes, it improves capabilities and social and political empowerment of producers and of communities members, and it seeks to promote among young people the cultivation of cocoa, so they do not migrate to the city;
- Thanks to organic production, it ensures better incomes, sustainability of the soils and preserves both nature and human health;
- By cultivating on the hills, guarantees cleaning of rivers and water sources coming to the cities;
- By supporting production diversification, ensures better levels (both in quality and quantity) of family diet, higher levels of local trading and then it improves both the sovereignty and food security and nutrition in the most poor communities of the Dominican countryside;

From all these elements, we can see how another model of production and consumption, and another development approach which values the rural areas, can improve living conditions of those who are at greater economic and social disadvantage, without having to wait for the dripping down of a not inclusive economic growth.

Some Challenges of Fair Trade in the Dominican Republic...

- 1) Fair Trade domestic market...
- 2) Coordination as a true partner to design, implement and evaluate public policies for rural development...
- 3) Intergenerational sustainability...
- 4) Community banks and remittances...

In a world where crises multiply, organizations of small Fair Trade producers are building another reality, which hopefully could make obsolete the dominant one. Southern producers know very well that in a world of crisis they can no longer depend only on external demand and must also fight for creating internal fair trade markets in their countries. Marketing products from national small producers, that sustain local development, will not benefit only small farmers, but the entire society. The case of water is probably the most emblematic: there will be no water for no one if the peasants and small farmers leave the countryside. The cultivation of cacao, like coffee, guarantees a constant care for nature and human sustainability that, more often than ever, are endangered by private interests who generate increasing inequalities and destruction. In this sense, fair trade in the Dominican Republic, with its around 20 thousand producers, must become one of those catalyst movements of a deep questioning of the national development model, because in the communities of the small producers of Fair Trade Dominican organizations another model is already being implemented and with excellent results.

Some of the current Dominican Fair Trade organizations, such as CONACADO, are also actively participating in national policy process: CONACADO is member of REDESOL which presented the Draft Law of the Solidarity Economy Sector, and it has also been invited to express its views on the Draft Law on Sovereignty and Food Security and Nutrition. Many of its members maintain close ties with members of the national peasant network that introduced the Draft Law of the Institute of Agrarian Reform and Rural Development.

As I stated at the beginning of this presentation, at national level there is a Dominican Coordination Network of Small Fair Trade Producers (COORDOM); their work have not yet taken off. But small farmers learned that uniting efforts among all fair trade organizations represents the only way to be recognized nationally and then become a serious partner between rural communities and government authorities. Institutional strengthening of the COORDOM is the starting point for a number of challenges that await the Dominican fair trade movement.

Another central challenge for both fair trade organizations and the whole country is the intergenerational sustainability: we must work strongly in order to maintain the younger and more families in the rural areas. For this, the rural development must become the priority of the national development strategy, against all other urban and tourist economic interests. In this sense, fair trade organizations are rowing against the current, because they devote time and resources on a complicated task, which in this society seems to be really a utopia. To improve this, universities

could be helpful: developing new careers in the field, introducing the teaching of the solidarity economy and fair trade in economic and social faculties, bringing students from the cities closer to agricultural issues, supporting economic and social research on local fair trade contributions to development; among others. In the same direction, I believe that many of the urban social organizations should reflect deeply on what kind of development they want for the country, and then starring themselves a “return” to the field: by living in rural areas as by interlacing stronger links with peasant organizations.

I could go deeply in other specific challenges, but I will emphasize only on one: the issue of “ethical finances” and the democratization of banks and their services. It is, without any doubt, the more innovative sphere of intervention among the different projects of Solidarity Economy; in this sense, we must learn from international experiences in co-development and remittances. For Latin American countries like the Dominican Republic, El Salvador or Ecuador, this issue is of great importance. Changing the approach towards remittances would be something revolutionary but also necessary. If the basic idea of Fair Trade was to convince small producers not to sell their products individually, and then consume individually the consequent low income, but unite their efforts with others and, through the organization, start to commercialize in a communitarian way, Why shouldn’t small producers use part of the individual remittances in a communitarian way? And therefore generating a communitarian development, rather than keep watching how someone uses remittances to consume a little more than others.

The social organizations that work daily with Fair Trade should consider this tremendous potential through, for example, ethical banking projects. Investing in a community bank, managed by the community through an organization of small producers, does not mean making a donation to this organization. It's an investment like any other and it can return profits or not, like any other investment. The big difference is that the emigrant would be investing in a productive and responsible project, democratic and participatory managed by the members of the community where his family lives, but which generates benefits for everyone, not only his family.

This is another community strategy that fortifies collective and not individual solutions to problems related to collective development and that can be ensured in a collective way, while individually can continue producing inequalities, consumerism, lack of access to basic services and desertion of the rural areas.



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Marco Coscione

m.coscione@funglode.org