



# FAIR TRADE

Some theological perspectives



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### **Introduction from the Justice and International Mission Unit**

The Justice and International Mission Unit of the Synod of Victoria and Tasmania commissioned the following paper to provide a theological starting point for discussion around what positions the Synod might take on issues of international trade, which affects the lives of billions of people around the globe. The Unit is particularly aware of the concerns of members of partner churches in the Asia Pacific region concerning the global trading system.

The paper is intended to be a starting point for discussion on issues of trade and what position the Synod might take on the issue of 'fair trade' and how such a concept is defined. The views expressed in the paper are those of the author and do not necessarily reflect the views of either the Justice and International Mission Unit or the Research Foundation for Public Theology, Centre for Theology and Ministry.

## **INTRODUCTION: NAMING THE TASK**

It has been said that the term 'fair trade' is an oxymoron. Fairness and trade have little to do with each other. Trade, by its very nature, has as one of its driving forces, the desire to gain a competitive advantage. Where the negotiating parties are not of equal strength, which is often the case, those with access to greater power, whether economic, social, legal, geographical, technological or any other, will press to achieve the best possible outcome for them selves. The result is frequently inequitable and often produces exploitative outcomes. As Pope Leo XIII observed, 'When two parties are in very unequal positions, their mutual consent alone does not guarantee a fair contract.' (Rerum Novarum)

In a time of globalisation, when trade policy and practice flows across the earth, it is inevitable that the economically powerful nations in the developed world will have significant advantage over developing and undeveloped countries in commerce and trade. 'The logic of globalization has led in fact, to a redefinition of national interest in which Government policy assumes that advancing the well being of shareholders and global firms, as opposed to the general population, workers, and community, provides the highest overall benefits' (William Grieder). Further, Reinhold Niebuhr's aphorism, 'individual unselfishness gives rise to national selfishness' identifies the dynamic that citizens elect governments to protect their interests. If they do not, then others will be elected in their place. So nations, whether as government, semi-government or in co-operation with the private sector, habitually act in their own self-interest.

The recent case of the Australian Wheat Board paying bribes for the sale of Australian wheat to Iraq, despite the fact that the money was supporting Saddam Hussein, against whom Australia was waging war, was justified by the claim that other nations, including Canada and the U.S., Australia's allies, were seeking to take the wheat trade to Iraq away from Australia. Executives of the AWB argued they were acting, whatever the means employed, in the best interests of Australian farmers whom they represented.

Multi-national corporations, many of whom have more financial resources than small nation states, range across the globe seeking access to resources and agricultural goods without any necessary regard for the interests of those with whom they seek trade agreements. Their concern is corporate profits, and more and more returns for stakeholders. The bottom line is the over-riding factor in all commercial agreements. That is the nature of business and its reason for being. It goes without saying that 'fairness' in trade may be given lip service, and on occasions, where it is mutually advantageous, be honoured in the exchange of resources and goods. But of itself, fairness is not usually of central significance in the exercise of trade.

Advocates of free trade between nations point to its economic benefits for all, and argue the case for allowing open exchange and commerce without the hindrance of trade barriers and concessions. Some even employ the language of justice, pointing to one of the foundational principles of justice, that of freedom, to present a moral or ethical component in the free trade discussion. But free trade does not ensure fair trade. The other foundation principle of justice, equity, does not often receive the same air space in such advocacy. Nor do the notions of distributive justice, attributive justice, or creative justice, fundamental dimensions in the churches' embrace of justice, receive much acknowledgement. Justice may be the form of love, as Paul Tillich claims, but in the area of trade, freedom and liberty to pursue your own goals unfettered, has long been the goal sought by free trade advocates, and indeed Robber Barons, over the centuries. It is against this reality that the Church seeks to discern those theological principles that might bring fairness and trade into a creative and working relationship.

## **SEEKING A RESPONSE**

Broadly there are three stages in the pattern of trade. The first focus is on raw materials and resources, such as oil, grain, minerals, land and even labour viewed as a commodity resource. The second is the process stage in which value is added to raw materials by developing, shaping, or refining the basic resource into saleable commodities. Sometimes the word industry is given to this second stage. The third is distribution and sale of manufactured goods to consumers who pay for the goods sold.

A simple example is that of oil, which once obtained from the earth (the first stage), is processed into a variety of forms (the second stage), one of them petrol, which is sold as fuel from petrol stations to motorists (the third stage). At each stage of this three fold cycle there are theological principles that can be brought to bear. In each case these principles interlock with those that follow and reappear at later stages as a continuing part of the conversation. These principles can be sharply illustrated by particular examples.

## **THE FIRST STAGE: RESOURCES**

In 1908 the small Pacific Island of Nauru, then in the hands of the Germans, was mined for its phosphate that constituted the bulk of the island. After World War 2 the island fell into the hands of the Australian Government when Australia became the chief administrator of the United Nations Trusteeship until the island was granted independence in early 1968. The mining of phosphate, which is used as a fertilizer, continued relentlessly until the island was devastated environmentally. Mining destroyed the soil and vegetation of the island. Extraction of the phosphate resulted in large pits, and four-fifths of the land reduced to a barren wasteland. The original inhabitants were moved to narrow coastline strips. Since phosphate was the primary basis of the economy once the phosphate was depleted Nauru was left without anything to trade, a devastated physical environment with serious social dislocation and collapse. Today the Australian government is entering into agreements with the Nauran Government to use the island as a rehabilitation and holding centre for refugees seeking asylum in Australia.

### ***Caretaking***

From a Judaic-Christian perspective one of the responsibilities of humankind is a caretaking of the earth to protect and nurture its life and biodiversity (Gen 1:28-31). The Genesis myth portrays God giving Adam and Eve and all their descendents, the task of oversight of the planet, in order to enhance and cultivate its inhabitants, flora and fauna. The relentless, even ruthless scouring of the earth, as in the Nauru case, leaving it blasted, largely uninhabitable and forever destroyed is the very antithesis of what is imagined in the Christian vision. Experience has taught us that wherever unregulated mining has occurred the outcome has been, more often than not, a blasted landscape that remains inhospitable and incapable of being recovered. Although there are examples of rehabilitated mining sites, the record generally speaking is not good. In the case of the O.K. Tedi mine in New Guinea the O.K. Tedi river was seriously degraded, toxic residue was spread across arable land and villagers who had lived there for decades were unable to make a living and were forced to move. A similar story with the Freeport Gold mine is happening at the present time. There is a saying among Aboriginal people, 'If our Mother (the land) is sick how can we be well?' Caretaking of the land is a fundamental tenet of all theological reflection on human responsibility. If the land is sick how can we be well?

## **Sustainability**

The second theological principle that flows from the first is sustainability. As Jared Diamond in his book *Collapse* argues, early white settlers to Australia mined marginal agricultural land until it was depleted and useless. Wind blew precious top-soil away because of indifferent and inadequate farming methods. Water was used in a profligate manner bringing salt to the surface making the land unusable. Since white settlement in 1788 40% of forests have been cut down and cleared, 35% have been partly logged and only 25% remain intact. Diamond goes on to list over-stocking of rural land, the devastating effects of introduced species such as foxes, rabbits, toads, camels, buffaloes, donkeys, goats, carp and birds such as sparrows and black birds. We could add the present practice of breaking up good pastureland into hobby farms. Diamond goes on to draw a devastating conclusion. '... the best estimate of a population sustainable at the present standard of living is 8 million people, less than half the present population' (p.398). The present Australian Government has set as its goal a population of 50 million.

The Australian example can be multiplied many times over in other places such as China, Indonesia and Latin America. In the case of Nauru it has been estimated that the cost of rehabilitating the island is so great that the only option is to remove the present population to another destination. A small precious island and its culture has been destroyed by the hunger of the Australian government for fertilizer to help Australian farmers, many of them now struggling for survival as the Naurans before them.

Sustainability of land, including pasture and arable land, forests, and bird and animal species becomes of central significance at the point at which the trade cycle begins: the acquiring of raw materials from the land. In the short, medium and long term, sustainability issues arise in order that the land remain productive, and an habitable world can be passed on to the next generation.

## **Participation**

A third theological principle critical at the first stage of the trade cycle is participation.

In Botswana, since 1997, 1500 Kalahari bushmen and their families have been evicted from their ancestral lands because the land contains rich diamond deposits over which the South African mining giant, De Beers, has been granted mining rights. As *The Guardian* reports, 'The Government is forcibly removing people from their ancestral land. It is destroying them. The evictions coincide with the diamond find'. The Gana and Gwi Bushmen who have been evicted are seeking redress through the courts. 243 individuals have taken court action against the Botswanan Government which is in partnership with De Beers to mine the diamonds.

Here, as in the case of Nauru and many other colonial situations, the participation of the people affected by the decisions of Government and Corporations in the decision-making process is negligible. Usually indigenous landowners are denied information, shut out of the decision making process, do not have access to resources to advance their case, and are dealt with at arms length by bureaucratic agencies, including the police, and in extreme cases, the army. Secrecy is one of the characteristics of the acquiring of rights and privileged access to primary resources. Frequently, when attention is drawn to what is happening, large amounts of money are spent on advertising and propaganda reports that attack the objectors and advance the case of the corporation, which is represented as acting for the wider good and economic prosperity.

The human rights of individuals, groups and communities are denied when they cannot participate in decisions that affect their livelihood and future. It is common in such cases for the argument to be advanced that what is being sought is serving the greater good. A proper analysis usually reveals that the greater good means that which serves the self-interest of those seeking to profit from access to the resources under question. Fair trade in these cases involves a proper return to those who own the land or its desired resource, the right to participate in the decision making process and to share in the profits made.

The principle of participation can be starkly seen in regard to primary production. There are some primary producers who are well situated in the trade cycle with guaranteed sale of their produce and who enjoy a level of collaboration with processors and retailers. There is a second group of farmers who have no assured access to markets, are frequently under capitalized and are subject to changing prices and restricted access to sale outlets. A third group are usually unskilled and uneducated, farming small holdings, and are dependent on family and casual labour. They have limited access to capital resources and are at the mercy of local conditions and fickle economic circumstances. Decisions made at the International level, such as at the Grain Mart in Chicago which buys and sells future crops, can result in outcomes where a 40% increase in crop yield one year can result in a 30% decline in income in the same year. Participation is uneven and uncertain for farmers and market gardeners who live in anxiety, not only about climatic factors, but also the fickle operation of markets.

Subsidiarity is an idea that finds an honoured place in Papal Encyclicals. It argues that decision- making, on those matters that affect the body politic, should be made at the lowest possible level, by the greatest possible number of people. This principle, which enshrines participation at its heart, seeks to affirm the common good and the recognition that we must stand in solidarity with all members of the human race.

In the biblical record the injunction is recorded again and again, 'Remember you were once slaves'. One of the outcomes of that foundational experience, bondage in Egypt, was that the poor and disadvantaged, widows and orphans, were not to be cut out of the harvest and were free to glean in the fields where some grain was left to be harvested for their good. In this way provision was made to include the poorest of the poor in the good gifts of creation. Participation means inclusion and generosity. It is the opposite of those exclusive practices that choose profits above people and bureaucracy above relationships.

To Summarize: The first stage of the trade cycle needs these theological principles to save it from its own destructive tendencies. Caretaking of the land, sustainability of all of its dimensions of productivity, and the participation of those who are involved, at whatever level, is the ground of any justice we can seek. Transparency in all exchanges is to be fought for, not the least in ensuring that what is planned will not be permanently injurious to the earth, can enable sustainability in the future, and involves all those who have a stake in any outcomes envisaged. These principles remain in the turn to the second stage of the trade cycle.

## **THE SECOND STAGE: INDUSTRY**

The processing of raw materials into saleable goods has always been an area of debate and conflict. Since labour is always necessary for this stage of the cycle to be advanced, the issues of the conditions and wage agreements of workers remains a constant issue between employers and employees. An example again illustrates the complexity of this dimension of the trade cycle.

In 1998, Phillip Knight, the founder and CEO of Nike, the foot-ware, clothing and sports goods company, when addressing the National Press Club in Washington, announced that in response to widespread criticism Nike would be instituting a series of reforms. Critics had pointed out that Nike had set up factories in countries where there were little or no restrictions on companies operating there. Labour was cheap, working conditions were unregulated, safety requirements were not in place, and wages were not protected by legislative requirements. The outcome was the exploitation of workers who were forced to work excessive hours in appalling circumstances for poor wages. A worker in a Nike factory could earn as little as \$1.00 a day U.S. when a pair of Nike shoes sold for hundreds of dollars. Reacting to the controversy over sweatshop conditions that had made his company's products synonymous with slave wages, forced overtime and arbitrary abuse, Phillip Knight announced new labour policies on health, safety, child labour and independent monitoring. In 2001 a report produced by Global Exchange, a watchdog of third world commerce, indicated that workers for Nike were still forced to work excessive hours, were not paid a liveable daily wage, and were subject to harassment, dismissal and intimidation if they undertook action to improve conditions. The Report stated that Nike regarded debate more as a public relations inconvenience rather than a serious human rights issue. (Source: Global Exchange, Fair Trade)

### ***Inalienable rights***

In the biblical world-view a worker is worthy of his or her hire, and should be paid appropriately. The source of this respect is the recognition that all are made in the image of God and therefore have certain inalienable rights by virtue of that status. There is considerable debate as to what these rights are and how they might be stated and protected, but the theological principle implicit in the second commandment, the so called golden rule, is that we should always seek to treat others as we would expect to be treated ourselves - in short, with fairness and respect. Exploitative and abusive use of the labour of others, which is all most workers have to offer in a commercial exchange, is unacceptable.

The prophetic tradition demonstrates a continual attack on the disregard of the legitimate claims of the poor. Amos attacked taxes and suffocating tithes as well as fraudulent trade (Amos 4:5, 5:11-12, 8:4-5). Micah spoke out about the seizure of land (Micah 2:1-2). Many spoke of the perverting of justice (Ezek. 16:49, 18:12-13, Zech. 7: 10). The prophet Jeremiah was unmistakable in his outrage against the abuse of workers. 'Woe to him who builds his home by unrighteousness, and his upper rooms by injustice; who makes his neighbour serve him for nothing and does not give him his wages' (Jer. 22:13-16).

The recognition of the human right of the individual to be treated justly rests on one basic premise which can be enunciated this way: '...individual human rights are the foundation, the cause and the end of every social institution' Pope John XXIII, *Mater and Magistra* (218). This principle includes matters such as the supply of labour, the migration of populations and especially refugees, wages, taxes, credit and the protection of all those who work in industry and agriculture.

Because labour is cheap in the Third World and workers unprotected by industrial regulation, multi-national companies can make significantly higher profits by moving their manufacturing and processing plants to countries which are 'open for business' and which do not demand wage justice. The saving in wages paid is a huge incentive for companies to enter into agreements with governments, who gain the benefits of taxes from new industries, and who in return do not become obstructive in how businesses are run. Frequently, in such cases, corporations pay little or no tax.

## **Transparency**

The principle of transparency, already touched on, assumes that all those likely to be affected by decisions and agreements reached, know and understand what these agreements entail. The argument of big business and governments that commercial confidentiality has to be protected is one of the ways in which agreements reached in secret are not frequently open to public scrutiny and therefore may create or perpetuate unjust social conditions.

Subsidiarity, the notion already discussed, would require that some representation of workers in the setting of wages would be a necessary feature of any just economic environment. Freedom of information is one of the fundamental planks of an open and equitable trading environment along with participation in the decision making process. From this view workers should not be regarded as a commodity to be traded, exchanged, or utilized without consultation, but should be invited into relationship that gives proper honour to their right to be treated as a free deciding centre in any negotiation that materially affects their lives.

In the farming sector, for example, there are serious questions relating to the disempowering of workers, who have no freedom of choice, lose work because of dumping of excess products by wealthier nations, or are denied access to markets by regulations and trade barriers. The agricultural world is particularly vulnerable to price manipulation beyond itself. Farming is, for many farmers outside trade agreements, increasingly a marginal economic proposition. Many of those in the second and third level of the farming community are losing their farms to the large Agri-business combines, who buy up more and more land, and farm that land with large machinery that eliminates jobs and participation of small farming communities and villagers.

The consequences of large global combines, and the control of the trade cycle can be captured by the following Canadian example. 'Higher prices to farmers need not mean higher prices for consumers. Twenty years ago the farmer got 7c out of a 74c loaf of bread. Today that farmer gets 5c out of a \$1.33 loaf. Bread went up 59c while the farmer's share went down. Millers and retailers raise prices to consumers, and lower prices to farmers, profiting handsomely by exploiting both. The farmers need another 5c a loaf but this need not come out of consumer's pockets. We think it could come out of the 59c increase that millers and retailers are pocketing' (Canadian N.F.U. Vice president Fred Tait, 15 August 2000).

## **Justice-Equity**

In the industry process of the trade cycle the Church advances strongly the theological principles of inherent rights and transparency of operation. A third essential component is that of equity, a foundational principle in the idea of justice. To return to the Nike illustration listed above, it is clear that from the experience of the Nike employees they have no equity at any point in the production cycle. Equity has the essential meaning of that which is fair, or right, and has in the economic sphere the idea of even-handed dealing. Conditions of employment that are just give recognition to the principle of equity. In the international realm balance of trade, with its goal of mutually satisfying outcomes, the goal sought, at least publicly, is to achieve some form of equity in exchange. The three desirables of sustainability, parity, and economic growth are much applauded but rarely achieved.

The reason is not hard to find. Serious power imbalances exist because of the concentration of economic control in the hands of a few corporations. In the realm of agriculture for example, concentration in agri-business is regarded by U.S. farmers as their single largest problem (U.K. Food Group: corporate concentration from farm to consumer, P.17). 'The labourer is worthy of his (her) hire'. What is not included in this statement is, 'and should be given protection to ensure that safe working conditions and economic outcomes are commensurate with risk and effort, hours worked and skills required to do the job well.' Equity is a broad notion that requires fairness at all levels of any operation. The so-called level playing field is seldom level for all players. It is the recognition of mutual interdependence that lies at the centre of the debate about equity. We are our brothers and sisters keepers, and equally responsible for the social circumstances in the communities within which we live. On this one small planet the neighbourhood, from an economic perspective, is global.

## **THE THIRD STAGE: DISTRIBUTION**

### ***Inclusion***

The following illustration is a composite of several stories but accurate to the circumstances described. 'The Camporelli family migrated to Australia, in a wave of migration from Italy, in the 1950s. By the time the second generation of children had grown the family had a small successful grocery and convenience shop which served a largely immigrant population in an inner suburb of Melbourne. Then in the year 2002 a large Supermarket chain moved into the district, building a large outlet no great distance from the Camporelli shop. Each time the Camporellis lowered their prices to match that of the Supermarket, the Supermarket lowered their prices a little bit more using the marketing device of specials. By the end of the year 2005 the Camporellis were facing bankruptcy and were forced to sell the business.'

One of the great New Testament stories is the feeding of the 5000, whose significance lies in the unheard of circumstance of men, women and children, Jews and Gentiles, free citizens and slaves, all participating together in a meal without ritual washing and with no one excluded. All are fed. Inclusion without question, participation without penalty, is one of the 'miraculous' dimensions of the story. It is this theological declaration of inclusion, and its accompanying value of access, that becomes significant in discussion of the third phase of the trading cycle.

Increasingly the outcome of large conglomerates trading finished goods is that small businesses are unable to compete. Once, news agencies sold papers and magazines. Now the large one-stop shop sells them also. Pharmaceutical goods can be found in super stores. Flowers once sold by florists can be purchased there as well, to take but a few examples.

Advocates of competition argue that the process of concentration in large companies is both desirable and inevitable because of the lower prices it ensures. Equally it means that small traders cannot compete and are run out of business. In Britain independent groceries fell from 116,000 in 1962 to just 21,800 in 1992. This pattern, the result of the growth of large market stores run by multi-national companies, is detectable across the world. In the name of competition more and more agencies and family businesses, small farms and market gardens, are being eliminated from the economic cycle. Exclusion from markets and the inability to compete is one evident outcome.

### ***The Common Good***

The drive of the economic world of big business is to buy cheap from producers and to sell dear to consumers. To support the monopolistic control of outlets, huge sums are spent on advertising the products sold by the Supermarket chains. It is estimated that the advertising budget in 2006 will top \$140 billion in the U.S. and \$90 billion in Europe. The reason for this expenditure is not hard to identify. The nature of consumer capitalism is that business cannot stand still but must go on creating bigger and bigger markets, along with larger and larger profits. Controlling the price of consumer items, keeping wages down, and moving relentlessly into expanding markets has outcomes that include the determination of pricing at all levels of the distribution cycle. Not all participate in this economic bonanza. Notions of the common good, central to the Church's teaching, are constantly being subverted by the dominant ethic of what is good for big business. As illustrated by the now outdated slogan 'What is good for General Motors is good for America.'

Against this powerful growth of Corporations two significant responses have been made to rein in unprincipled trade practices. A new approach to Corporate Social Responsibility (CSR) is pressing Corporations to ethical considerations and practice, which includes improving a company's dealings with suppliers. Few Corporations have taken up the CSR agenda but progress is being made.

Also the World Trade Organization is attempting to tackle tariff barriers, to confront the practice of agricultural subsidies, and to open access to markets. The claims of both rural poor and urban poor are tied up in these initiatives. These and other similar strategies acknowledge that all gain in the end by addressing what is in the best interests of the common good. Regulation of prices, work opportunities and access to markets are critical. As Uganda President, Yoweis Museveni, has said, 'If you deal with supply side constraints but don't deal with access, then where will you off-load your produce?' Australian T.V. footage of truckloads of oranges and grapes being dumped because of the absence of markets and oversupply, illustrates the delicate balance of the sale and distribution of goods in a global market. Small producers are increasingly being excluded from access to markets and trading points in which to sell their goods at a fair price.

Agriculture illustrates the dilemma graphically. Farmers can confront in any one season a series of crises. There can be a crisis of production due to drought, or its opposite, an oversupply of grain that cannot be sold. There can be a crisis in terms of trade for commodity exports. There can be a crisis of trade justice when trade access is arbitrarily denied. War or unstable weather conditions can intervene. There can be a crisis of prices offered because of cheap subsidized commodities from other countries flooding markets. In addressing this complex reality a commitment to the common good is foundational to the Church's response. The idea of the common good has its ground in the sense of God's sovereignty and its corollary that because we are all bound together by the nature of our creation, we should stand in solidarity with each other. The test of any civilized society is how it deals with its weakest and most vulnerable members. If the trade cycle works to exclude, marginalize and subordinate large sectors of the human community, in order to benefit a small, influential and wealthy sector, then it must be made to act responsibly at any point that pressure can be brought to bear.

## **Hospitality**

There is a further theological principle that offers itself for consideration at this point. In the parable of the Great Feast, a story told by Jesus, the servants of the host, when invited guests decline to come, are sent out into the highways and the byways, to compel people to come to the feast. This generosity the parable says reflects the nature of the host. Hospitality is a sign of God's Kingdom. As in the social practice of Israel, when each seven years land was returned, debt forgiven and equality restored, the desire behind the idea of hospitality is to extend a gift that is not deserved or expected.

The appeal to the generosity of Governments has on occasions been recognized in the forgiving of debt owed by third world countries. Of course no great good would be served by not trying to assist beleaguered countries since they are current and future trading partners. But elements of genuine compassion are present in such gestures. Hospitality is a deep and persuasive value in most human societies. Its appearance for the furthering of the common good and the sustainability of land and people is to be pressed at every opportunity. When the question is asked 'Who should benefit?' the answer motivated by the impulse of hospitality is, 'those who have greatest need.'

## MIDDLE AXIOMS

The conversation we have had concerning fair trade has been guided by the theological principles of caretaking, sustainability, participation, transparency, access, equity, inclusion, and hospitality all in the service of the common good. It is not always easy however to see how each of these interlocking ideas, values that reflect what Jesus called the realm of God, can be applied in particular and complex situations. It is useful therefore to have some middle axioms to guide us in our decision-making. Six such middle axioms are here offered as guiding convictions.

1. People are prior to programs. If the culture of the poor is destroyed by programs such as resettlement schemes or seeking to eliminate their unique world-view as in the case of the proposals of the Menzies Think Tank on Australian Aborigines, the last case may well be worse than the first, even if material circumstances are significantly enhanced. It is the culture of a people that grants identity and dignity. That is why the life of the people is always a prior consideration in the discussion of what fair trade might involve.
2. Relationship is more fundamental than solving problems. As a spokesman of the third world put it. 'The Western world is obsessed with problem-solving. For us relationship is primary.' Translated into the present conversation that means paying attention to the fragile webs of interconnectedness and relationships. Networks hold meaning and significance as well as providing resources and support.
3. Empowerment is more lasting than financial solutions. Where people are given the means of making a viable living and given responsibility for their lives, money and resources are usually found. The ability to take action on their own behalf is the means by which communities overcome their powerlessness.
4. A holistic view is preferable to single focus responses. The breakdown of a unified vision of social and economic existence has been characteristic of our time as scale, complexity and technological capacity has increased. Stratification and segmentation, the separation of parts from the whole, of economics from social and cultural factors, has obscured our essential unity and interdependence. Fair trade discussion needs to seek always a wider vision than the narrow band of economics, in order to preserve a sense of the common good.
5. Community is the necessary precondition of any enduring solution. Some Commentators, such as Donald Horne, claim that the myths and symbols of Australian society have their roots in the industrial-technological matrix. If such is the case the time has come to assert that the very nature of being creatively and lovingly human can only happen in the context of community. The economic dimension of our experience cannot provide in itself the kind of community where we belong, where we are named and known, and where we can address the world with trusted companions.
6. Justice is required, not charity alone, if the social fabric is to remain intact. Where attention is not paid to the call for a just and equitable society, the consequences cannot long be avoided. The price paid for prolonged injustice and neglect in human suffering and social conflict, is higher than any society can afford to pay. Justice is not a luxury to be achieved if times are good, but the precondition of any form of social good we can name.

## **POSTSCRIPT**

The Fairtrade movement, begun in Germany, has now spread to most Western countries. Its goal is the sale of commodities from the poorest nations, in order to gain proper recompense for them and to develop access to markets that would otherwise be denied. Ethical practice has here its most visible champion, although issues have arisen concerning access to the Fairtrade label and its misuse by those who are not operating under Fairtrade guidelines. Sold under the distinctive green and blue logo, the brand now sells more than 50 items in Australia where it first began in 2003. Along with the rise of Community banks that offer local control over financing, and the development of community controlled regional and local markets, the Fairtrade movement represents a sign of hope for a more equitable global trading environment. It is a small beginning but it demonstrates that with determination and practical action, creative alternatives can be developed that offer the promise of a more just world. It is to such initiatives, guided by its theological convictions concerning God's intention, that the Church should commit itself.

## **REFERENCES**

There are many publications of Papal documents that contain the Encyclicals quoted, including the notion of subsidiarity. One such is *Proclaiming Justice and Peace, Documents from John XXIII to John Paul II*, edited by Michael Walsh and Brian Davies, Collins 1984. The quote of William Grieder can be found in a U.K. Food group report, IIED food inc., written by Bill Vorley, a comprehensive and informative discussion of the dilemmas and challenges of world trade. (p74) The quote of Canadian NFU Vice President Fred Tait can be found here also. (p41) This report has been extensively used in writing this paper and is on the web. Jarod Diamond's book *Collapse* is readily available in bookshops. A full report of the nation of Nauru and phosphate mining, can be accessed on the web and in particular, a paper by Michael E. Pukrop May 1997. (TED case studies Case Number 412, Phosphate Mining in Nauru). The O.K. Tedi reference is available in many places and can be called up easily on Google. Similarly, the Nike story can be found in *Global Exchange, Fair Trade Federation, 'Still Waiting for Nike to do it'* from which the case study in this paper is taken. The report of the plight of the Kalahari bushmen was written by Ben Flanagan for the *Observer* and reprinted in *The Guardian Weekly* April May 2006.



**Justice and International Mission Unit  
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