

[Fair trade really isn't the way to do it](#) [1]

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There is, as we all know, something called Fair Trade out there. The idea being that you make sure that you're buying only from poor farmers who meet your own moral standards (on things like diversity, sustainability, whatever) and that you'll pay them a bit more for their producing as you would like to see things produced.

This is, of course, just quite lovely. For it is you exercising your consumer choice, spending your pennies as you wish, to make the world a better place according to your lights. We all here support you doing exactly that.

However, you might want to have a little think about this in the lights of these quite astonishing [numbers](#) [3]:

An interesting statistic is that in 2010, retail sales of fair-trade-labelled products totalled about \$5.5 billion, with about \$66 million premium -- or about 1.2 percent of total retail sales -- reaching the participating producers. There has to be a better way of helping poor farmers. Having only 1.2 cents out of every dollar spent on fair-trade products reach the target farmers is a hugely inefficient way of helping these people. If people wish to help these farmers there has to be charities out there that can transfer more than 1.2 cents per dollar to them.

It may well be that you are exercising your consumer choice as a way to make the world a better place. It's just an incredibly inefficient method of doing so and thus you might want to reconsider that plan.

My own supposition is that the reason Fair Trade is so appallingly inefficient is the number of Interchangeable Emmas who have to be paid from that money supposedly going to producers. It takes very many poor coffee farmers' incomes to pay for the PR bod advertising Fair Trade coffee from an office in central London. It might well be better to simply do as Madsen urges, and buy things made by poor people in poor countries. Then send the money saved by not paying the Emmas off to a charity of some minimal efficiency. Or even, if coffee farmers are really your thing, simply drink an extra cup or two a day and send the money by increasing demand for their production.

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