

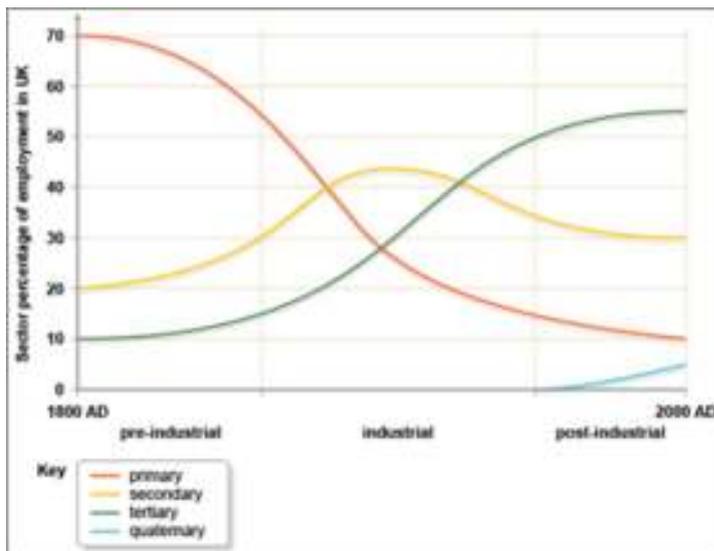
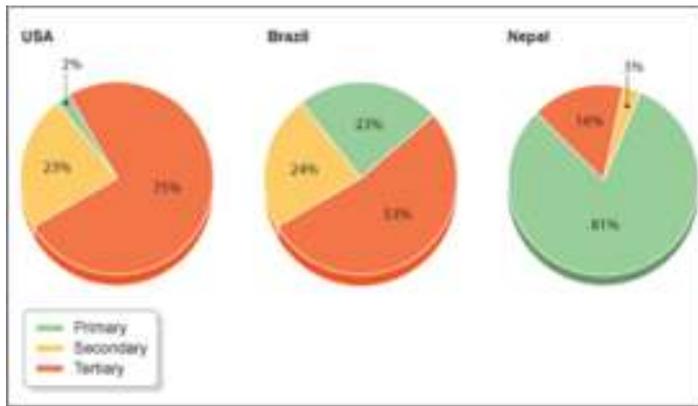
**Global Citizen Revision** This topic is all about how we are linked to other places through what we buy. We need to recognise that we have an impact on people in other places.

**Print off this guide and start by testing yourself on these key words:**

Products	<i>Items that are made, or produced and then sold to consumers. E.g.</i>
Services	<i>Services that are sold to consumers. E.g.</i>
Consumer	<i>A person who pays for/ buys a product or service</i>
Producer	<i>A person who is involved in making (producing) raw materials or products.</i>
Primary sector of industry	<i>Jobs that extract raw materials with which to make products. E.g.</i>
Secondary sector	<i>Manufacturing jobs. Making products using raw materials and other products.</i>
Tertiary sector	<i>The service sector, jobs that provide services consumers need. E.g.</i>
Quaternary sector	<i>The research and development sector. Jobs in science and new technologies.</i>
Chain of production	<i>All the jobs involved in the making of just one product. (also called the 'supply chain')</i>
Market	<i>The group of consumers that wants to buy a particular product or service.</i>
Trade	<i>Buying and selling with other places/companies/consumers to make profit.</i>
Formal employment	<i>A job that is legal and taxpaying. Recognised by the authorities.</i>
Informal employment	<i>A job that is cash in hand, illegal and non-taxpaying.</i>
Gross domestic product per capita (GDP)	<i>The total money made by a country through the trade of goods and services divided by the total population of the country. A measure of wealth.</i>
Globalisation	<i>The process by which places and people are increasingly connected globally. Through trade, money, jobs, products, culture etc.</i>

Child labour	<i>The illegal employment of children of school age in full time work. At worst this is unpaid.</i>
Trafficking	<i>Taking children against their will or against their parents will, to make profit from them.</i>
Exploitation	<i>Making a profit out of someone by treating them/ paying them unfairly</i>
Tariffs	<i>Charging a tax on anything that is imported or exported.</i>
Quotas	<i>Putting a limit on how much of one product can be imported or exported.</i>
Subsidies	<i>Paying producers extra to help them produce more of something there is a demand for.</i>
Ethical consumerism	<i>Consumers becoming more aware of what they buy and moving towards only purchasing fair, ethical products where possible. (becoming more common in MEDCs)</i>
Interdependency	<i>When two or more countries are dependent on each other financially e.g. within a chain of production. Jobs, raw materials and services are needed in many locations.</i>
Fair-trade	<i>The label that tells consumers that the producers have been paid a fair wage.</i>
Sustainable	<i>When something can carry on without harming people, future generations or the environment.</i>

**Why not test yourself on these terms, or get a family member to test you on how to use one in a sentence?**



**Developing countries, or LEDCs have MORE workers in the primary and secondary sectors because:**

- They rely on raw materials they can produce such as agricultural products, (fruit, vegetables, wheat, rice) minerals, coal, timber or fisheries.
- Developed countries provide a market for these products and so the industries can be profitable (although usually a small number of people benefit)
- Access to education is lower so many people lack the skills to do tertiary jobs and the government lacks the money to invest in different industries

**The line graph shows how the UK employment sectors have changed over time. Many developed countries have followed this because;**

- Manufacturing has moved to developing countries where it is cheaper (lower wages, longer working hours, bigger profits)
- People are well educated on the whole and would rather do tertiary and quaternary jobs which are more skilled and better paid
- It is cheaper often to import raw materials and even food products from other places

## Example of a global service: **Transport**

- Transport can be a **product** (you can buy a car, boat or bicycle)
- It can also be a **service** (you buy a bus ticket, train ticket or flight)
- Access to all forms of transport increase with **development**
- More developed countries have more airports, train and bus services
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Increased access to transport brings **many benefits**;

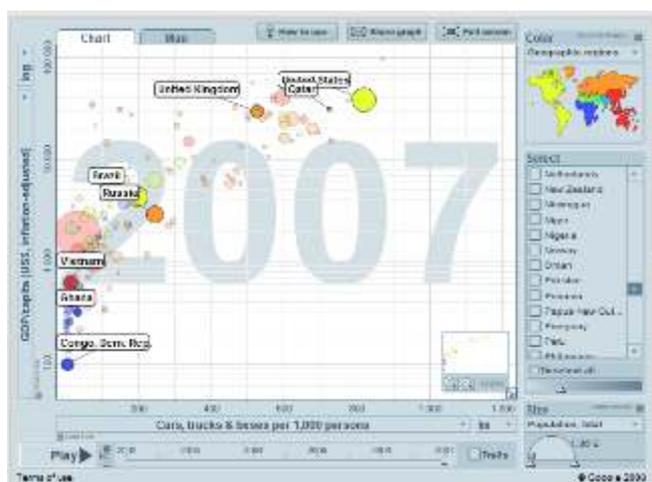
- An overall improved quality of life e.g. family can be visited, schools may now be within reach, doctors or other services
- It brings greater employment opportunities (because you can travel further to work) this leads to increased wages
- It allows people to spend less time out of their day walking to markets/wells to gather food or water

Increased access to transport brings **problems**;

- Air pollution can be a problem from buses, cars and lorries particularly in urban areas. Smoke and smog can cause health issues
- Transport is responsible for CO2 emissions which contribute to global warming and climate change
- Inequalities in society can get larger, the gap between people who can afford transport and those who cannot gets wider.

Alternative futures may include:

- Electric cars, gas busses and more cycle schemes in urban areas
- Fewer flights, as fuel prices increase



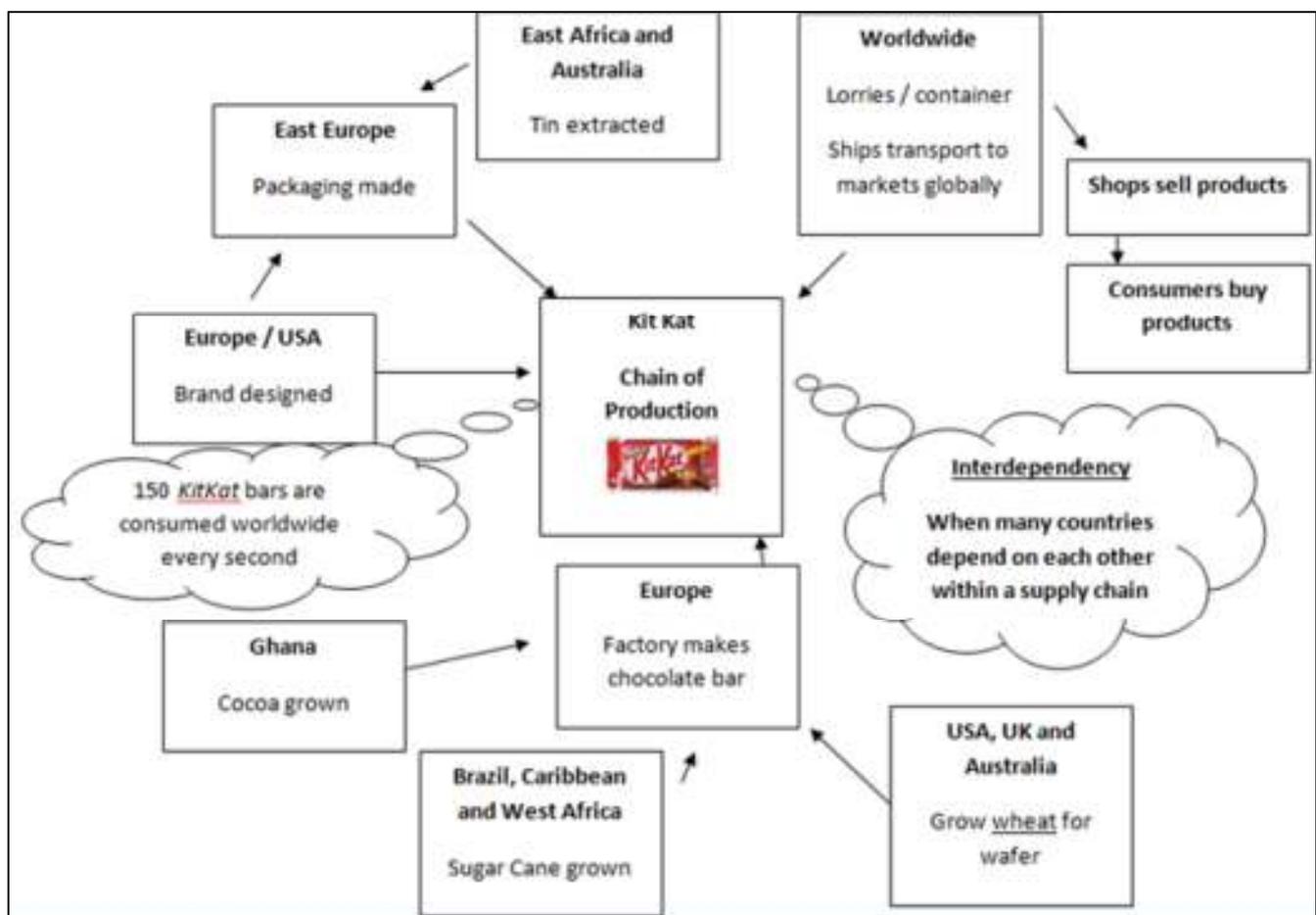
## Example of a product we have studied: Kit Kat

**Made by:** Nestle

**Main raw material:** Cocoa

**Produced in:** West African countries of Ghana and Ivory coast.

**Chain of production:** (this means the variety of different places and jobs involved in bringing kit kat's to market)



## Don't forget the key word **traceability!**

The supply chain in west Africa is so difficult to trace that we can never be 100% sure that our chocolate has not been produced with child labour.

**Example of a students' IL into the promises that Nestle makes to consumers and it's commitment to Fairtrade:**

### Geography - Trade

#### Nestle:

They made a promise to all consumers of Nestle: "**Good Food, Good Life**". They promised that consumers can always expect consistency in quality, taste, texture, freshness and nutritional value from any product manufactured, imported and exported by Nestle.

They had launched their first Fair Trade coffee brand across the UK in 2005.

*"This is the first time that one of the four major coffee roasters had taken its first step in response to rapidly growing consumer demand for products independently certified by the Fairtrade mark."*

Nestle has been developing products for over 140 years. In almost every country of the world, there are currently over 275,000 people in 481 factories.



#### Fair Trade:

- The two-bar Kit Kat has become the second most popular fair trade food product in the UK. This provides an income for thousands more farmers of the Ivory Coast. The Ivory Coast is one of the poorest countries in the world, found in the West of Africa, and the company has been working there for more than 50 years. It is where more than 40% of the world's cocoa is produced.

- ¼ people in Ivory Coast earn a living from cocoa, bringing more farmers into the Fair Trade system.

- The four-bar Kit Kat were in the UK shops with Fair Trade mark in 2010 and the Fair Trade Foundation expect it will double the company's purchases of Fair Trade certified cocoa.

- More than 25 million farmers are directly involved with the Nestle business.

- In October 2011, Nestle partnered up with World Cocoa Foundation (WCF) to reduce child labour. They did this by building 20 schools in 20 rural areas.



The Nestle cocoa plan targets not only on Ivory Coast but other countries that are struggling with earning enough money such as: Ecuador, Indonesia, Ghana and Venezuela. (There are further plans to extend to other Latin American countries in the future.) The plan is to train farmers to become more sustainable, build 40 schools and supporting community projects and provide farmers with 12 million higher yielding cocoa plants by 2020.

This is an A\* essay written by a student in year 10 all about how we are connected to cocoa producers in west Africa and how we can make decisions that improve their quality of life:

She uses key words brilliantly. They have all been highlighted in yellow for you. I have also put in red comments that explain why it is A\*

## What impact do our decisions as consumers have on producers in West Africa?

Image A



Cocoa only grows in a belt close to the equator (see image a), which means that only certain locations can grow cocoa. The largest exporters of cocoa are Ghana and the Ivory Coast, both of which are in West Africa. When you eat a chocolate bar, it is most likely that it has been made with cocoa from either of these countries. I shall be investigating the impact of our decisions as consumers on producers in West Africa.

The USA has a 'child labour free' system in which chocolate is marked if they prove that no child labour has been used. So far no chocolate bars have the label. This is because there are many

problems within the cocoa industry. Cocoa is not very traceable, meaning you cannot tell what farm it has come from and if they use children to harvest the cocoa. MNC's often buy cocoa at the port of San Pedro in the Ivory Coast from 'licensed traders', who have paperwork which allows them to sell to the corporations. They themselves have obtained the cocoa from smaller buyers and sellers. These small buyers have obtained their cocoa from many farms or 'co-operatives', which are collections or groups of farms. This means the industry is hard to regulate, as they do not keep records. Some of these farms may, and most likely do, use child labour. Child labour is 'excessive work, unsupervised work, and work that interferes with education and development or exploits the child'. So why do they use child labour? Here she shows some evaluation on how hard it is to trace the cocoa in the supply chain.

The average income in the Ivory Coast is £1000 a year. The children can be obtained for free and do not need to be paid. Children are often trafficked from Burkina Faso, which is north of the Ivory Coast. Trafficking is illegal. Many mothers sell their children as they are in such poverty. Burkina Faso lies in the Sahel region, a semi-arid belt of land which

borders the Sahara, so crops are hard to grow and

desertification is taking away more land. Some mothers don't sell their children, but have them taken away or have other family members sell their children without them knowing. The children also receive no education, and work with machetes to harvest the

Ghana

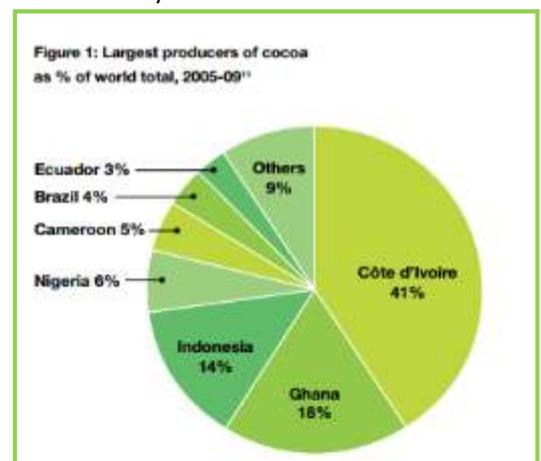
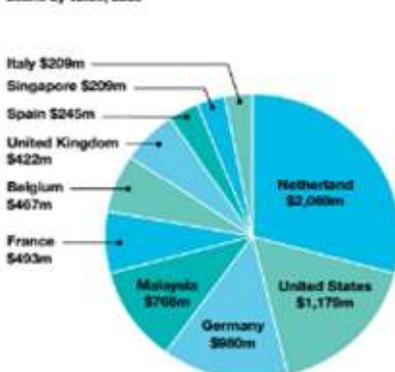


Figure 2: Largest importers of cocoa beans by value, 2009<sup>12</sup>



cocoa. These conditions do not comply with the ILO's (International Labour Organisation) rules.

Her links to the deserts topic here is one reason this is A\* because she is demonstrating her wider knowledge.

Many people may think 'why doesn't the government do anything about it?', but it isn't as easy as it sounds. As **LEDC's** (Less Economically Developed Country), the government is often unstable (and somewhat corrupt on some occasions), and focused not on the needs of their people, but on **economic activity** and growth. The government receives a lot of money from having a **tariff** on the cocoa, which may influence them to not try and do anything about this problem. As long as there is a demand for cocoa, and they are still **exporting** it, they will still get money for their growing **economy**.

The **Fairtrade** marketing system provides more opportunities for corruption than the normal marketing system; and less possibility of (or motivation for) controlling corruption. **Corruption** has been noted in false labelling of coffee as Fairtrade by **retailers** and by packers in the developing countries, paying exporters less than the Fairtrade price for Fairtrade coffee, failure to provide the services specified, theft or better treatment for those running the cooperatives not paying **labourers** the specified **minimum wage**.

Here she has explained that the governments rely on this industry and therefore the cocoa MNCs have a lot of power and influence.



There is a 'lighter' side to chocolate. **MNC's** (Multi-National Corporations) such as Cadbury's and Nestlé use 'Fairtrade' cocoa. The UK is one of a handful of countries where Fairtrade cocoa is being used. In October 2011, Nestlé partnered up with **WCF** (World Cocoa Foundation) to reduce child labour. The **ICI** (International Cocoa Initiative) seeks to regulate the industry by doing inspections of farms and keeping records. The first Fairtrade coffee was launched in 2005 across the UK. 5 years later, the four-bar Kit Kat was in UK shops with a Fairtrade symbol. The Fairtrade foundation expects it will double the company's purchases of Fairtrade certified cocoa. Cadbury's, over 10 years, gave £45m investment towards cocoa farmers. Nestlé gave a £65m investment. Their future plan is that by 2020, they will: **from here on we see a lot of evidence of wider research and personal stories from the cocoa farmers themselves on how Fairtrade has had a direct impact on their quality of life.**

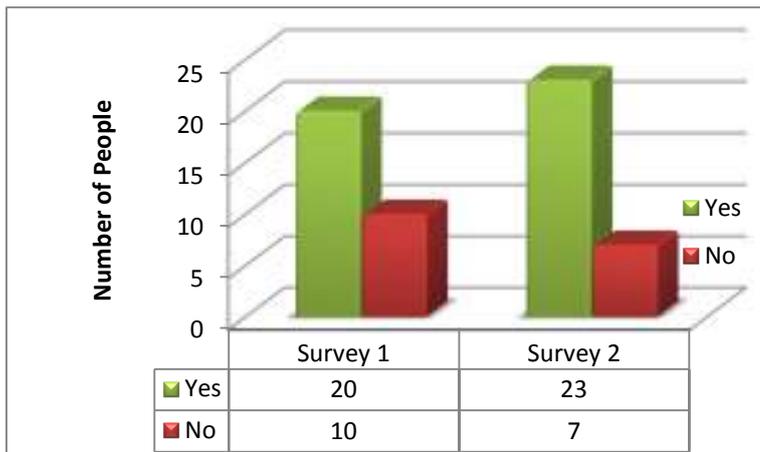
- Train farmers to be **sustainable**
- Build 40 schools
- Provide 12 million **higher yielding** cocoa plants
- Provide health care



Countries that they are helping are the **Ivory Coast, Ghana, Ecuador, Venezuela and Indonesia**. Community projects and plans include **education, sanitation** and health care. As records are carefully kept with fairtrade chocolate, **traceability** is perfectly possible. **Consumers** want proof that the **supply chains** are actually **child labour free**. If it is found that a farm uses child labour then they are arrested, the farm is

suspended and the children often get sent to schools. Cadbury's and Nestlé both will not use cocoa from suspended farms.

In 2008, we ate over £37.5m worth of Fairtrade chocolate. The UK has the seventh highest consumption of chocolate in the world even though the average Brit eats 17.49lbs of chocolate per year! 40% of the chocolate eaten in the world is consumed in Europe. The UK chocolate industry is worth £3.96 billion and sales of chocolate just keep growing and growing, with an estimated 35% increase in sales over the next five years, meaning that there will be more of a demand. The Fairtrade cocoa price is a minimum of \$2000 per tonne + \$200 social premium per tonne. There are now more than 480 Fairtrade chocolate products available to purchase in the UK! Next she goes as far as to interview people on their views of fairtrade and it's overall impact in developing countries. She also keeps revisiting this idea of traceability within the industry and what prevents this from being achieved.



Consumers can never be 100% confident in Fairtrade because of the lack of regulation within the industry and lack of traceability. I conducted a survey with 30 people, asking if they thought there were still problems with Fairtrade (survey 1). I then asked them if they thought that these problems could be solved (survey 2).

Even though there are problems with Fairtrade, the consumers making the (collective) decision to buy Fairtrade chocolate does have an impact. Women, due to cultural reasons, are often left

having no education, having to do much of the work (such as agricultural, domestic and other work) and can be seen only as weak with no purpose but to bare children and be good wives, daughters and eventually mothers. Divine chocolate is 45% owned by a cocoa co-operative, Kuapa Kokoo. Villages involved with Kuapa Kokoo often have women's groups which act as support, gives them a voice, lets them learn from and help each other.

Elizabeth Antegoa lives in Bipoa where the first Kuapa women's group was formed. "I wanted to be part of the



women's group," she says, "we all join together and we help each other. Together we have learned skills like making soap and screen-printing and this helps us earn our own money." Due to these groups, women are able to become more independent, being able to make their own money in easy ways. At the time of the interview, Elizabeth only has one room in someone else's house. Her dream is to make enough money to have her own house with a kitchen and bedrooms. "The women's group will help me make it happen," she

says.

In Bayerebon 3 there is a woman called Georgina Oppong. She says she joined because "everything is fair". Together they have requested a loan from the credit union, to give them seed money for setting up their

income-generating businesses. Georgina sells fish at the local market to add on to her **income** from cocoa. Women make up 'about a third' of the membership of Kuapa Kokoo and the development of the groups and the benefits they bring to women is a testament to the proactive approach Kuapa has taken to its gender equality programme. The women are not just learning new **income-generating skills** alongside cocoa farming. It seems that the women's groups are creating the potential to bring in additional income to families and also to the organisation. It's also good to see that participation in the women's groups builds women's confidence, and they are increasingly putting themselves forward for elected positions in the cooperative, taking on leading roles.

Finally, her conclusion is very strong. She summarises the whole issue again and demonstrates wider knowledge of the people involved in the industry. She also makes that vital link that the title wanted- can we as consumers really have an impact on producers in West Africa?

In conclusion, I believe that **consumers** can have both a **positive and negative impact** on **producers** in **West Africa**. Many **consumers** in the UK are **conscious** on what they buy and how **ethical** it is. This is called **ethical consumerism**. Fairtrade may have problems; however it can help to improve the life of children and cocoa farmers. **Co-operatives** such as **Kuapa Kokoo** also help with **gender equality** within **West African** cocoa growing communities. Alternatively, many people (I know I certainly have) buy cheaper, **less ethical** chocolate which means that the cocoa used is most likely the **product** of **child labour**. With higher **demand**, there is higher pressure on farms to produce the **raw materials**. This means that there is a higher chance for them to use children to help boost **production**. With help from **ICI, WCF, co-operatives** such as **Kuapa Kokoo** and **MNC's** investments, the cocoa industry should slowly improve. This can only happen if we, **as global consumers**, collectively try to make the more **ethical** decision and buy **fairtrade** chocolate (despite the extra money), raise awareness for the issues and get more countries to adopt fairtrade. In time, **West African cocoa producers** should (in theory) get a better **quality of life**. People know they do not have power as one **consumer**, but do not realise that as a nation of consumers, we do. We could use this power to help improve the quality of some of the world's poorest people's lives.

In an exam you would NEVER need to write this much! The longest questions you will have are 10 marks, or about the same as 1 page handwriting in an exercise book.

I have included this here so that you can get ideas and read about the issue.

It also demonstrates how to use the key words really well.