



TRADE JUSTICE



BACKGROUND FOR TEACHERS

- Trade Justice
- Poverty and debt
- Inequality

Including
**WORKSHOP
TOOLKIT**
and
RESOURCES

TRADE JUSTICE

- For many countries in the global south, **trade** has the potential to support their economies in a way that will reduce poverty and inequality. It can also expose their economies to risk and insecurity that they are unable to control. Dominance by foreign multinational corporations is a serious problem.
- Trade deals affect many aspects of people's lives, no matter where we live. There are trade deals about food, water, shelter, energy, health, education, land, transport, communications and knowledge.
- When countries of the Global South remove barriers to trade with the wealthier, more industrialised countries, their **local producers** often have to compete with highly subsidized, cheaper imports, which can undercut their own produce.
- International trade is worth €7.5 million a minute, poor countries only account for 0.4% of this trade – half the share they had in 1980.



POVERTY AND DEBT

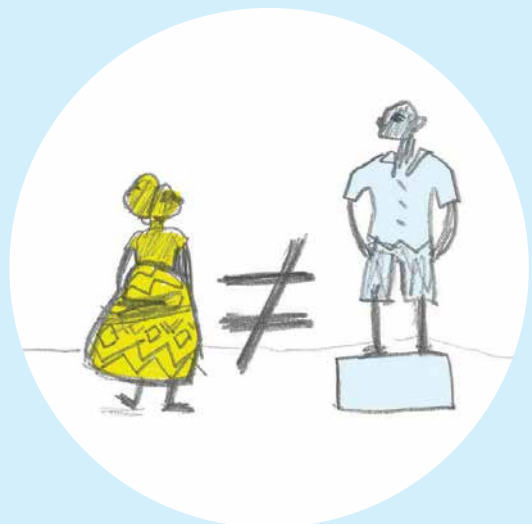
There is no doubt about it: poverty and debt are linked.

- Because of debt, some of the poorest countries in the world are paying rich countries far more in debt repayments than they are getting in aid.
- Global south countries are paying around US\$100 million per day in debt repayments.
- Thanks to campaigning, some poor countries have had vitally important debt cancellation. But the world's poorest countries still owe hundreds of billions of dollars to rich countries, banks and international institutions like the International Monetary Fund and the World Bank.

INEQUALITY

The unfair situation in society when some people have more opportunities than other people.

- **How resources are distributed** and redistributed in a country.
- Countries with **high levels of inequality** are also likely to have **high levels of poverty**, and those with lower levels of inequality are likely to have lower levels of poverty.
- Almost half world's wealth is now owned by 1% of population.





Zalire Yesaya and his wife Susanna
Zalira with their ground nuts, Malawi.



TRADE JUSTICE

WORKSHOP TOOLKIT

- Begin by asking students to move desks to the side and seats into a large semi-circle.
- Start with an ice-breaker (see Appendix for suggestions) such as the Geography quiz.
- Introduce the subject and what you intend doing with the class. We look at what trade is, fair trade, global inequality...



1 INTERNATIONAL TRADE

Let's break it down simply. Ask the class for ideas on:

- What is trade, what does it mean?
- Why do we trade, the need for trade?
- Advantages and disadvantages of global trade.

True cost of goods/ Hidden costs: Workers' health, quality of life, local markets. Costs to the environment. Production (modern farming chemicals damaging soil, water system, environment...). Shipping...



2

GROUP WORK

Break up into groups of 3-5 students depending on class size.

It's a good idea to flag the following terms before the video - ask the students what they understand by:

- Law of Supply and Demand, and its effect on price.
- Protectionism and subsidies, help a country stand on its feet, and its industries get stronger.
- Sanctions, a tool more powerful countries can exert over targeted weaker ones, e.g. certain types of trade barriers, tariffs, even embargoes - prohibitions – on trade.
- Free Trade/ Trade Liberalisation. Sounds good, “everyone likes freedom”. It means removing trade restrictions between countries, for example - tariffs and duties on imports, removing government’s role in industry, no subsidies. So, encouraging countries to export what they do best (its cheaper to produce), and importing what another country does best.
But...! We'll see how this nearly always benefits the more powerful, industrialised countries who have a head start.



The Luckiest Nut in the World

An entertaining 8-minute documentary illustrating the concept, and negative effects, of “Trade Liberalisation”. It highlights how the **odds are stacked** against countries like the example here of Senegal, by its having to comply with onerous conditions from the World Bank and the IMF. Crippling national debt ensures that Senegal will remain poor while Global North countries like the USA in this instance protect their own producers.

- After the video, each group is given one of the above terms to discuss, then explain to the rest of the class.



3

EXERCISES

(i) Shopping Bag

Purpose of exercise: to raise awareness of ethical and unethical multinationals which produce foodstuffs and how we need to be discerning in our shopping choices.

- Empty a shopping bag onto a table in the middle of the room. May include Fairtrade products, Rainforest Alliance Certified products, a bottle of Coca Cola and a Nestle coffee jar.
- Invite the students up to examine the products and scrutinise the labels for logos and countries of origin. They pass them round among themselves and discuss what they are seeing.
- After returning to their seats, ask them about what they have seen. This leads to a discussion about Fairtrade and unfair trade. Explain what each is about. Comment how buying Rainforest Alliance Certified products contributes to saving the rainforest.



Teacher may give relevant anecdotes (e.g. telling the story of how Coca Cola damaged the water system and health of local people in Kerala, India from 1999 to 2004 and even to the present day. Or, Nestle’s contribution to the rise in child mortality in sub-Saharan Africa in the 1970s by their introduction of and promotion of baby formula powder...)

3

EXERCISES (cont.)

(ii) Pass the Parcel

Purpose of exercise: Demonstrates experience of unfair trade

Goods are transferred from one person to another. When some participants are handicapped by having to stand on one leg, or put a hand behind their backs, or close one eye, or whatever, it gets across the idea of how some participants in world trade are at a decided disadvantage. When the game is over, the disadvantaged ones can be asked how they felt as they were unfairly penalised.

(iii) The Main Players in World Trade

At the beginning of workshop put up on the wall readymade poster with essential facts about the main players in World Trade.

- World Bank
- International Monetary Fund
- World Trade Organisation
- International Labour Organisation.

Briefly outline their functions and explain how their policies favour the wealthier, global North countries, putting at a disadvantage countries in the Global south.

4

GROUP WORK

Break up into groups of 3-5 students depending on class size

2 x Cómhlámh Trade Charts, A2 size.

The **Dystopia** graphic is an engaging cartoon representing the disparities between the Global North and South. This popular exercise has students pouring over the charts identifying features of the two - injustices, contrasts, power differences, unfair trade, unsustainability, public transport, privatisation of health and water, etc...

- Ask each group to come up with five observations from the graphic (5 mins).
- Move around the groups, and as a start encourage them to begin with the ship heading North carrying raw materials from the Global South. Or focus on one particular quarter of the graphic and what's going on. Any observations about the negotiation on the island? Do they look like they're equals? Who is 'Bigmouth', etc.
- Given time they will readily come up with other observations.
- Then give them the '**Utopia**' chart, and ask for similar.
- Ask which world they would prefer to live in, why?

"How can we begin to make that world happen?"



5

MOVING DEBATE

As a warm up (and an exercise in self-managing and negotiation), divide the class into lines - works best with 10-12 in a line. Challenge each line to complete the task first, asking them to line up:

1. Alphabetically by first names. Check winner by asking them their names quickly. If same name, reason for one in front of the other? (Maybe because of surname, or second name?)
2. Next, alphabetically by Surnames.
3. Finally, alphabetically by mothers' first names.



Then they're ready! Stress that listening to others is important if the Moving Debate is going to work.

Example statements

"Debt is the result of bad planning and corruption. Governments shouldn't be allowed to get away with creating bad debts."

Governments should be held accountable for the decisions they make while in power, and so should financial regulators, and anyone in power positions who oversees this decision-making... There is no doubt that some regimes in some countries have been corrupt, is it fair to punish all for the crimes of the few? ...Many countries had honest governments. As well as the corrupt, there are also corrupters who pay bribes, or facilitate unethical gain through overseeing dodgy lending... Western banks sometimes knowingly accept the corruptly gained money. Are these people not also responsible? ...It costs money and time to build up institutions that prevent corruption...

"We can't get rid of poverty or inequality without debt cancellation."

For every US\$1 given in aid to poor countries, more than US\$5 is paid back to lenders in debt service. This is a cycle that will never end unless we find a way to reduce or eliminate the debts of some poor countries.)

"Corporations are more powerful than countries"

Adapted from 'How The World Works 2 – Debt and Development Coalition Ireland'

"Global South countries should pay off their debts regardless of the consequences."

Individuals and companies default on debts all the time: we call it bankruptcy... The law allows companies which are in debt to declare themselves bankrupt, have the slate wiped clean, and the individuals involved can start again... The consequences of doing so are worth considering. Some countries will never be able to get out of debt, or build adequate infrastructure and services if they are forced to make their debt repayments.

"Today's generations of indebted people should not be held responsible for the mistakes of those who went before."

Sometimes corrupt dictators who took out large loans have fled or been deposed, but it is the present governments – and indeed the present poor people – who are left to pick up the tab. (In an Irish context, this statement is also worth debating.)

"We should play a part in abolishing child labour by boycotting products made by children in developing countries"

We have only one childhood. It should not be spent working... By buying these products we are benefiting from their misery... We are turning a blind eye to the situation because it is to our advantage...

or, We should not cut off their only means of survival... Boycotting is not practical, or right. We can help them in other ways... We can help end child labour by funding education programmes for the children and lobbying for worker's rights.

INEQUALITY

WORKSHOP TOOLKIT



ASK FOR IDEAS ON DEFINITION

The unfair situation in society when some people have more opportunities than other people.



GROUP WORK

(a) 3 x 20 coloured card

A powerful visual representation of global inequality.

You will need card paper of four different colours. Cut three of them each into 20 cards approx 20x10cm, e.g. orange (representing the world's population), green (the world's food distribution), and yellow (the world's income and wealth). The fourth colour is cut into five slightly larger cards with the names of the continents on them.

Divide class into 3 groups, each with 20 cards representing the world's population; the world's food distribution; and the world's income and wealth. Place the 5 cards representing the continents onto floor in a tight circle.

- Request that the group with population cards distribute those under the continents as they estimate. The 20 cards represent the world's total population. They will be guessing and disputing, but that's understandable, we'll discover the actual figures the next stage.

Ask for suggestions/ observations from others, remind them of China and India with their large populations.

- When that is done, then ask for a volunteer from the group to rearrange the placed cards based on UN figures you read out (see Resources below). You will need a few extra cards to fold in half.
- Follow the same procedure with Food cards; and finally Income cards.



Ask for comments. Usually the population distribution is a big surprise. Ask for ideas on why the Food distribution doesn't correspond with the Population (wealth and 'food waste' a huge part). Income predictably is hugely weighted towards Europe and in particular North America, as wealthy multinational corporations based there control the world's resources.

(b) Fair distribution game

- As students enter the room distribute a number of sweets/biscuits/stickers unevenly. Some students should have a lot, some students have none. Keep a majority of the sweets/biscuits/stickers for yourself.
- When all the students are seated ask the question: "Is this fair?" Encourage students to discuss this as a class. Ask the students to discuss how they feel about the amount of sweets/biscuits/stickers they have. Explain to the students that you have the most because you are the oldest. Ask students if they think this is fair and should you redistribute the sweets/ biscuits stickers on this basis?
- Introduce the idea of social inequality as the subject of this lesson. This definition might be useful "a situation in which people are not equal because some groups have more opportunities, power, money, etc than others" (source: MacMillan dictionary).





IF THE WORLD WERE A VILLAGE OF 100 PEOPLE

Before showing the video, explain the concept – if the world was a village of 100 people, how many would be female? (50)... Tell them you'll test their memory after it! (surprising level of accuracy in answers):

- How many would be European? **11**
- Smoke? **26**
- Obese? **14**
- No electricity? **24**
- How many would be white? **18**
- How many would be Muslims? **20**
- NO access to safe water? **33**
- Malnourished? **50**
- Cars? **18**
- Access to internet? **7**
- Can't read or write? **18**
- Third level education? **1**



RESOURCES

Video: The Luckiest Nut in the World

www.youtube.com/watch?v=jtIYyujACw

Video: World a Village of 100 People

<https://www.youtube.com/watch?v=r6eTr4ldDYg>

Unfair international trade practices

http://www.youthdeved.ie/development_education/globalisation-and-trade

http://www.youthdeved.ie/sites/youthdeved.ie/files/Top_Traders.pdf

Cartoons from Debt and Development Coalition Ireland illustrating the imbalance in trade rules. Print off ones that appeal and use in group work.

<https://www.debtireland.org/httw2/using-cartoons.html>

See also their publication 'How The World Works - Edition 2'. A Resource for Teachers - suitable for Transition Year geography, history, economics and religious education.

<https://www.debtireland.org/httw2/>

The Cómhlámh Cartoon Trade Charts
(Details from Self Help Africa)

UNDP Human Development Report 2006

The World's total number of People, amount of Food, and Income distributed in 20 units.

<http://hdr.undp.org/sites/default/files/reports/267/hdr06-complete.pdf>

Video: Consumption

Two brief, clear animations by DevelopmentEducation.ie highlighting how our consumption is unsustainable. Parts 1, 2.

https://www.youtube.com/watch?time_continue=10&v=9aQbMrHbKWE

https://www.youtube.com/watch?time_continue=1&v=M3rXtb_Y2qc

The Trading Game

By the NGO Christian Aid, showing how trade can benefit or hinder the economic development of different countries or trading blocs.

<https://www.christianaid.org.uk/schools/trading-game>

Inequality game

A game for 11-14 yr olds focusing on Inequality

<http://cdn.worldslargestlesson.globalgoals.org/2016/05/The-World-Is-Not-Equal.-Is-That-Fair.pdf>

