English Map of the Island of Grenada Updated from the 1763 French Survey, 1780

Faden, William, “A new plan of the island of Grenada, from the original French survey of Monsieur Pinel; taken in 1763 by order of government, and now published with the addition of English names, alterations of property, and other improvements to the present year 1780,” 1780. Courtesy of Library of Congress
Letter from Thomas Jefferson to Charles Thomson
Estimating Imports to the United States,
April 22, 1786

Estimate of the Imports of the United States of America.

Woolen cloths of every description
Hosiery & Hatz
Gloves, close brode and any other Things of Leather,
Silk goods & Silver Lace, Jewellery, Watchery, Toys,
Cord Basics goods
Porcelain, Glass, Chinese ware,
Silver, Copper, Brass, Iron, Brass, Lead, Steel, Iron, in every form,
Upholstery, Cabinet work, Painters, Colours,
Chape, Justice, Coffee, Chocolate,
Wine, 2000 tons @ 60,000.00 Do 20000, 32,000.00 Louis, Brandy, etc.
Medicinal drugs, Snuff, Bee's wax, Berry, Stationery,
Mill Stones, Granite Stones, Marble,
Sail Cloth, Carriage, Ship Chandlery, Fishing tackle,
Ivory, Cherry, Barwood, Yde wood,
Slavem.

Salt

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salt</td>
<td>521.238 bushels</td>
<td>$245.00</td>
</tr>
<tr>
<td>Tobacco</td>
<td></td>
<td>$2.237.12</td>
</tr>
<tr>
<td>Cocoa</td>
<td>376.377 lb</td>
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</tr>
<tr>
<td>Coffee</td>
<td>109.076 lb</td>
<td>$15.267.14</td>
</tr>
<tr>
<td>Sugar</td>
<td>10,232.632 lb</td>
<td>$168.207</td>
</tr>
<tr>
<td>Molasses</td>
<td>1,165.165 gal</td>
<td>$245.00</td>
</tr>
<tr>
<td>Rum</td>
<td>379.379 gal</td>
<td>$245.00</td>
</tr>
<tr>
<td>Ginger</td>
<td></td>
<td>$1.395.14</td>
</tr>
<tr>
<td>Cotton</td>
<td>336.591 lb</td>
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<tr>
<td>Skins</td>
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<tr>
<td>Indigo</td>
<td>395.395 lb</td>
<td>$395.395</td>
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<tr>
<td>Bone, shell</td>
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<td>$247.00</td>
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<tr>
<td>Lignum vitae, Saracapilla, Turtle, etc.</td>
<td>$317.00</td>
<td></td>
</tr>
<tr>
<td>Sopor,</td>
<td></td>
<td>$13.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$3,966.458.8</td>
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</table>

Tax Rates on Common Imports to United States, May 16, 1789

An ACT for laying a DUTY on GOODS, WARES, and MERCHANDIZES, imported into the United States.

WHEREAS it is necessary for the support of Government, and the encouragement and protection of Manufactures, that Duties be laid on Goods, Wares, and Merchandizes, imported:

BE it enacted by the CONGRESS of the United States, That from and after the fifteenth day of June next ensuing, the several duties herein after mentioned, shall be laid on the following goods, wares, and merchandizes, imported into the United States, from any foreign port, or place, that is to say:

On all distilled spirits of Jamaica proof, imported from the European dominions of any state or kingdom, having a commercial treaty with the United States, per gallon, 12 cents.

On all other distilled spirits, imported from the European dominions of such state or kingdom, per gallon, 10 cents.

On all distilled spirits of Jamaica proof, imported from any other kingdom or country whatsoever, per gallon, 15 cents.

On all other distilled spirits, per gallon, 12 cents.

On molasses, per gallon, 5 cents.

On Madeira wine, per gallon, 25 cents.

On all other wines, per gallon, 15 cents.

On every gallon of beer, ale, or porter, in casks, per gallon, 8 cents.

On all cyder, beer, ale, or porter, in bottles, per dozen, 25 cents.

On malt, per bushel, 10 cents.

On brown sugars, per pound, 1 cent.

On loaf sugars, per pound, 3 cents.

On all other sugars, per pound, 1 cent.

On coffee, per pound, 2½ cents.

On cocoa, per pound, 1 cent.

On all candles of tallow, per pound, 2 cents.

On all candles of wax, or spermaceti, per pound, 6 cents.

On cheese, per pound, 4 cents.

On soap, per pound, 2 cents.

On boots, per pair, 50 cents.

On all shoes, slippers, or galoshes, made of leather, per pair, 7 cents.

Statement of the Quantity of Spirits, Molasses, Coffee, Cocoa and Sugar from the United States, 1818

No. 4.

STATEMENT of the quantity of Spirits, Molasses, Coffee, Cocoa and Sugar of the growth, produce, &c. of foreign countries, exported from the United States, commencing on the 1st day of October, 1814, and ending on the 30th day of September, 1817.

<table>
<thead>
<tr>
<th>Country</th>
<th>Spirits, molasses other than grains</th>
<th>Molasses</th>
<th>Coffee</th>
<th>Cocoa</th>
<th>Spirits, molasses other than grains</th>
<th>Molasses</th>
<th>Coffee</th>
<th>Cocoa</th>
<th>Spirits, molasses other than grains</th>
<th>Molasses</th>
<th>Coffee</th>
<th>Cocoa</th>
<th>Spirits, molasses other than grains</th>
<th>Molasses</th>
<th>Coffee</th>
<th>Cocoa</th>
<th>Spirits, molasses other than grains</th>
<th>Molasses</th>
<th>Coffee</th>
<th>Cocoa</th>
<th>Spirits, molasses other than grains</th>
<th>Molasses</th>
<th>Coffee</th>
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</thead>
<tbody>
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<td>United States</td>
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<td>5,678</td>
<td>1,234</td>
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</tbody>
</table>

“No. 4. Statement of the quantity of spirits, molasses, coffee, cocoa and sugar of the growth, produce _c._ of foreign countries exported from the United States commencing on the 1st day of October, 1814, and ending on the 30th day of September, 18,” U.S. Treasury Department, 1818. Courtesy of Library of Congress.
Trinidadians Sorting Cocoa Pods, 1900

“Drying cocoa, one of the industries of Dominica, [British] West Indies [one of the Windward Islands],” ca. 1906. Courtesy of Library of Congress
Did NAFTA Help Mexico? An Assessment After 20 Years

By Mark Weisbrot, Stephan Lefebvre, and Joseph Sammut

Executive Summary

It is now 20 years since NAFTA went into effect, bringing Mexico into a new commercial agreement with the United States and Canada. At the time it was argued, and forecast, that the agreement would boost Mexico’s growth and development.

This paper compares the performance of the Mexican economy with that of the rest of the region over the past 20 years, based on the available economic and social indicators, and with its own past economic performance. Among the results:

- Mexico ranks 18th of 20 Latin American countries in growth of real GDP per person, the most basic economic measure of living standards.

- From 1960-1980, Mexican real GDP per person almost doubled, growing by 98.7 percent. By comparison, in the past 20 years it has grown by just 18.6 percent.

- Mexico’s per capita GDP growth of just 18.6 percent over the past 20 years is about half of the rate of growth achieved by the rest of Latin America.

- If NAFTA had been successful in restoring Mexico’s pre-1980 growth rate – when developmentalist economic policies were the norm – Mexico today would be a relatively high income country, with income per person significantly higher than that of Portugal or Greece. It is unlikely that immigration reform would be a major political issue in the United States, since relatively few Mexicans would seek to cross the border.

- According to Mexican national statistics, Mexico’s poverty rate of 52.3 percent in 2012 is almost identical to the poverty rate of 1994. As a result, there were 14.3 million more Mexicans living below the poverty line as of 2012 (the latest data available) than in 1994.

- We can use the poverty statistics of the UN Economic Commission on Latin America (ECLAC) to compare Mexico’s poverty rate with the rest of Latin America. These statistics are computed differently and show a decline in poverty in Mexico. However, according to these measures, the rest of Latin America saw a drop in poverty that was more than two and a half times as much as that of Mexico: 20 percentage points (from 46 to 26 percent) for the rest of Latin America, versus 8 percentage points (from 45.1 to 37.1 percent) for Mexico.

- Real (inflation-adjusted) wages for Mexico were almost the same in 2012 as in 1994, up just 2.3 percent over 18 years, and barely above their level of 1980.

- Unemployment in Mexico is 5.8 percent today, as compared to an average of 3.1 percent for 1990-1994 and a low of 2.2 percent in 2000; these numbers seriously underestimate the true lack of jobs, but they show a significant deterioration in the labor market during the NAFTA years.

- NAFTA also had a severe impact on agricultural employment, as U.S. subsidized corn and other products wiped out family farmers in Mexico. From 1991-2007, there were 4.9 million
Mexican family farmers displaced; while seasonal labor in agro-export industries increased by about 3 million. This means a net loss of 1.9 million jobs.

- The very poor performance of the Mexican economy contributed to a surge in emigration to the United States. From 1994-2000, the annual number of Mexicans emigrating to the United States soared by 79 percent. The number of Mexican-born residents living in the United States more than doubled from 4.5 million in 1990 to 9.4 million in 2000, and peaked at 12.6 million in 2009.

NAFTA was just one variable among others that could account for Mexico’s poor economic performance over the past 20 years. However, it appears to be related to other economic policy choices that have negatively affected the Mexican economy during this period. The IMF notes that “Mexico competes directly with China in the U.S. market, where China accounts for 23 percent of U.S. imports and Mexico accounts for 12 percent.” This is a very tough competition for Mexico for a number of reasons. First, Mexico was and remains a higher-wage country than China. Second, China has maintained a commitment to a competitive exchange rate, in effect fixing this exchange rate against the dollar or (since 2005) a basket of currencies. The Mexican central bank, by contrast, has, as the IMF notes, “a firm commitment to exchange rate flexibility.” In other words, the Mexican Central Bank will raise or lower interest rates as necessary to reach its target inflation rate (3 percent), and let the exchange rate go where it may. This means that Mexico’s exchange rate is unlikely to be competitive with China’s, which further worsens its cost disadvantage. The Mexican Central Bank’s form of rigid inflation targeting also adds a large element of unpredictability to the exchange rate, which has a negative impact on foreign direct investment; foreign investors will find it difficult to know how much their assets or output will be worth internationally in the future.

China has other advantages that make it a formidable competitor for Mexico in the U.S. market; the Chinese government owns most of the banking system in China, and can therefore ensure that its most important exporting firms have sufficient access to credit. In Mexico, by contrast, 70 percent of the banking system is not only private but foreign-owned. The Chinese government also has an active industrial policy that enables it to help its exporting firms in various ways, and spends vastly more on research and development – both in absolute terms and as a percentage of its economy.

NAFTA also increasingly tied Mexico to the U.S. economy, at a time when the U.S. economy was becoming dependent on growth driven by asset bubbles. As a result, Mexico suffered a recession when the stock market bubble burst in 2000-2002, and was one of the hardest hit countries in the region during the U.S. Great Recession, with a drop of 6.7 percent of GDP. The Mexican economy was even harder hit by the peso crisis in 1994-95, losing 9.5 percent of GDP during the downturn; the crisis was caused by the U.S. Federal Reserve raising interest rates in 1994.
The vulnerability to developments in U.S. financial markets continues: In May of 2013, after the U.S. Federal Reserve announced a future “tapering” of its quantitative easing program (QE3), there were fears of a repeat of the 1994 peso crisis, and gross foreign portfolio inflows came to a sudden stop. The Mexican economy took a hit, with projected growth at 1.22 percent for the year. This was mostly because, as the IMF noted, “Mexico’s deep and liquid foreign exchange and domestic equity and sovereign bond markets can serve as an early port of call for global investors in episodes of financial turbulence and hence are susceptible to risks of contagion.” This vulnerability is also a result of the policies that NAFTA was designed to facilitate.

As was well known at the time of NAFTA’s passage, the main purpose of NAFTA was to lock in a set of economic policies, some of which were already well under way in the decade prior, including the liberalization of manufacturing, foreign investment and ownership, and other changes. The idea was that the continuation and expansion of these policies would allow Mexico to achieve efficiencies and economic progress that was not possible under the developmentalist, protectionist economic model that had prevailed in the decades before 1980. While some of the policy changes were undoubtedly necessary and/or positive, the end result has been decades of economic failure by almost any economic or social indicator. This is true whether we compare Mexico to its developmentalist past, or even if the comparison is to the rest of Latin America since NAFTA. After 20 years, these results should provoke more public discussion as to what went wrong.
Conclusion

As was well known at the time of NAFTA’s passage, the main purpose of NAFTA was to lock in a set of economic policies, some of which were already well under way in the decade prior, including the liberalization of manufacturing, foreign investment and ownership, and other changes. The idea was that the continuation and expansion of these policies would allow Mexico to achieve efficiencies and economic progress that was not possible under the developmentalist, protectionist economic model that had prevailed in the decades before 1980. While some of the policy changes were undoubtedly necessary and/or positive, the end result has been decades of economic failure by almost any economic or social indicator. This is true whether we compare Mexico to its developmentalist past, or even if the comparison is to the rest of Latin America since NAFTA. After 20 years, these results should provoke more public discussion as to what went wrong.
FOOD FOR THOUGHT

NAFTA's 'Broken Promises': These Farmers Say They Got The Raw End Of Trade Deal

August 7, 2017 7:00 AM ET

KRISTINA JOHNSON AND SAMUEL FROMARTZ

A Gelbvieh cow and her calf on a ranch in Paradise Valley, Mont. From Montana cattle ranchers to Florida tomato growers, some bruised by NAFTA think it has favored agribusiness over small-scale farms, lowered environmental standards and made it harder to compete against cheaper imports. 

William Campbell/Corbis/Getty Images

You've heard that American agriculture loves trade. And it's easy to see why. Under NAFTA, American farmers have quadrupled their exports to Canada and Mexico and the two nations rank second and third, after China, as markets for U.S. farm goods.

"American agriculture is virtually always a winner when trade agreements remove barriers to U.S. crops and livestock exports," says Zippy Duvall, president of the American Farm Bureau Federation, the largest farmers organization in the nation.
But despite the largely pro-trade drumbeat in the ag sector, there are plenty of farmers who feel otherwise. From tomato growers in Florida to cattle ranchers in Montana, some farmers bruised by NAFTA think it has favored agribusiness over small-scale farms, lowered environmental standards and made it harder to compete against cheaper imports.

Now that the White House is scheduled to revise the treaty in talks slated to start on Aug. 16, the question for many of these disgruntled farmers is whether President Trump will remember them at the negotiating table.

Is everyone really better off?
"Right from the beginning in 1994, NAFTA opened up [the market] for Canadian ranchers to send their cattle directly into the U.S.," recalls Gilles Stockton, a sheep and cattle rancher in central Montana. Canadian cattle were exported to be slaughtered and sold in the American market, increasing competition for U.S. ranchers.

When a cow in the U.S. tested positive for mad cow disease in 2003, Japan, China, South Korea and Mexico closed their borders to American beef. But this galloped Stockton because the animal originally came from Canada — as a NAFTA import. Congress then tried to bolster the nation's small ranchers by passing the Country-of-Origin Law (COOL), which required disclosing where meat came from, but was forced to repeal it in 2015 after the World Trade Organization deemed it a trade barrier.

"The cattle industry has seen all the detrimental effects that can come from NAFTA," Stockton says. He feels the trade act "limits our sovereignty to run our affairs as we see fit. It made us share adverse diseases with other countries. It increased imports, decreasing domestic prices. And it fed into the monopolization of the industry on a global level."

Free-trade proponents argue there are always winners and losers in globalization, but overall, gains outweigh losses. Farmers may see more competition, but consumers get lower food prices. That "everyone's better off" argument, though, rang hollow among Rust Belt workers left behind in globalization — and in rural areas, even as farm exports took off. Their discontent — fed by Donald Trump's promises to rip up NAFTA, calling it the "worst trade deal maybe ever signed anywhere" — helped land him in the White House.

Just 14 miles from Canada, durum wheat farmer Lynn Brodal and his neighboring farmers in Burke County, N.D., have more than once driven their tractors to the border to block Canadian trucks coming into the U.S. Under NAFTA, he should be able to sell his harvest into Saskatchewan. But according to Brodal, Canada has made it all but impossible for American durum wheat growers to enter the northern market by using artificial trade barriers like complicated paperwork and exaggerated complaints about weeds in American grain.
"I can't find a single [Canadian] grain elevator that will take our [durum wheat]." Brodal says, even as Canadian durum continues to enter the United States. He wants to see NAFTA renegotiated to better protect farmers like him, making it harder for U.S. trading partners to undermine its provisions.
A broken promise?

For produce farmers in Florida the stakes in a NAFTA renegotiation are even higher, as winter-grown fruits and vegetables from Mexico stream north. Florida growers have, for example, cut the number of acres they have planted in tomatoes by 25 percent under NAFTA, even as Mexico has upped its production by 230 percent.

Speaking at a U.S. Trade Representative’s hearing in July, Kenneth Parker, executive director of the Florida Strawberry Grower Association, said the four-fold rise in strawberry imports from Mexico “present[s] a clear and present danger” to the U.S. industry.

Dena Hoff, a grain and livestock farmer in eastern Montana and a co-regional coordinator of the farmer-rights group La Via Campesina, considers NAFTA a broken promise.

"NAFTA was going to be so wonderful for American agriculture. Everyone was going to make money, because there were going to be all these exports," says Hoff. "We were going to open the border [to trade]; the environmental standards in Mexico were going to rise; there was going to be prosperity for all three countries. But of course the opposite happened."

"Farmers should get big or get out"

Whether or not it was the primary culprit, NAFTA certainly hasn’t altered the steady rise in farm concentration. Trade expanded the total size of the pie, as the Farm Bureau points out: U.S. agricultural exports to Mexico and Canada jumped from $8.9 billion in 1993 to over $38 billion today. Yet, critics point out, the largest farms control most of the slices, with 20 percent of farms operating 70 percent of U.S. farmland. Between 2013 and 2016, 42,000 farms ceased operations, according to USDA data.

The National Farmers Union, the second-largest farmers organization, highlights this disparity. "The net effect of trade agreements like NAFTA is to put more power, more authority with the large multinational companies and by extension, take that power away from family farmers," says Farmers Union President Roger Johnson.

The world’s major meat packers, Johnson pointed out, operate cross-border in Canada, the U.S. and Mexico, taking production wherever costs are the lowest – which is precisely the criticism Trump has made of companies moving American jobs to Mexico. In a similar example, some of the tomato and berry imports Florida growers complain about are actually produced by U.S. companies operating in Mexico.

"I think there is a parallel [in agriculture] to what we see with manufacturing," says Karen Hansen-Kuhn, director of trade and global governance at the Institute for Agriculture & Trade Policy, a progressive think tank. "The farm bill and trade policies — but especially NAFTA — are geared around the idea that farmers should get big or get out and depend on export markets to make their ends meet. That undermines farmers who are trying to produce for a smaller scale, who are trying to produce more sustainably."
The view from Mexico

But if some U.S. farmers feel like they've been hurt under the trade deal, it's not as if trading partners are enriching themselves. In Mexico, the poverty rate hovered at 53 percent as of 2014 (the latest numbers available), according to The World Bank. Around 2 million Mexican farmers have lost their land in the NAFTA era, and many recently took to the streets of Mexico City to protest the trade agreement.

Mexico's traditional subsistence agriculture has shifted to large-scale produce operations in the north, while Mexican livestock production has industrialized as multinational companies like Tyson, Cargill and Pilgrim's Pride have opened up operations.

Meanwhile, nearly half of Mexico's food is imported from abroad, much of it from the United States. That includes corn, which is both a staple food and a religious symbol for the indigenous population — yet today, most of Mexico's corn comes from the U.S. Midwest. In 2016 alone, the U.S. shipped $2.6 billion worth of the stuff to its southern neighbor — its largest export market — mostly for livestock feed.

"The upshot is you have a country that was practically self-sufficient in corn, its staple food crops, is now highly dependent on imports to feed itself," says Laura Carlsen, director of the Americas Program at the Center for International Policy in Mexico City.

Market power and monopolies

To complicate the picture even more, the World Trade Organization, which was established in 1994 to accelerate globalization, has had a major impact on farmers in all three NAFTA countries.

"NAFTA and the WTO were designed to make it easier for people to set up big corporations and take those big corporations into neighboring states," says Barry Lynn, director of the Open Markets program and a senior fellow at the New America Foundation. "[The agreements] were designed to make it harder to fight monopolies."

Just look at the meat industry, says Lynn. Today, only four companies in the U.S. control 85 percent of the beef industry, and the largest of them — JBS — is Brazilian. JBS, which is backed by the Brazilian state bank, runs Pilgrim's Pride, a chicken company with operations in the U.S. and Mexico, as well as Swift Foods, a multinational beef and pork processor.

Every time President Trump fires shots at NAFTA, he's ignoring the larger issue of consolidation in agriculture and trade, says Lynn. "NAFTA is a euphemism for Mexican. It's a code word. But the actual problem? The big companies that are engaged in real predation. " Such market power ultimately may be the real issue for farmers worried about trade agreements.

That's why Stockton, the Montana sheep farmer, is skeptical about the renegotiation ahead. "Is there the opportunity for citizen input in the negotiation process?" he asks. "Call me pessimistic,
“NAFTA’s ‘Broken Promises’: These Farmers Say They Got The Raw End Of Trade Deal,” August 7, 2017 (pg.5)

but I don’t expect that Trump is going to negotiate something that’s going to be beneficial. It will be cosmetic.

This story comes to us from the Food & Environment Reporting Network, an independent, nonprofit investigative news organization where Kristina Johnson is associate editor and Samuel Fromartz is editor in chief.
International trade is critically important to Iowa’s economy, particularly for our state’s key agriculture and manufacturing industries. That is why the Greater Des Moines Partnership and the Iowa Association of Business and Industry (ABI) support the North American Free Trade Agreement (NAFTA).
Collectively representing more than 6,800 businesses and organizations throughout Greater Des Moines and the state of Iowa, our two organizations know first-hand just how important NAFTA is to the economic vitality of the region and the state.

Iowa exports more to our two NAFTA partners – Canada and Mexico – than to the next 23 countries combined. Iowa stands to lose a great deal if the North American Free Trade Agreement is dismantled, rather than updated and improved.

For more than two decades, NAFTA has enabled a tripling of trilateral trade between Mexico, Canada and the U.S. Trade between the three countries now totals approximately $1 trillion. In turn, the GDP of the three nations has doubled, with the region now producing 28 percent of global GDP, despite having less than 7 percent of the world’s population.

Specific to Iowa, 47% of our total exports are purchased by Canada and Mexico, for a total export revenue of $5.6 billion in 2016.

The NAFTA signatories are now engaged in negotiations for potential significant changes to the agreement. As the three countries prepare for future rounds of negotiations, we encourage them to consider the following:

One misconception is the notion that the trade relationship among the countries within NAFTA is out of balance. In fact, in the most recent year, the U.S. actually ran a surplus of $8 billion on goods and services traded with Canada. Iowa and Canada’s trade relationship is also balanced, with bilateral trade at more than $5.9 billion.

Another idea often cited is that by eliminating NAFTA, or imposing more complex rules of origin, all jobs in agriculture within the NAFTA territory would shift to the U.S. However, ag jobs are dependent on open and free trade among the NAFTA countries. Forty-nine percent of Iowa’s total agriculture exports go to Canada or Mexico. Without the agreement, tariffs on products exported to Mexico would rise from zero to 10 percent on pork, 25 percent on beef, 75 percent on chicken and 75 percent on high fructose corn syrup, a major Iowa export.

In the agriculture manufacturing sector, NAFTA has had major positive impacts in Iowa. Iowa exports $215 million in tractors each year to Canada. The tractors exported from Iowa are dependent on component parts — equipment and machinery — from Canada, which equates to 14 percent of total imports from Canada to Iowa.

According to the U.S. Chamber of Commerce, NAFTA supports 138,000 Iowa jobs. NAFTA creates the necessary free trade relationship so that the agricultural and manufacturing industries, and many others in Iowa, can flourish.
The North American Free Trade zone is the biggest economic region in the world, with a regional market of more than 480 million consumers and a GDP of $21.1 trillion (USD). NAFTA enables the U.S., working together with our North American partners, to compete effectively against other regions of the world.

At ABI and the Greater Des Moines Partnership, we are working hard to ensure NAFTA continues to provide economic opportunity for Iowans and the United States as a whole. We urge Iowans to call on those charged with negotiating NAFTA to make changes as necessary, while preserving elements that provide market access and economic growth opportunities.

Jay Byers is CEO of the Greater Des Moines Partnership.
Mike Ralston is president of the Iowa Association of Business and Industry.
NAFTA Pros and Cons

Why Its Six Advantages Outweigh Its Six Disadvantages ...

BY KIMBERLY AMADEO
Updated June 25, 2019

The North American Free Trade Agreement created the world's largest free trade area, covering the United States, Canada, and Mexico. In 2017, its member economies generated approximately $22.2 trillion in gross domestic product.

NAFTA is also controversial. Politicians don’t agree on whether the free trade agreement’s advantages outweigh its disadvantages. Here they are so you can decide for yourself.

Pros

NAFTA has six main advantages. According to a Congressional Research Service report prepared in 2017, the act has more than tripled trade between Canada, Mexico, and the United States since it was enacted. The agreement reduced and eliminated tariffs.

Second, greater trade increased economic output. While it is challenging to weigh the impact of NAFTA given the variety of factors involved, experts estimated that full NAFTA implementation would U.S. growth by as much as 0.5 percent a year.

Third, while there are varying estimates, stronger growth created jobs. According to a 2010 report, U.S. free trade agreements – the lion’s share of which stemmed from the
NAFTA agreement – directly supported 5.4 million jobs, while trade with these countries supported 17.7 million.

Fourth, foreign direct investment (FDI) more than tripled. The U.S. increased FDI in Mexico from $15.2 billion in 1993 to $104.4 billion in 2012, and from $69.9 billion in Canada in 1993 to $352.9 billion in 2015. Mexico ramped up investment in the U.S. by 1283% over the same time period, while Canada’s FDI increased by 911%.

Fifth, NAFTA lowered prices. U.S. oil imports from Mexico cost less because NAFTA got rid of tariffs. That reduces America’s reliance on oil from the Middle East. Low-cost oil reduces gas prices, which reduces transportation cost. Food prices are lower in turn.

Sixth, the agreement helped with government spending. Each nation’s government contracts became available to suppliers in all three member countries. That increased competition and lowered costs.

Cons

NAFTA has six main disadvantages.
First, certain estimates indicate that it led to job losses. A 2011 report from the Economic Policy Institute estimated a loss of 582,900 jobs. Other estimates estimate a loss of 500,000-750,000 U.S. jobs. Most were in the manufacturing industries in California, New York, Michigan, and Texas. Though the estimated job gains exceed those lost, certain industries were particularly impacted, including manufacturing, automotive, textile, computer, and electrical appliance industries.

Second, job migration suppressed wages. Companies threatened to move to Mexico to keep workers from joining unions. Without the unions, workers could not bargain for better wages. This strategy was so successful that it became standard operating procedure. Between 1993 and 1995, half of all companies used it. By 1999, that rate had grown to 65 percent.

Third, NAFTA put Mexican farmers out of business. It allowed U.S. government-subsidized farm products into Mexico. Local farmers could not compete with the
subsidized prices. As a result, 1.3 million farmers were put out of business, according to the Economic Policy Institute. It forced unemployed farmers to cross the border illegally to find work. In 1995, there were 2.9 million Mexicans living in the United States illegally. It increased to 4.5 million in 2000, probably due to NAFTA. The recession drove that figure to 6.9 million in 2007.

In 2014, it fell to 5.8 million, roughly double where it was before NAFTA.

Fourth, unemployed Mexican farmers went to work in substandard conditions in the maquiladora program. Maquiladora is where United States-owned companies employ Mexican workers near the border. They cheaply assemble products for export back into the United States. Employment in maquiladoras rose 120,000 in 1980 to 1.2 million in 2006.

Fifth, U.S. companies degraded the Mexican environment to keep costs low. Agribusiness in Mexico used more fertilizers and other chemicals, resulting in increased pollution. Rural farmers were forced into marginal land to stay in business, resulting in increased deforestation rates. That deforestation contributes to global warming.

Sixth, NAFTA allowed Mexican trucks access into the United States. Mexican trucks are not held to the same safety standards as American trucks. Congress never allowed this provision to go into effect.
### Chart of NAFTA Pros and Cons

<table>
<thead>
<tr>
<th>List</th>
<th>Pros</th>
<th>Cons</th>
<th>Worth It?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade</td>
<td>Increased</td>
<td>682,900 U.S. manufacturing jobs lost in some states.</td>
<td>Yes</td>
</tr>
<tr>
<td>Jobs</td>
<td>Created 5 million U.S. jobs.</td>
<td>Remaining U.S. factories suppressed wages.</td>
<td>Yes</td>
</tr>
<tr>
<td>Wages</td>
<td>Average wages increased.</td>
<td>Forced jobless Mexicans to cross the border illegally.</td>
<td>No</td>
</tr>
<tr>
<td>Immigration</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Workers</td>
<td>U.S. unions lost leverage. Mexican workers were exploited.</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Environment</td>
<td>Canada exploited shale fields. Mexican environment deteriorated.</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Oil</td>
<td>Costs less in the United States.</td>
<td>Improved Mexican economy.</td>
<td>Yes</td>
</tr>
<tr>
<td>Food</td>
<td>U.S. costs lower</td>
<td>Mexican farmers went out of business.</td>
<td>No</td>
</tr>
<tr>
<td>Services</td>
<td>U.S. finance and health care exports increased.</td>
<td>Put Mexican companies out of business.</td>
<td>Yes</td>
</tr>
<tr>
<td>FDI</td>
<td>Increased</td>
<td>None.</td>
<td>Yes</td>
</tr>
<tr>
<td>Government</td>
<td>More competitive bidding on government contracts.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### NAFTA’s Pros May Outweigh Its Cons

NAFTA’s disadvantages are significant. Can anything justify the loss of entire industries in New York or Michigan? Worker mistreatment in the United States or in the...
maquiladora program is also concerning. NAFTA may also be responsible for environmental damage along the border.

But from an economic perspective, many believe that NAFTA is a success and that without it, the impacts of competition from the growing economies of the European Union or China would be worse. That's critical now that both of these trade areas rank above the United States as the world's largest economies.

While some argue that NAFTA helped the U.S. fare the 2008 financial crisis, other analysis suggests NAFTA may have contributed to it. In addition, some of the ill effects associated with NAFTA may be attributable to other causes, such as China joining the World Trade Organization in 2001.

Evaluating NAFTA's value is not an easy or simple question. However, many experts believe that free trade agreements are a necessity for the United States when competing in an ever more globalized world.

USMCA
Despite these advantages, the United States, Mexico, and Canada renegotiated NAFTA on September 30, 2018. The new deal is called the United States-Mexico-Canada Agreement. It must be ratified by each country's legislature. Trump has called for Congress to ratify it within six months. If not ratified, it the U.S. will revert to pre-NAFTA trade conditions. If ratified, it will go into effect in 2020.

The Trump administration renegotiated with the aim of lowering the trade deficit between the United States and Mexico. The new deal changes NAFTA in six major areas.
TRADE POLICY NAFTA

Six Problems With NAFTA

NAFTA's 6 Negative Effects

BY KIMBERLY AMADEO

Updated June 25, 2019

NAFTA has been criticized for taking U.S. jobs. While it has also done good things for the economy, the North American Free Trade Agreement has six weaknesses. These disadvantages had a negative impact on both American and Mexican workers and even the environment.

1. U.S. Jobs Were Lost

Since labor is cheaper in Mexico, many manufacturing industries withdrew part of their production from the high-cost United States. Between 1994 and 2010, the U.S. trade deficits with Mexico totaled $97.2 billion. In the same period, 682,900 U.S. jobs went to Mexico. But 116,400 of those jobs were displaced after 2007. The 2008 financial crisis could have caused them instead of NAFTA.

Almost 80 percent of the losses were in manufacturing. The hardest-hit states were California, New York, Michigan, and Texas. They had high concentrations of the industries that moved plants to Mexico. These industries included motor vehicles, textiles, computers, and electrical appliances.

2. U.S. Wages Were Suppressed

Not all companies in these industries moved to Mexico. But some used the threat of moving as leverage against union organizing drives. When workers had to choose between joining the union and losing the factory, workers chose the plant. Without union support, the workers had little bargaining power. That suppressed wage growth.

According to Kate Bronfenbrenner of Cornell University, many companies in industries...
that were moving to Mexico used the threat of closing the factory. Between 1993 and 1999, 64 percent of U.S. manufacturing firms in those industries used that threat. By 1999, the rate had grown to 71 percent.

3. Mexico’s Farmers Were Put Out of Business

Thanks to NAFTA, Mexico lost nearly 1.3 million farm jobs. The 2002 Farm Bill subsidized U.S. agribusiness by as much as 40 percent of net farm income. When NAFTA removed trade tariffs, companies exported corn and other grains to Mexico below cost. Rural Mexican farmers could not compete. At the same time, Mexico reduced its subsidies to farmers from 33.2 percent of total farm income in 1990 to 13.2 percent in 2001. Most of those subsidies went to Mexico’s large farms. These changes meant many small Mexican farmers were put out of business by highly subsidized American farmers.

4. Maquiladora Workers Were Exploited

NAFTA expanded the maquiladora program by removing tariffs. Maquiladora is where United States-owned companies employ Mexican workers near the border. They cheaply assemble products for export back into the United States. The program grew to employ 30 percent of Mexico’s labor force. The workers had “no labor rights or health protections,” according to Continental Social Alliance. In addition, the “workdays stretch out 12 hours or more, and if you are a woman, you could be forced to take a pregnancy test when applying for a job.”

5. Mexico’s Environment Deteriorated

In response to NAFTA’s competitive pressure, Mexican agribusiness used more fertilizers and other chemicals, costing $36 billion per year in pollution. Rural farmers expanded into marginal land, resulting in deforestation at a rate of 630,000 hectares per year.
6. NAFTA Called for Free U.S. Access for Mexican Trucks

Another agreement within NAFTA was never implemented. NAFTA would have allowed trucks from Mexico to travel within the United States beyond the current 20-mile commercial zone limit. A demonstration project by the Department of Transportation was set up to review the practicality of this. In 2008, the House of Representatives terminated this project. It prohibited the DOT from implementing it without Congressional approval.

Congress worried that Mexican trucks would have presented a road hazard. They are not subject to the same safety standards as U.S. trucks. U.S. truckers’ organizations and companies opposed it because they would have lost business. Currently, Mexican trucks must stop at the 20-mile limit and have their goods transferred to U.S. trucks.

There was also a question of reciprocity. The NAFTA agreement would have allowed unlimited access for U.S. vehicles throughout Mexico. A similar arrangement works well between the other NAFTA partner, Canada. But U.S. trucks are larger and carry heavier loads. They violate size and weight restrictions imposed by the Mexican government.

USMCA

Partially because of these disadvantages, the United States, Mexico, and Canada renegotiated NAFTA on September 30, 2018. The new deal is called the United States-Mexico-Canada Agreement. It must be ratified by each country’s legislature before going into effect.

The Trump administration wanted to lower the trade deficit between the United States and Mexico. The new deal changes NAFTA in six areas. The most important is that auto companies must manufacture at least 75 percent of the car’s components in the USMCA’s trade zone.
Côte d’Ivoire Law Enforcement Rescues Children in Chocolate Industry Forced Labor, June 22, 2015

CHILD LABOR AND SLAVERY IN THE CHOCOLATE INDUSTRY

Chocolate is a product of the cacao bean, which grows primarily in the tropical climates of Western Africa, Asia, and Latin America.\[^{1}\] The cacao bean is more commonly referred to as cocoa, so that is the term that will be used throughout this article. Western African countries, mostly Ghana and the Ivory Coast,\[^{2}\] supply more than 70% of the world’s cocoa.\[^{3}\] The cocoa they grow and harvest is sold to a majority of chocolate companies, including the largest in the world.\[^{4}\]

In recent years, a handful of organizations and journalists have exposed the widespread use of child labor, and in some cases slavery, on cocoa farms in Western Africa.\[^{5}\] Since then, the industry has become increasingly secretive, making it difficult for reporters to not only access farms where human rights violations still occur, but to then disseminate this information to the public. In 2004, the Ivorian First Lady’s entourage allegedly kidnapped and killed a journalist reporting on government corruption in its profitable cocoa industry.\[^{6}\] In 2010, Ivorian government authorities detained three newspaper journalists after they published an article exposing government corruption in the cocoa sector.\[^{7}\] The farms of Western Africa supply cocoa
to international giants such as Hershey’s, Mars, and Nestlé—revealing the industry’s direct connection to the worst forms of child labor, human trafficking, and slavery.

The Worst Forms of Child Labor
In Western Africa, cocoa is a commodity crop grown primarily for export; 60% of the Ivory Coast’s export revenue comes from its cocoa. As the chocolate industry has grown over the years, so has the demand for cheap cocoa. On average, cocoa farmers earn less than $2 per day, an income below the poverty line. As a result, they often resort to the use of child labor to keep their prices competitive.

The children of Western Africa are surrounded by intense poverty, and most begin working at a young age to help support their families. Some children end up on the cocoa farms because they need work and traffickers tell them that the job pays well. Other children are “sold” to traffickers or farm owners by their own relatives, who are unaware of the dangerous work environment and the lack of any provisions for an education. Often, traffickers abduct the young children from small villages in neighboring African countries, such as Burkina Faso and Mali, two of the poorest countries in the world. Once they have been taken to the cocoa farms, the children may not see their families for years, if ever.

Most of the children laboring on cocoa farms are between the ages of 12 and 16, but reporters have found children as young as 5. In addition, 40% of these children are girls, and some stay for a few months, while others end up working on the cocoa farms through adulthood.

A child’s workday typically begins at six in the morning and ends in the evening. Some of the children use chainsaws to clear the forests. Other children climb the cocoa trees to cut bean pods using a machete. These large, heavy, dangerous knives are the standard tools for children on the cocoa farms, which violates international labor laws and a UN convention on eliminating the worst forms of child labor. Once they cut the bean pods from the trees, the children pack the pods into sacks that weigh more than 100 pounds when full and drag them through the forest. Aly Diabate, a former cocoa slave, said, “Some of the bags were taller than me. It took two people to put the bag on my head. And when you didn’t hurry, you were beaten.”

Holding a single large pod in one hand, each child has to strike the pod with a machete and pry it open with the tip of the blade to expose the cocoa beans. Every strike of the machete has the potential to slice a child’s flesh. The majority of children have scars on their hands, arms, legs or shoulders from the machetes.

In addition to the hazards of using machetes, children are also exposed to agricultural chemicals on cocoa farms in Western Africa. Tropical regions such as Ghana and the Ivory Coast consistently deal with prolific insect populations and choose to spray the pods with large amounts of industrial chemicals. In Ghana, children as young as 10 spray the pods with these toxins without wearing protective clothing.
The farm owners using child labor usually provide the children with the cheapest food available, such as corn paste and bananas. In some cases, the children sleep on wooden planks in small windowless buildings with no access to clean water or sanitary bathrooms.

On cocoa farms, 10% of child laborers in Ghana and 40% in the Ivory Coast do not attend school, which violates the International Labour Organization’s (ILO) Child Labour Standards. Depriving these children of an education has many short-term and long-term effects. Without an education, the children of the cocoa farms have little hope of ever breaking the cycle of poverty.

To date, relatively little progress has been made to reduce or eliminate child labor and slavery in the cocoa industry of Western Africa. At the very least, the industry has agreed to work to eliminate what the ILO calls “the worst forms of child labor.” These are defined as practices “likely to harm the health, safety, or morals of children” and include the use of “hazardous tools” and any work that “interferes with schooling.” Approximately 1.8 million children in the Ivory Coast and Ghana may be exposed to the worst forms of child labor on cocoa farms.

Slavery
Recently, investigators have discovered children trafficked into Western African cocoa farms and coerced to work without pay. Abby Mills, campaigns director of the International Labor Rights Forum, adds, “Every research study ever conducted in Western Africa shows that there is human trafficking going on, particularly in the Ivory Coast.” While the term “slavery” has a variety of historical contexts, slavery in the cocoa industry involves the same core human rights violations as other forms of slavery throughout the world.

Cases often involve acts of physical violence, such as being whipped for working slowly or trying to escape. Reporters have also documented cases where children and adults were locked in at night to prevent them from escaping. Former cocoa slave Aly Diabate told reporters, “The beatings were a part of my life. I had seen others who tried to escape. When they tried, they were severely beaten.” Drissa, a recently freed slave who had never even tasted chocolate, experienced similar circumstances. When asked what he would tell people who eat chocolate made from slave labor, he replied that they enjoyed something that he suffered to make, adding, “When people eat chocolate, they are eating my flesh.”

Is Slave-free Chocolate Possible?
Despite their role in contributing to child labor, slavery, and human trafficking, the chocolate industry has not taken significant steps to remedy the problem. Within their $60-billion industry, chocolate companies have the power to end the use of child labor and slave labor by paying cocoa farmers a living wage for their product.

The chocolate industry is also being called upon to develop and financially support programs to rescue and rehabilitate children who have been sold to cocoa farms. To date, the industry has done little to remove child labor, let alone aid survivors of child labor. Hershey’s, the largest chocolate manufacturer in North America, has not thoroughly addressed accusations of child labor in its supply chain and refuses to release any information about where it sources its chocolate.
This lack of transparency is characteristic of the chocolate industry, which has the resources to address and eliminate child labor but consistently fails to take action.

Are the Labels on Chocolate Meaningful?
Aside from large-scale production in Western Africa, a significant amount of cocoa is also grown in Latin America. This is where the majority of organic cocoa originates. At this time, neither slavery nor child labor have been documented on these cocoa farms. While it remains possible that some Latin American farms may employ these practices, it is not widely documented as it is in Western Africa.

The truth is that consumers today have no sure way of knowing if the chocolate they are buying involved the use of slavery or child labor. There are many different labels on chocolate bars today, such as various fair trade certifications and the Rainforest Alliance Certification, however, no single label can guarantee that the chocolate was made without the use of exploitive labor. In 2009, the founders of the fair trade certification process had to suspend their certification due to evidence that they were using child labor. Chocolate companies, however, continue to certify their products to tell consumers that they source their cocoa ethically. But in 2011, a Danish journalist investigated farms in Western Africa where major chocolate companies buy cocoa. He filmed illegal child labor on these farms, including those certified by UTZ and Rainforest Alliance. Despite the industry’s claims, child labor still plagues cocoa farms in Western Africa.

Multiple government and NGO programs have been developed, attempting to address the root causes of “the worst forms of child labor” and slavery in West Africa. However, the success of these efforts will depend greatly on the genuine support or lack thereof from the chocolate industry over the coming years.

Recommendations
Consumers play an essential role in diminishing the food industry’s injustices. Child slavery on cocoa farms is a difficult issue to fully address because the most serious abuses take place across the world; however, that does not mean our responsibility is reduced, since chocolate is a luxury and not a necessity like fruits and vegetables.

Taking all of this into consideration and looking at the research that is available at this time, F.E.P. has created a list with vegan chocolates that we do and do not recommend based on the sourcing of the cocoa. Other than a few exceptions (which are explained), we encourage people not to purchase chocolate that is sourced from Western Africa. The list is available on our website along with free downloadable apps for the iPhone and Android.
References:


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Illnesses.” Association of Schools of Public Health. http://www.ncbi.nlm.nih.gov/pmc/articles/PMC1497785/#__ffn_sectitle. (3/05/14)
Meet Latha and Gautam, Mother and Son in Tiruppur

She worked hard to create a better future for her son. Now, he wants to do the same for her in return.

FAIR TRADE CERTIFIED STAFF

In July 2017, some of the workers at Bestitch Knits in Tiruppur, India, the Fair Trade Certified™ factory where Latha Maheshwari works, learned that her 18-year-old son, Gautam, needed help paying for his third semester fee for higher education to be able to stay in school. When workers brought this up at their Fair Trade Committee meeting, the group decided they wanted to help.

The Committee, which consists of management and workers elected to represent their group and collaborate on community investment projects, voted to create a scholarship for him with their Community Development Funds.

The Committee offered Gautam a scholarship fully funding his undergraduate education. It’s the first scholarship created by the Bestitch Committee, but just one of many investments the Committee has implemented. Within the past several years, other successful projects have included a wholesale-price grocery store, a daily nutritious breakfast program, and medical eye exams and prescription glasses—all projects created for workers, by workers.

Gautam plans to get a degree in commerce and hopes to one day be a Chartered Accountant in the Tiruppur area serving the manufacturing industry and workers like his mother.

“When I was growing up, people talked about Chartered Accounting as something difficult, but I was attracted to the challenge,” says Gautam. “I am interested in giving back to this community. I hope to return after my studies and work within this space.”

His mother describes Gautam as “lucky and hardworking,” which lead to his earning the scholarship on a merit basis.

Gautam credits the strong work ethic he’s been exposed to in his mother’s factory and hopes that others can see that too and be inspired. “There’s a lot of hard work that goes into making these Fair Trade garments,” he says. “I hope the consumer values the product—please don’t waste it or discard it—and recognize the mutual benefit in this arrangement. The Fair Trade Committee is already starting to help the worker community with health and education, which are the two main concerns. All workers could and should benefit—just as I have—through the continuing Fair Trade relationship.”

As a 38-year-old mother of two, Latha works hard to give her children a future without limits. She has held jobs in several factories throughout the Tiruppur area, and says it’s different at Bestitch, where she’s now been working for two years.
“I'm very happy to work here, at a Fair Trade factory. The management and Fair Trade Committee clearly care for us and there is a good work-life balance. After work, I'm not too tired when I get home and I can take care of my family. At other factories, this was not the case.”

She is hopeful that her younger daughter, who is studying “computers and commerce,” will also work toward the scholarship when it’s her time.

LATHA MAHESHWARI

"After work, I’m not too tired when I get home and I can take care of my family. At other factories, this was not the case."

GAUTAM, LATHA'S SON

“I am interested in giving back to this community. I hope to return after my studies and work within this space.”
Brick by Brick: Rebuilding Public Schools in Côte d'Ivoire

After years of civil war, Côte d'Ivoire, the world’s largest producer of cocoa, works to rebuild its education system.

ELISE COFIELD 01/23/2019

Last October, the school year at Ecole Primaire Publique (Public Elementary School) of Konan Koffi in Côte d’Ivoire began with music. Dancing, clapping, singing, beating *Djembes*, or drums, and beaded *Shekeres*, or shakers, all welcomed the start of a new school year as students received brand new school kits with basic school supplies.

The school kits were funded, and the school itself was built in 2014, using Fair Trade Community Development Funds: funds earned every time you purchase Fair Trade Certified™ chocolate. The school currently offers six elementary school classes for children in the area. This school year (2018-19), 145 students are enrolled, a nearly even split between the number of boys and girls.

Rebuilding schools and expanding access to education, including availability of textbooks and basic teaching materials, is the first step in a long road to recovery since the civil war which started in 2002 in Côte d’Ivoire, destroying the country and its education system. According to the Education Policy and Data Center (EPDC), before the civil conflict, 31% of girls and 49% of boys completed primary school; after the civil conflict, only 14% of girls and 18% of boys completed primary. The country’s literacy rate is 48% among the youth population; lower than the average youth literacy rate in other lower-middle income countries.

It would be easy to become discouraged, but parents like Conan Kouassi, a cocoa producer in a Fair Trade cooperative, still believe in the importance of education and want to be able to provide that for their children.

When he spoke to us, Conan had recently returned from training in the field where he learned how to improve his plants and received fertilization resources to help improve quality and volume. He said he appreciates the opportunities to learn and looks forward to providing similar opportunities for his children.

"I began working in the cocoa fields in 2000," he says. "Both of my parents are gone, so I take care of ten people in my household, including my six children. The oldest is 27 and works with me in the cocoa fields, but my two youngest are in their senior year of school. I am excited to see them graduate."

Whether children stay to work in the cocoa industry or pursue further education and jobs away from home, a basic quality education enhances the quality of life, according to
UNICEF. “It ends generational cycles of poverty and disease and provides the means for sustainable social, economic and political development.”

Education is a crucial component of an effort to end child labor in Côte d’Ivoire. In combination with Fair Trade standards that help protect the mental and physical development of children and their right to attend school, accessible education provides incentive for children to be in school instead of working in the fields.

"Fair Trade USA insisted on the fact that no child should work in the field and helped us ban child labor altogether," says Phillippe Kouakou, a cocoa producer. "They helped us build a school in our zone, which has positively impacted many children in the area."

Even so, shortage of teachers continues to be a challenge. The EPDC reports that in Côte d’Ivoire, on average, there is one teacher for every 41.7 primary school students, whereas in other lower-middle income countries, it’s more like one teacher to 29 students.

“It’s a big concern for many families,” says Koffi Kouame, a teacher at the newly opened Public Elementary School of Botindin in the Oumé section of Côte d’Ivoire. Due to the lack of teachers in the area, the school needs to send some children to other schools located farther away. "But I am confident that someday soon we will have more teachers and be able to create enough classes for all of the children in the area."

As Côte d’Ivoire continues to work toward making primary education accessible to every child, you can help by choosing Fair Trade Certified chocolate. With every purchase, you send additional money to the community whose livelihoods depend on it. Check out our shopping guide to Fair Trade chocolate to know what to look for.
Locals in the Kouamekoffikro Village in the Oumé section of Côte d’Ivoire, along with Fair Trade USA staff, assist in the ceremonial setting of the first stone of Ecole Primaire Publique (Public Elementary School) of Botindin. The school will offer classes for many children in the area.

A student plays a drum called a Djembe to celebrate the start of a new school year.
Kofi Kouame is a teacher at the newly opening Public Elementary School of Botindin. "I am really happy with the premises the school will be built on," he says. "But I wish we could have more teachers and classes available."

A child receives a backpack as part of the ceremonial distribution of new school kits in the Koffikro section of Côte d'Ivoire.

Open Letter from a Certified Fair Trade Farm in Amado, Arizona, Date Unknown

Dear Fair Trade Community,

Greetings from Wholesum Harvest’s tomato farm in Amado, Arizona! We are thrilled to be a part of the Fair Trade family and to share our story with you.

Since becoming Fair Trade Certified, your purchases have helped send us more than $80,000 in Community Development Funds. As additional funds roll in, we plan to address some of the most pressing challenges in our community. These include transportation, health insurance fees and home insurance – all identified by the workers through a survey.

Right now we are working on the first project selected by our fellow workers, which is to obtain free health coverage for everyone who is part of our Fair Trade community. Wholesum provides us with health insurance, of which we pay a small portion. Even this small amount is too much for many of the workers here, so we’ve decided to use our extra funds to offset the cost. This will not only give us the benefit of coverage, but of peace of mind as well. No longer will we have to worry about money when one of our children has a fever or a parent can’t get out of bed. We can take them to the doctor, secure in the knowledge that our insurance is fully covered.

Being a part of Fair Trade benefits our community, but it also benefits us personally by allowing us to develop our project management skills. We are learning how to manage complex projects and work together for the good of our community. Seeing how the workers at our sister farms in Mexico have used Fair Trade to improve their communities motivates us to give it our all.

We hope that you will continue to choose Fair Trade whenever possible – and not just for us, but for those who will come after us. We want to be the first of many Fair Trade farms in the United States so that farmers and workers everywhere can reap the benefits. You’ve already empowered us to start realizing our dreams. Your continued support of Fair Trade will help countless others achieve theirs as well.

Sincerely,

“First Fair USA” Fair Trade Committee
Wholesum Harvest
Amado, Arizona, USA