

Unit Title: The Ethics of Alternative Commerce: Fair Trade & Microfinance

Time Frame: 1 week (5 classes) – 2 weeks (10 classes); there are lots of optional ideas and extension ideas included to give a great deal of flexibility to lesson planning. Any of the lessons could be stretched over two days, as desired.

Unit Developer(s): Derrick Cunningham

Developed for Course Name and Course Code: HZT4U – Philosophy: Questions and Theories

Strand(s) and Curriculum Learning Expectations Addressed:

Ethics Strand

ET1.01 – identify the main questions of ethics

ET1.02 – evaluate the responses given by some of the major philosophers

ET1.03 – use critical and logical thinking skills to defend their own ideas about ethical issues and to anticipate counter-arguments to their ideas;

ET1.04 – demonstrate how the moral problems and dilemmas that occur in everyday contexts can be effectively analysed using a variety of different philosophical theories

Research and Inquiry Strand

IS1.03 – apply logical and critical thinking skills to evaluate or defend positions in philosophical writings

IS2.01 – summarize main philosophical concepts and theories from information gathered from encyclopedias or surveys

IS3.01 – clearly explain their own views in philosophical discussions in class and in other types of exchanges with peers;

IS3.02 – clearly explain their views and display their use of philosophical reasoning

Desired Results

Unit Description:

Students will learn about Fair Trade and Microfinance through a variety of means (Internet resources, YouTube videos, book references, biographical data sheets, powerpoints, etc) and look at specific examples of each in action (eg. Ten Thousand Villages and kiva.org). Students will then take their understanding of alternative commerce topics and scrutinize them according to historical ethical normative systems (eg. utilitarianism, deontology, and virtue ethics). Finally, students will make an evaluation of the roles of Fair Trade and Microfinance and write a personal, supported opinion on the topic of alternative commerce.

Enduring Understandings / Learning:

It is hoped that students will finish this unit and understand:

- that developed nations have played a role in the devastation and suppression of the economies of under-developed countries and also played a role in perpetuating world poverty;
- that impoverished people in developing countries are not looking for a hand out but that they are ready, able, and

- motivated to work to sustain their families and communities if offered a fair and equitable chance to succeed;
- that fair trade is a viable, and increasingly growing means, of helping build sustainable partnerships with agricultural workers and artisans in developing countries;
 - that microfinance is a growing movement that enables anyone to make small, but meaningful, loans to help impoverished people around the world;
 - that ethical actions can be taken by each individual to make a statement about what one believes is right and fair;
 - that they can make a lasting difference in the world (to quote Gandhi: “Be the change that you wish to see in the world.”)

Assessment Tasks

Performance Tasks and Other Evidence That Will Demonstrate the Knowledge and Skills Acquired:

Each lesson has a suggestion for a possible evaluation opportunity. Teachers may use any or all of these suggestions in assessing acquired knowledge and critical thinking. It is unlikely that a teacher would use all five assessments, but that decision lies at the discretion of the teacher.

Assessment Criteria:

Rubrics have been provided (in the file Spreadsheet rubrics) for each of the assessment options:

- Lesson 1: Comparison Report
- Lesson 2: Product Research Report
- Lesson 3: Opinion Paragraph
- Lesson 4: Debate
- Lesson 5: Personal Reflection Opinion Paper

Unit Planning Notes

Prior Learning Necessary (if any):

Students should be familiar with the main ideas of various ethical normative systems (specifically utilitarianism, deontology, and virtue ethics) to discuss issues in Lesson 4. All other terms or concepts will be researched or explained within the unit.

Preparation Notes (if any):

There reproducible handouts included as additional materials in the appendices. As well, each lesson has suggestions for optional extension activities and some provide different ways of experiencing the learning. Depending on the extent that the teacher wishes to explore these extension and differentiated ideas, a little or a lot of planning will be required to customize, differentiate, and implement the various components of each lesson in the unit.

Learning Plan

Lesson 1: What is Fair Trade?**Lesson Goal(s):**

- to learn about the principles of Fair Trade
- to distinguish the differences between Fair Trade and Free Trade

Options for Lesson Delivery:

- Students will use the Internet to do research either at home or in a computer lab using the webquest in Handout A1-1.
- The webquest has been created as a self-contained lesson with a culminating activity to produce a one-page report on the distinctions between Free Trade & Fair Trade.
- Alternatively, students could brainstorm their findings in small groups and prepare a group submission or presentation on the distinctions between Free Trade & Fair Trade; working with a partner or in a small group may assist those who had more difficulty with the webquest.

Note: the end of the webquest has a link to a Fair Trade video on YouTube that the teacher could download and show in class. A full powerpoint from the Fair Trade Resource Network can be accessed at <http://www.firn.org/learn-up/buy-firn-publications/#powerpoint>.

Evaluation Opportunity: Comparison Report

- The webquest handout details the requirements for a report comparing Fair Trade with Free Trade.
- Rubric 1: Fair Trade vs. Free Trade Comparison Report

Resources:

- World Fair Trade Organization: www.wfto.com
- Fairtrade Canada: fairtrade.ca/
- Fair Trade Resource Network: www.fairtraderesource.org

Extension Ideas:

- Students can be directed to play the game 3rd World Farmer at www.3rdworldfarmer.com
Note that one cannot win this game...over successive turns you will always lose your family and eventually die yourself. The game is meant as a stark reminder of the unfairness of poverty in developing countries and the reliance on world economic structures for the poor conditions of existence.
Students could compare how many annual harvest cycles they were able to survive. The class could even have a discussion about the ethics behind declaring someone “the winner” of the game given its tragic subject matter.
- In July, 2009, Cadbury announced that its leading chocolate bar, Dairy Milk, will be made exclusively from fair trade chocolate from Ghana (interestingly, Cadbury plans to use the same chocolate cooperative, Kuapa Kokoo, that Ten Thousand Villages uses for one of their lines of chocolate!) They foresee a three-year window in which to make the changeover on a global scale. Students can investigate and discuss the implications of large corporations now starting to see Fair Trade as ‘profitable’. Thinking about these ideas in Lesson 1 can provide insight into the Worksheet in Lesson 4 where students will analyze Fair Trade within the perspective of various ethical normative systems. To learn more, visit the Cadbury website: (www.cadbury.co.uk/) There is also a Toronto Star article that can be referenced: Sampson, Susan. [Dark, rich, and good for farmers; Dairy Milk bar earns Fair Trade certification](#) (Toronto: Toronto Star, August 26, 2009)

Lesson 2: Fair Trade in Action: Ten Thousand Villages**Lesson Goal(s):**

- to see the principles of Fair Trade at work in the lives of artisans in developing countries
- to learn about the working environment of people in developing countries

Options for Lesson Delivery:

NOTE: *This lesson can be done via Internet research at the website of Ten Thousand Villages Canada or students can take a field trip to a local Ten Thousand Villages store; two different resource handouts (#A2-1a and #A2-1b) have been written...one for Internet research and one for in-store use.*

- Either in class or on the bus en route to the store, start by giving each student one of the five artisan group story info sheets provided by Ten Thousand Villages Canada (see the file called FairTrade-PDFInfosheets). Students should answer the following five questions using their story:
- *Summarize the work or craft done by people (or artisans) associated with the group in the story that you read. Be sure to note any features of the country that have significance to the product produced.*
- *What principles of Fair Trade (learned in the webquest from Lesson 1) are demonstrated in the story of your artisan group?*
- *What impact does the application of Fair Trade principles seem to have in the life of the artisans in your artisan group?*
- *Without the help of Fair Trade principles, what do you imagine the life of people in the story of your artisan group might be like?*
- *From what you have read, does Fair Trade make a difference?*
- If you are on a bus en route to a store, students could be given these questions with the story and asked to complete them for homework.

If in class, have students with the same story join together and share responses with one another. After ten minutes, have a spokesperson for each group share the story of their artisan with the class. At the board, the teacher should facilitate a discussion of common ideas or themes heard in all stories (a list on the board will help to keep track of the common points). After enough points have been offered, the teacher should ask, "How might buying a Fair Trade product make a more significant difference in the lives of people than buying a product purchased in a regular big box store?" As a follow-up question, the teacher might ask, "Workers who make products for big box stores also have difficult lives; how might we show our concern for them?"

- Next, give students the appropriate handout (A2-1a or A2-1b) based on whether or not they are using the Internet or actually going to a Ten Thousand Villages Store. The handout concludes by asking students to write a research report on a fair trade object from Ten Thousand Villages that has interest for them.

Evaluation Opportunity: Product Research Report

- Handouts A2-1a or A2-1b both contain the same project details. Students will research a fair trade product from Ten Thousand Villages and write a report on the way in which fair trade helped artisans in the creation, distribution, and sale of the product.
- Rubric 2: Ten Thousand Villages Product Report

Resources:

- Ten Thousand Villages Canada: www.tenthousandvillages.ca
- Ten Thousand Villages USA: www.tenthousandvillages.org

Extension Ideas:

- The class could work with a Ten Thousand Villages store (or Ten Thousand Villages' Festival Sales Department in New Hamburg, ON) to run a fair trade sale in their school to promote awareness of the Fair Trade philosophy. Ten Thousand Villages donates 10% of an offsite sale's revenue to the selling group as a fundraising opportunity; students might want to donate this commission to a school charity or to a charity of their choice (perhaps one involved in international development work).

Lesson 3: What is Microfinance?**Lesson Goal(s):**

- to understand the principles of the microfinance movement
- to understand the impact that microfinance can have in poverty stricken areas

Options for Lesson Delivery:

- Provide students with the biography sheet of Dr. Muhammad Yunus, the 2006 Nobel Peace Prize Winner, (Handout #A3-1) and Rev. Dr. Kwabena Darko (Handout #A3-2).
- Individually or in groups, students should prepare answers to the questions on the biography handouts. The teacher can split the biographies between the groups so that one half of the class does one biography while the other half does the other biography. Students can present the biography details to the other half of the class.
...to learn about Dr. Muhammad Yunus and Grameen Bank using alternative media:
 - there is a fifteen minute video of Dr. Yunus on the Nobel Prize website as well as a ten minute documentary of his work; videos from this site cannot be downloaded (follow the Nobel Prizes Tab down to 2006 and link to the Peace Prize page from there)
 - there is similar material for the Grameen Bank (the co-winner of the Peace Prize)
...to learn about Dr. Kwabena Darko using alternative media:
 - there is a six minute video overview of Dr. Darko's life that can be downloaded from the "One Hen" website...click on Learn the Story and then link to the video (if you have the RealPlayer plug-in installed, you can download the video for stand-alone playback).
 - students can go to the "One Hen" website to explore the story, watch the video, listen to great music, and play games; the website often runs a game called Kojo's bead challenge...a game that mimics microfinance lending.
 - the teacher can obtain a copy of the children's book "One Hen" and read the story of a boy named Kojo (a character based on a young Kwabena Darko), to the class.

Note: *If time is constrained, the biography of Dr. Darko does not need to be used; the biography sheet on Dr. Yunus along with the videos on the Nobel Prize site convey all necessary information on the start of the microcredit movement and the fundamental reasoning behind it.*

- To understand microfinance principles and how they affect a community centre, the Grameen Bank has made 16 "decisions" about how members in communities will work to support one another. These "decisions" are listed in handout #A3-3 (there are lovely hand drawn depictions of each "decision" on the website but they are not reproduced here for copyright reasons). Using the questions on the handout, students will examine the 16 "decisions" and then reflect on how these ideas can build a meaningful community spirit to support the goals of microfinance.

Evaluation Opportunity: Opinion Paragraph

- Have students write an opinion paragraph on the following question (Note: the video interview cited above on the Nobel Prize website has Dr. Yunus speak directly to this question):
When Dr. Yunus and the Grameen Bank were awarded the Nobel Peace Prize in 2006, there was some dissention that an economist and his theories should not receive the Peace Prize since there is already a prize for Economics. Do you believe that there is or is not a tangible link between economics and peace? Was it logical and right to award the Peace Prize to Dr. Yunus and the Grameen Bank?
- Rubric 3: Opinion Paper

Resources:

1. Grameen Bank: www.grameen-info.org
2. Nobel Prize Organization: www.nobelprize.org
3. Opportunity International: www.opportunity.org
4. One Hen website: www.onehen.org
5. Milway, Katie Smith. One Hen (Toronto: Kids Can Press, 2008). ISBN: 978-1-55453-028-1
6. Kiva Microloans: www.kiva.org

Extension Ideas:

- Have each student in the class contribute \$1 towards raising the \$25 needed for a kiva loan. Through some method of decision making, have the class make a kiva loan to a person or group in a developing country. Note that this loan will be *fully* repaid long after the class finishes but incremental payments will be received before the class ends. The next class can contribute to top up the repaid fund of the previous loan in order to create another \$25 loan amount. Eventually, in four to five years, students will not have to contribute anything as enough principal will be repaid for each new class to make decisions on a new loan. For professional ethical reasons, a note of caution is made in that the teacher might want to set up the lending name on the kiva account as the school and not himself/herself; eventually, when the kiva account can no longer be maintained, funds should be donated to kiva.org for its ongoing needs and not cashed out by the teacher as a private reimbursement.

Lesson 4: The Ethics of Alternative Commerce**Lesson Goal(s):**

- to analyze the Fair Trade and Microfinance movements in terms of various ethical normative systems

Options for Lesson Delivery:

- Start the discussion by focusing the tone of the issue with the power point “If the World were a Village” (see the file FairTrade-Powerpoint). If a method of presentation is not available, write the statistics on the board or give a handout of the powerpoint slides (or the handout called “State of the Village Report” in the file FairTrade-PDFInfosheets). If you had students play the 3rd World Farmer online game in Lesson #1, have students reflect back on that experience before showing the power point slides.
- Have students read the first chapter of Dr. Peter Singer’s book “The Life You Can Save”; this chapter can be read free online www.thelifeyoucanlive.com/book. Singer can also be found talking about his thesis on YouTube: http://www.youtube.com/watch?feature=player_detailpage&v=iwdYkF8fRL4.

- Divide students up into six groups; three groups will focus on Fair Trade and three groups will focus on Microfinance. In each set of three groups, one group will be assigned as the utilitarian group, one group will be assigned as the deontology group, and one group will be assigned as the virtue ethics group.
- Using prior understandings of their assigned ethical normative system, have students assess their topic (Fair Trade or Microfinance) using the sheet of guided discussion questions in Handout 4-1.
- Students should have the opportunity to share the results of their thinking with the other groups studying the same topic. Alternatively, the teacher could facilitate a sharing session first on one topic and then on the other so that all students can hear the results.

Evaluation Opportunity: Debate

- Students can take all the information that they've learned on the topics of Fair Trade and Microfinance and prepare a debate on the merits of either. The debate would likely focus on resolutions that favour either Fair Trade or Free Trade, or on resolutions that favour either Microcredit or Macrocredit (ie. the normal means of loaning large sums to make large interest returns).
- Rubric 4: Debate

Resources:

- Power point on "If the World were a Village" (based on copyright free statistics first assembled by Donella H. Meadows in the "State of the Village Report," 1990 and updated again in 2005)
- Smith, David J. *If the World Were a Village: A Book about the World's People* (Toronto: Kids Can Press, 2008) ISBN: 978-1-55074-779-9
- If the World Were a Village website: www.iftheworldwereavillage.org
- Chapter #1 of Singer, Peter. *The Life You Can Save* (New York: Random House, 2009) ISBN: 978-1-4000-6710-7 *This chapter is available as a free sample chapter on www.thelifeyoucansave.com/book.*
- Dr. Peter Singer on YouTube: http://www.youtube.com/watch?feature=player_detailpage&v=iwdYkF8fRL4

Extension Ideas:

- Have each student approach one of the topics from the perspective of a classical Hedonist and determine if hedonism would judge Fair Trade and/or Microfinance as morally good.

Lesson 5: My Personal Response

Lesson Goal(s):

- to challenge students to consider their own ethical behaviour in the areas of economics and social justice

Options for Lesson Delivery:

- Initiate a discussion on what has been learned.
 - What did students learn that they didn't know before?
 - What are their overall thoughts on Fair Trade? on Microfinance?
- Watch "The Story of Stuff" video via online link or by downloading it from the site for stand-alone play.
- At the end of the video, introduce the quote from Mohandas Gandhi: "Be the change you wish to see in the world." Ask students if individuals, like themselves, could use the ideas of Fair Trade or Microfinance as a means

to realize Gandhi's quote.

- Now outline the following situation for students:
 - *You have received word that you have been successful in securing two summer jobs. You can only accept one.*
 - *The first is with a fair trade cooperative helping to promote and sell fair trade products in your community. You will be working for minimum wage and the cooperative can only hire you for 30 hours per week. You will interact with a wide spectrum of people of all ages and know that the work you do is helping to make a difference in the lives of people half way around the world. You can put in extra volunteer hours if you are so inclined. At the end of the ten weeks of summer, you will make a total of \$3,075.*
 - *The second job is at a local factory that mass produces cakes for a supermarket chain. You will work 40 hours per week at \$21.00 per hour with the opportunity for some overtime. You will be doing shift work, alternating every two weeks between the day shift and the midnight shift. You will work exclusively with the icing machine which involves thick, sticky icing applied to quickly moving cakes. You will be subject to union rules and will have enforced breaks on your 10 hour shifts. At the end of the ten weeks of summer, without accounting for any overtime, you will earn a minimum of \$8,400.*
 - *Which job will you take? Why?*
- After some discussion on the above situation, students should then spend some quiet time journaling their thoughts about the learning and thinking that they have done over the course of the unit. This time for journaling is to brainstorm ideas for the opinion paper described below.

Evaluation Opportunity: Personal Reflection Paper

- Students will write a supported opinion paper (the length is at the discretion of the teacher but three pages would be recommended). The paper is to be in response to the resolution:
While alternative forms of commerce are quaint ideas, alternative commerce can never truly change the state of poverty in the world
(or another resolution that the teacher might decide to use instead).
- Rubric 5: Personal Reflection Opinion Paper

Resources:

- The Story of Stuff: www.storyofstuff.com

Extension Ideas:

- Students can be challenged to take the pledge on Dr. Peter Singer's website featured in Lesson #4: www.thelifeyoucansave.com
- If your school has a social justice club, have students prepare a presentation for them. Some of the ideas outlined in this unit (like a kiva loan or a fair trade sale) might be suggestions that the club could undertake as their own initiatives.

Appendices

- **Blackline Master Handouts in the file labeled FairTrade-Appendices:**
 - A1-1: Fair Trade vs. Free Trade Webquest

- A1-2: How does Fair Trade differ from Free Trade Chart
 - A2-1a: Ten Thousand Villages Website Exploration
 - A2-1b: Ten Thousand Villages Field Trip
 - A3-1: Biography: Dr. Muhammad Yunus
 - A3-2: Biography: Dr. Kawbena Darko
 - A3-3: Understanding Microfinance Worksheet
 - A4-1: The Ethics of Alternative Commerce Worksheet
- **In the file labeled FairTrade-PDFinfosheets:**
 - Five Ten Thousand Villages artisan stories for Lesson 2
 - World Village Statistics sheet
 - **In the file labeled FairTrade-Rubrics:**
 - Rubric 1: Fair Trade vs. Free Trade Comparison Report
 - Rubric 2: Ten Thousand Villages Product Report
 - Rubric 3: Opinion Paper
 - Rubric 4: Debate
 - Rubric 5: Personal Reflection Opinion Paper
 - **FairTrade-Powerpoint**

Other Possible Course Applications

While written for the HZT4U ethics unit, this unit can have applications in the HZB30 Philosophy course as well as in other subjects such as International Business (BBB4M) and World Issues (GGW4U).