COMMON COUNCIL
SPECIAL SESSION
May 22, 2013

In the Council Chambers of the Showers City Hall on Wednesday, May 22, 2013 at 7:30 pm with Council President Darryl Neher presiding over a Special Session of the Common Council.

ROLL CALL

Roll Call: Mayer, Rollo, Ruff, Sandberg, Granger, Sturbaum, Neher, Spechler
Absent: Volan

AGENDA SUMMATION

Council President Neher gave the Agenda Summation

LEGISLATION FOR SECOND READING AND RESOLUTIONS

Resolution 13-09 Supporting Bloomington's Designation As A "Fair Trade Town" And Endorsing A Sustainable Purchasing Policy Regarding The Procurement Of Food, Beverages And Catering Services

It was moved and seconded that Resolution 13-09 be introduced and read by title and synopsis. Clerk Moore read the legislation and synopsis, noting that there had been no committee meeting on this item. It was moved and seconded that Resolution 13-09 adopted.

Councilmember Chris Sturbaum, sponsor of this resolution, spoke to its design and scope. He said that people make choices in how to spend money, and consumers should know just what they're buying as far as origin of the product and the circumstances under which they are produced.

He said the resolution supported the designation of a "Fair Trade Town" for Bloomington; encouraged the city, when all things were equal, to purchase of Fair Trade and local products; and work to raise awareness of Fair Trade to make the world a little better.

He said the organization "Fair Trade Bloomington" had been working on the designation since 2005 and that Mary Embry would be speaking about the issue and the details. He said the designation would be done by a national council and if granted, Bloomington would be the first Fair Trade town in Indiana.

Stacy Jane Rhoads, Assistant Council Administrator and Researcher, who also worked on crafting this legislation, noted that Embry had done extensive work on the issue and asked her to share her information.

Mary Embry, founder and president of Fair Trade Bloomington, thanked the council for considering the resolution. She introduced and showed a short video entitled *Fair Trade: The Story* that described fair trade principles.

In discussing fair trade, she noted there were segments that wanted to reform the market, not to criticize capitalism, but to make it better. She said there were some who wanted to use the measure for poverty relief, some who were interested in organic products, some who wanted to address the problems of human trafficking, and some who wanted to find ways to maintain a community's culture.

Embry said the Fair Trade movement was best known by commodities produced by small farmers, especially coffee farmers. She said Fair trade set a price to pay farmers, and if the market price went below that price, they still got that price. She said that price was augmented with a 20 cents per pound investment in the community – a premium that the community spent as they wished, to grow or sustain their economies with education projects, health care projects, investment and business management, quality improvement and productivity improvements.

She said that the Fair Trade Towns movement started in Europe and noted that 80% of Europeans understood fair trade noting it had influenced corporate buying in those areas with chocolate and other goods. She noted Ben and Jerry's in the US were moving to 100% Fair Trade ingredients.

Embry noted Fair Trade Towns started in 2005 with Media, PA, and said they were towns and cities, both large and small, and that Bloomington would be the first Fair Trade Town in Indiana. She noted the process included forming a steering committee, media coverage, a certain number of organizations that stated support for Fair Trade by

providing support for products, and a certain number of retailers that supported fair trade products. She said the last step was to have local government pass a resolution in support of fair trade.

Rollo noted the Fair Trade labeling had begun to make a significant difference and was becoming well known. He asked if Embry was concerned that it would be noticed by Trade Tribunals like the WTO. He said the WTO had ruled against health standards, ruled against country of origin labels, and just recently ruled against dolphin safe tuna labels as a violation of the GATT agreement. Embry said it was not currently an issue. She said they were talking about setting government standards like LEED standards of what fair trade is to make consumers more aware of it, but there had been no fear of what the WTO was doing.

Spechler said he agreed with the objectives, and wanted to know if there was any boycott planned for businesses that would not guarantee that their goods were fair trade. Embry's response was 'absolutely not.' She reiterated that people were in the movement for different reasons, but there was no message that other products and ideas could be excluded.

Sturbaum asked Embry to speak about fair trade and localism. Embry said the ideas went hand in hand, about how communities should invest in themselves, about how consumers think about the quality of goods and where they came from. She said many fair trade goods could not be produced locally, and thus the message "Buy Local, Buy Fair."

Mayer asked about Global Gifts, the retail the retail store downtown, and how that tied into this movement and resolution. Embry said the Global Gifts store was a handicraft store that invested in women and small cooperatives in developing economies. She said this was a small part of the Fair Trade movement.

Public Comments:
Gracia Valliant, current volunteer at Global Gifts and a traveler to areas with coffee co-ops, spoke about seeing families being able to send children to school, have decent food and health care and being able to improve their lives. She said that it was important to think about where purchases come from, noting a recent label she'd seen, "Made in Bangladesh" and wondered if it was made in the factory that had recently collapsed.

Jacqui Bauer, Sustainability Coordinator for the City of Bloomington, said that fair trade was one of many factors to consider in the city's sustainable purchasing policy, noting the phrasing of the resolution. She said the team working on the policy saw this as a good fit with the policy that was in place.

Council Comments:
Spechler questioned Bauer about the sustainable purchasing policy of the city and said it was not brought before the city council. She said the policy was adopted internally.

Ruff asked Embry if there were any arguments to be made for a well thought out down side to fair trade, excluding HT online comments. Embry said there was an economic argument that Fair Trade was a price support system. She said the response to that was one of a long term investment -- that this helped farmers who were not able to quickly switch to growing different products due to market demand.

She said mainstreaming and certifying products helped in de-radicalizing the movement and expanding the market. She added that not everyone agreed that Fair Trade should be widely mainstreamed for fear that smaller economies may suffer.

Rollo said some of these factors were the same that were expressed with the expansion of Free Trade – that of exploiting people and exploiting the environment. He asked if Fair Trade addressed other arguments of sovereignty, corporate dictated rules of trade, or over-ruling local laws. Embry said that was how the divide in the Fair Trade movement was seen to manifest itself. She said those who were critical of the mainstreaming would say that Fair Trade was conceived as a new market, something structurally different -- they were structuralists in saying that the structure is wrong. She added that Fair Trade was expanding its awareness through working with corporations like Starbucks and Nestle, and so that still had voice within that movement.

She said her personal focus was handicrafts, more about empowering women, changing their lives and that of their families.

Rollo asked if the Fair Trade pressed for collective bargaining or trade unions. Embry said the people at the smallest scale of production believed in cooperatives, and the movement was organized around the cooperative model. She said Fair Trade USA would be looking at apparel production with a test pilot where workers would have a voice, in addition to compensation covering the cost of their labor.

Spechler said there was an economic argument that the free international market, which he said he supported, gave cues to farmers. He said they should move to other crops with price fluctuations. He said in poor areas where only some of the farmers were enrolled in Fair Trade, there could be losers in this situation. He said he would support educational efforts of Fair Trade, but he could not support linking this with sustainability standards for city purchases. He said Sturbaum included this for a feel-good resolution, but he didn't believe such a practice would stay harmless. He equated sustainability with living wage and said there were unforeseen consequences in interfering with ordinary commercial transactions. He said he was for the Fair Trade designation, but could not support the purchasing part of the resolution due to unforeseen consequences.

Sturbaum hoped Spechler would reconsider his stance. He said the market in the US was slowly catching up to the European Fair Trade market, but if it grew, it could actually change the planet with its conscious purchasing starting with a cup of morning coffee. He urged the council to support the resolution.

Rollo said Free Trade was a misnomer, and that it was actually about intellectual property rights, protecting the property of corporations. He said that he appreciated Fair Trade for their work to bring the resolution to the council, and he hoped that it would help the consumer public to become more aware of corporations seeking to escape responsibility, accountability, and externalizing costs to the environment and low income countries to make tremendous profits.

Mayer read several WHEREAS clauses and the 'resolved' clause saying that the words say "should strive' and did not use the term 'will' in incorporating products in the procurement decisions. He said he was comfortable with the guidance of the resolution.

Granger said her interest in this movement began with the handicraft cooperatives and how they empowered women in third world communities and allowed them to contribute to their communities in meaningful ways. She voiced her support.

Sandberg noted her appreciation for the feminist aspect of the handicraft Fair Trade products, and said she shopped with her dollars. She noted she had not set foot in a Walmart since she read *Nickel and Dimed* by

Resolution 13-09 *(cont'd)*

Barbara Ehrenreich. She said without living wages, there was no empowerment, especially for women on the bottom rungs of the ladder. She voiced her support for this resolution, adding that it enriched the conversation for all citizens in the community.

Ruff said this was a good effort to provide people with information about what's behind their purchases and how it affects the rest of the planet both socially and environmentally. He noted powerful forces that kept issues of production suppressed. He said this was about a very significant moral issue and thanked those who worked to bring it forward and those who worked on this issue all the time.

Ruff noted the mention of the living wage ordinance and noted research on wage floors. He said although economic theory might say one thing about its effect on total employment, or effect on certain groups, the majority of research found that the effects were minimal with little negative effect offset by positive effect of empowering people with better wages. He noted his support of the resolution.

Neher said the resolution and the work behind it was a great example of how a committed, organized group of people could participate in and influence governmental processes. He said this was true grass roots work and appreciated the level of engagement and commitment of the Fair Trade Bloomington citizens.

He added that while some may criticize the Fair Trade movement, there was little need to construe a conspiracy regarding city purchasing policies with that.

Resolution 13-09 received a roll call vote of Ayes: 7, Nays: 0, Abstain: 1 (Spechler)

LEGISLATION FOR FIRST READING

There was no legislation to be introduced at this meeting.

COUNCIL SCHEDULE

President Neher announced the reconvening of the Rules Committee with the Mayer, Granger and Ruff and himself.

DISCLOSURES OF CONFLICTS OF INTEREST

It was moved and seconded that the council accept Disclosures of Conflicts of Interests for Council Members Rollo and Granger who had Vendor Agreements with the Farmer's Market.

Separate votes were taken:
The motion to approve acceptance of Rollo's Disclosure was approved by a roll call vote of Ayes: 8, Nays: 0
The motion to approve acceptance of Granger's Disclosure was approved by a roll call vote of Ayes: 8, Nays: 0

ADJOURNMENT

The meeting was adjourned at 8:45 pm.

APPROVE:

Darryl Neher, PRESIDENT
Bloomington Common Council

ATTEST:

Regina Moore, CLERK
City of Bloomington