

# The Ethics of Tea

Economics

Module: Development Economics

Lecturer: Dr. Anna Brookes

# Production Process

Small Plantations



Large Plantations



Treat & Process



Export





# Consumer Considerations

- **Purchase price** – Tea varies in rarity, quality and quantity. Home brand versus organic or premium products.
- **Packaging design** – Is the packaging eco-friendly or recyclable? People like aesthetically pleasing items e.g reusable tin/box.
- **Brand loyalty** – Customers develop an affinity with certain brands due to various influences. Habits lead us to make certain choices when shopping.
- **Ethical implications** – Many shoppers are concerned about funding unethical trade and as such are more likely to be drawn to an organic or Fairtrade product.

# Daily Life

- **Working Conditions** - Long hours of manual labour in the sun.
- **Wages** - Investment and increased overheads can affect labourer wages. Limited skillsets mean that workers struggle to negotiate better pay.
- **Dependency** – Workers depend on employers for health care, education and housing.



# Fairtrade Incentives

- National minimum wage
- Healthcare
- Housing
- Education



# Sri Lankan Plantations with CDFs - Benefits

- 10-20% increase in volume of tea picked.
- 16 management hours per week saved.
- Reduced strike action saving \$2,600-\$13,300 per estate per day.
- Improved employee perception of well-being.





In what ways do organisations such as Fairtrade help or hinder progress for developing economies?

5000 words. Due March 17th 11.59pm



# References

1. <http://www.fairtrade.net/tea.html#c3915>
2. <http://www.ethicalteapartnership.org/tea-sustainability-programmes/producer-support/fair-treatment-of-workers/>
3. <http://www.tea.co.uk/tea-facts>
4. <http://in.reuters.com/article/2011/01/14/india-tea-prices-idINSGE70D09U20110114>
5. <http://www.history.uk.com/history/history-tea-britain/>
6. [http://store.mintel.com/tea-and-other-hot-drinks-uk-july-2014?cookie\\_test=true](http://store.mintel.com/tea-and-other-hot-drinks-uk-july-2014?cookie_test=true)