

Fairtrade Certification, Labor Standards, and Labor Rights

Comparative Innovations and Persistent Challenges

ABSTRACT Fairtrade International certification is the primary social certification in the agro-food sector intended to promote the well-being and empowerment of farmers and workers in the Global South. Although Fairtrade's farmer program is well studied, far less is known about its labor certification. Helping fill this gap, this article provides a systematic account of Fairtrade's labor certification system and standards and compares it to four other voluntary programs addressing labor conditions in global agro-export sectors. The study explains how Fairtrade International institutionalizes its equity and empowerment goals in its labor certification system and its recently revised labor standards. Drawing on critiques of compliance-based labor standards programs and proposals regarding the central features of a 'beyond compliance' approach, the inquiry focuses on Fairtrade's efforts to promote inclusive governance, participatory oversight, and enabling rights. I argue that Fairtrade is making important, but incomplete, advances in each domain, pursuing a 'worker-enabling compliance' model based on new audit report sharing, living wage, and unionization requirements and its established Premium Program. While Fairtrade pursues more robust 'beyond compliance' advances than competing programs, the study finds that, like other voluntary initiatives, Fairtrade faces critical challenges in implementing its standards and realizing its empowerment goals. **KEYWORDS** fair trade, Fairtrade International, multi-stakeholder initiatives, certification, voluntary standards, labor rights

INTRODUCTION

Voluntary certification systems seeking to improve social and environmental conditions in global production have recently proliferated. Non-governmental organizations (NGOs) direct many popular programs, engaging multiple stakeholders since they depend for their success on business participation and social movement support. Fairtrade International coordinates one of the most socially ambitious certifications in the agro-food sector, working to promote the well-being and empowerment of disadvantaged small farmers and workers in the Global South through sales of labeled products in the Global North. Fairtrade-certified¹ commodity sales generate US\$ 8 billion annually, with hired labor enterprises in Latin America, Africa, and Asia supplying a substantial and growing share of the global market (FTI 2016a).

Scholars have analyzed Fairtrade International to explain the emergence of transnational private regulation (Bartley et al. 2015) and the nature of empowerment-based certification programs (Auld, Renckens, and Cashore 2015). While numerous studies investigate the

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organization of Fairtrade's small-farmer certification (Bacon 2010; Jaffee 2007; Renard 2015), far less research focuses on its hired labor initiative. Reynolds (2017) traces the rise of Fairtrade's plantation program; a growing number of scholars analyze the repercussions of labor certification in selected countries and commodities (Besky 2013; Frundt 2009; Makita 2012; Nelson and Martin 2015; Reynolds 2012; Riisgaard 2009). Yet there has been little systematic investigation into Fairtrade International's hired labor certification system and standards or careful comparison of Fairtrade's standards with those of other international agricultural labor certifications. Addressing this gap, this study identifies the central features of Fairtrade International's labor certification and reveals the promise and perils facing Fairtrade and other standards systems seeking to improve labor conditions in agro-export sectors in the Global South.

The article explains how Fairtrade International institutionalizes its equity and empowerment goals in its labor certification system, drawing on an organizational case study of its large-enterprise program and detailed analysis of its recently revised labor standards. To understand Fairtrade's current labor policies, the study analyzes a wealth of documentary evidence, including official strategy statements, program reports, and most importantly the labor certification standards that reflect and reinforce program priorities. To identify and interpret key policy changes, I draw on my 20-year experience following (via internal and public discussions) the growth of Fairtrade plantation certification. My analysis of Fairtrade's labor policies is guided by critiques of the typical *compliance*-based approach to fostering improvements in labor conditions (Locke 2013; Locke, Amengual, and Mangla 2009) and arguments favoring a *beyond-compliance* empowerment approach, grounded in inclusive governance, participatory oversight, and enabling rights (Anner 2012; Barrientos and Smith 2007; Esbenschade 2016; Rodríguez-Garavito 2005). As I demonstrate, Fairtrade has recently bolstered its traditional strengths in these three arenas: enhancing the engagement of labor advocates in framing labor policies, granting workers access to audit reports, and augmenting standards to require "proactive" support for unions and progress in reaching "living wages." I argue that Fairtrade's new approach represents a *worker-enabling compliance* model, challenging assertions that Fairtrade has abandoned its empowerment agenda in its plantation certification (Bacon 2010; Jaffee 2012; Renard 2015), yet highlighting the limits of its beyond-compliance efforts, most importantly in the continued reliance on a top-down oversight model which may do more to inform, than to engage, workers.

This study employs a comparative analysis to clarify Fairtrade International's strengths and weaknesses and the central challenges facing programs seeking to improve labor conditions in agro-export production. I compare Fairtrade to four other voluntary multi-stakeholder initiatives addressing agricultural labor conditions in the Global South (Ethical Trading Initiative, Social Accountability International, Rainforest Alliance, and Equitable Food Initiative), drawing on program documents to contrast the central features of each initiative's governance, oversight system, and labor standards. The analysis identifies favorable elements in each program, yet finds that overall, Fairtrade moves further than other programs in promoting inclusive governance, participatory oversight, and enabling rights and is unique in its living wage and union requirements as well as its established Premium Program. The Equitable Food Initiative follows Fairtrade in promoting worker engagement by sharing

audit reports, but it does not require the democratic worker representation that most labor scholars and activists see as essential in undergirding enabling rights (Anner 2012; Compa 2008).

While Fairtrade International's labor certification makes important advances in its worker-enabling compliance approach, I argue that it, like other agricultural labor standards systems, faces critical challenges. Fairtrade, like other voluntary programs, faces substantial problems in implementing its labor standards and realizing its empowerment objectives, particularly in the many contexts in which it operates that lack strong labor legislation and civil society institutions. As I conclude, voluntary regulations may be able to augment, but they cannot replace, mandatory legal protections upholding labor and citizenship rights.

VOLUNTARY CERTIFICATION PROGRAMS, LABOR STANDARDS, AND FAIRTRADE

Development scholars have analyzed the emergence, organization, potential, and pitfalls of voluntary certification programs. A growing number of voluntary initiatives take on governance functions previously left to the state, regulating social and environmental conditions in global manufacturing and agriculture (Berliner et al. 2015; Fransen 2012; ITC 2016). Many of these are multi-stakeholder initiatives coordinated by NGOs which involve businesses, civil society, and sometimes government agencies. Multi-stakeholder labor standards systems seek to shore up global work conditions undermined by the inability of national labor laws to oversee globalized production, by the non-enforceability of International Labour Organization standards, and by the declining power of unions (Appelbaum and Lichtenstein 2016; Mayer and Gereffi 2010; O'Rourke 2006).

Research on multi-stakeholder programs explains how voluntary initiatives regulate market activities using standards to specify production expectations, certification to oversee compliance, and labels to reward participation (Auld 2014; Berliner et al. 2015; Potoski and Prakash 2009). Scholars highlight how social movements promote private regulation by galvanizing public concern over global production conditions and helping shape new programs (Boström and Tamm Hallström 2010; Fransen 2012). Advocacy efforts have spotlighted labor issues, targeting practices deemed unacceptable, like “sweatshop” conditions (Bartley and Child 2014), and endorsing preferred practices, like “decent work” (Barrientos, Gereffi, and Rossi 2011). These alternative normative definitions challenge the mainstream market and industrial “conventions” guiding economic expectations and activities (Boltanski and Thévenot 2006). As Thévenot (2015) argues, certification programs advance new conventions, using standards as a mechanism to reflect and reinforce specified normative commitments and associated political economic practices and institutions.

An extensive literature on voluntary labor standards programs in manufacturing documents the prevalence of a top-down *compliance* approach to regulation, grounded in bureaucratic standards, external auditing, and penalties. Most research finds that this approach brings limited improvements for workers, since it may identify factory violations but rarely fixes them (Anner 2012; Barrientos and Smith 2007; Berliner et al. 2015; Compa 2008; Esbenshade 2012, 2016; Fransen 2012). As Locke and colleagues demonstrate, programs pursuing this compliance approach, as well as those adopting a *capability-building* approach to enhancing factories' ability to make shop-floor improvements, lead to uneven gains since

they fail to address the underlying causes of poor labor conditions (Locke 2013; Locke, Amengual, and Mangla 2009).

Scholars argue that to bring significant gains to workers in the Global South, voluntary labor standards programs must pursue a beyond-compliance approach rooted in worker empowerment. This type of approach—what Rodríguez-Garavito (2005) calls “empowered participatory labor regulation”—addresses three central weaknesses in the compliance model. (1) In their governance, scholars argue that programs must include substantial civil society engagement to offset corporate interests, integrating often marginalized program beneficiaries (Rodríguez-Garavito 2005) as well as unions, worker organizations, and allied groups (Anner 2012; Barrientos and Smith 2007; Compa 2008; Fransen 2012). (2) In their oversight, researchers propose that relying on outside certifiers to ensure compliance via auditing and violation penalties is insufficient and must be augmented by participatory oversight by workers and unions (Anner 2012; Compa 2008; Rodríguez-Garavito 2005) and local civil society organizations (Barrientos and Smith 2007; Esbenshade 2016; Fransen 2012). (3) In their standards, scholars argue that programs must go beyond workplace protections (like occupational, health, and safety) to promote enabling rights through individual capacity building and collective organizing (Appelbaum and Lichtenstein 2016; Anner 2012; Barrientos and Smith 2007; Compa 2008; Esbenshade 2016; Rodríguez-Garavito 2005).

While scholars argue that more inclusive governance, participatory oversight, and enabling rights can strengthen labor standards systems, most agree that national conditions are key to program success. Research finds that worker gains from factory certification are contingent on robust labor laws, political will, and government capacity as well as supportive labor and civil society organizations (Amengual and Chirot 2016; Appelbaum and Lichtenstein 2016; Berliner et al. 2015; Esbenshade 2016; Locke 2013; Mosley 2017; Riisgaard 2009).

Fairtrade International draws directly on an empowerment agenda in seeking to improve conditions for disadvantaged small farmers and hired laborers in the Global South. An extensive literature examines Fairtrade’s farmer certification (Bacon 2010; Jaffee 2007; Renard 2003, 2015), with most studies documenting that important benefits accrue to small farmers (Nelson and Pound 2009). Auld, Renckens, and Cashore (2015) identify Fairtrade as an exemplar of empowerment-oriented certification. Yet researchers argue that as Fairtrade has gained mainstream market acceptance its farmer certification has shifted its focus from prioritizing the values and practices of partnership to those of traceability (Raynolds 2009) and control (Renard and Loconto 2013). This research suggests that Fairtrade’s efforts to empower small farmers are being eroded by its increasing adoption of compliance-based certification practices.

Although Fairtrade International has since its founding certified large enterprises, relatively little research examines its hired labor program. Raynolds (2017) and Riisgaard (2015) analyze Fairtrade labor certification’s development and conventions. Others examine the implications of certification for plantation workers producing bananas in Latin American (Brown 2013; Frundt 2009), tea in Asia (Besky 2013; Makita 2012) and horticultural products in Africa (McEwan and Bek 2009). Although workers are generally found to benefit from certification (Nelson and Martin 2015), research suggests that Fairtrade has had a harder time advancing empowerment for workers than for farmers. This article analyzes the

experiences and challenges of Fairtrade International’s hired labor certification system, investigating (1) the inclusive governance structures, (2) the participatory oversight systems, and (3) the enabling rights standards which scholars propose are central to a beyond-compliance approach.

FAIRTRADE INTERNATIONAL: ORGANIZATION, GOVERNANCE, AND HIRED LABOR ENTERPRISES

Organization and Governance

European and North American NGOs founded Fairtrade International in 1997 to harmonize their efforts to assist producers in the Global South by selling labeled products in the Global North. The umbrella NGO defines its mission as being “to connect disadvantaged producers and consumers, promote fairer trading conditions and empower producers to combat poverty, strengthen their position and take more control over their lives” (FTI 2017a). This empowerment logic has guided Fairtrade’s evolution, with the program emerging as the leading social certification of internationally traded agro-food products. Fairtrade markets have grown substantially, with annual retail sales reaching US\$ 8 billion (Table 1). The program certifies coffee, tea, bananas, cocoa, sugar, honey, citrus, pineapples, mangos, apples, grapes, rice, quinoa, spices and herbs, fruit juices, flowers, wine, cotton, sports balls, and gold. Fairtrade remains primarily an agro-food certification, with coffee, tea, bananas, and cocoa generating most revenues (FTI 2017c). Production of certified commodities has expanded across the Global South: 1,226 enterprises in 74 countries now produce Fairtrade goods. Fifty-six percent of enterprises have been certified for over three years (FTI 2015a).

The Fairtrade certification system comprises four related entities (FTI 2017b). Fairtrade International defines program policies and sets standards for participating buyers and producers. An autonomous NGO, FLO-Cert, performs annual audits and certifies compliance. Twenty-two National Labeling Initiatives promote sales of labeled products in market countries. Three regional Producer Networks—in Africa, Asia, and Latin America—represent the farmers and workers who cultivate Fairtrade products. Relationships between these entities are characterized by intensifying control, evidenced most clearly in Fairtrade’s increasingly technical standards and FLO-Cert’s bureaucratic producer oversight (Raynolds 2009; Renard and Loconto 2013).

TABLE 1. Fairtrade International program growth

	2006	2010	2014 ^a
Sales revenue (US\$ millions)	2,019	5,800	8,043
Producer countries	57	63	74
Certified producer enterprises	553	905	1,226
Farmers and workers total	789,403	1,153,000	1,651,900

^aIncludes Fairtrade’s affiliate Fairtrade America, but not Fair Trade USA.
Sources: Compiled by author from FLO (2009) and FTI (2012b, 2016a).

Yet Fairtrade International's governance structure reflects the strength and resilience of its empowerment commitments. In the early years, National Labeling Initiatives defined Fairtrade's trajectory, marginalizing the producers who were the program's stated beneficiaries, and prioritizing market growth. But over the past decade, the balance of stakeholder power has shifted as Producer Networks asserted their influence, workers gained increasing representation, and Labeling Initiative resistance to power sharing softened with Fair Trade USA's exodus from the international system (Raynolds 2017). In 2014, Producer Networks gained voting privileges equal to Labeling Initiatives on Fairtrade's Board, which for the first time included a trade union president (FTI 2015b).

Hired Labor Enterprises and Labor Certification

Fairtrade International has since its founding included two categories of producers who have often been at odds. Hired labor enterprises are those that rely primarily on paid workers, including medium and large farms, plantations, companies, and factories.² Small producer enterprises are cooperatives made up of small farmers who rely primarily on unpaid household labor.³ Small-farmer cooperatives, which helped establish Fairtrade, have resisted the incorporation of large enterprises, asserting that peasants represent the vanguard of sustainable development and deserve protection from plantation competition (Renard 2003). Other stakeholders have disagreed, arguing that agricultural workers deserve support and that small farmers could not produce key products in sufficient quantities.⁴ Since the majority of its founding Labeling Initiatives already included plantations, Fairtrade International incorporated both producer enterprise categories from the start.

As the range and volume of Fairtrade-labeled products has grown, so has the role of hired labor enterprises. Although cooperatives and their allies have successfully barred plantations from coffee, cocoa, sugar, honey, rice, and cotton (Raynolds 2017), large and small enterprises produce other certified commodities. Between 2006 and 2014, large Fairtrade-certified enterprises increased from 135 to 229 and workers from 97,000 to 204,000 (FLO 2009; FTI 2016a). Cooperatives and farmers outnumber plantations and workers, but in key products like tea, flowers, and bananas, Fairtrade plantations outnumber and far out-produce peasant cooperatives (Table 2).

Fairtrade International operationalizes its equity and empowerment agenda through certification rules regulating production practices and producer-buyer relations. Basic expectations for all producers are the same: workers and farmers must be organized into democratic associations; production practices must uphold social and environmental criteria; and the Fairtrade Premium derived from buyer fees must be invested in local social development. Yet recognizing that promoting fairness for workers and for farmers entailed somewhat different approaches, Fairtrade International created two separate certification protocols: Hired Labor Standards and Small Producer Standards. Established in 2000, the Hired Labor Standards were updated in 2005 (FLO 2000, 2005).

Critiques of Fairtrade International's hired labor program have mounted over the past decade, with scholars and activists raising serious concerns about the certification's efficacy in improving labor conditions. Studies of certified banana plantations in Latin America

TABLE 2. Fairtrade International enterprise categories, standards, and characteristics

	Hired labor enterprises	Small producer enterprises
Definition	Enterprise which rely primarily on hired labor (including medium & large farms, plantations & factories)	Enterprises/cooperatives representing farms relying primarily on household labor
Certification standards	Hired Labor Standards	Small Producer Standards
Type of association	Unions or other worker organization	Agricultural cooperatives
Certified enterprises	223 plantations, 6 factories	977 cooperatives
Total workers/farmers	204,000 workers	1,448,000 farmers
No. of workers/farmers by region ^a	Asia: 98,000 workers Africa: 83,000 workers Latin America: 15,000 workers	Africa: 979,000 farmers Latin America: 333,000 farmers Asia: 155,000 farmers
No. of workers/farmers by key products ^a	Tea: 115,000 workers Flowers: 48,000 workers Bananas: 10,000 workers	Coffee: 844,000 farmers Tea: 230,000 farmers Cocoa: 197,000 farmers

^aFigures do not match totals due to rounding errors and missing data.

Source: Compiled by the author from FTI (2017c).

have raised questions about Fairtrade’s ability to offset transnational corporate power and engage productively with unions (Brown 2013; Frundt 2009). In Asia’s Fairtrade tea plantations, researchers have found persistent patron–client relations, limited seasonal-worker benefits, and a supplanting of local labor laws (Besky 2013; Makita 2012). Studies of African horticultural plantations have questioned Fairtrade’s ability to oversee complex buyer-driven supply chains, bring significant gains, and ensure equal benefits across regions, commodities, and employment categories (Cramer et al. 2014; McEwan and Bek 2009; Nelson and Martin 2015). Echoing critiques raised by unions regarding unfair labor practices on some certified Latin American plantations (COLSIBA 2001, 2009), advocacy groups publicized labor rights violations in Fairtrade’s African plantations (HRW 2011) and Asian factories (ILRF 2009).

In 2010, Fairtrade International established a Workers’ Rights Advisory Council (WRAC) to address these external, as well as long-running internal, concerns regarding Fairtrade’s ability to meet its goals of fostering well-being and empowerment in hired labor arenas.⁵ WRAC included six development/labor NGO, three union, one retailer, and three Fairtrade representatives.⁶ Although several WRAC members had previously advised Fairtrade on labor issues,⁷ this group engaged labor activists for the first time in a formal program review. Reflecting NGO and union member priorities, WRAC’s recommendations focused on enhancing (1) worker participation in certification, (2) living wages, and (3) unionization.⁸ The resulting New Workers’ Rights Strategy was submitted to the Fairtrade board, which approved it without significant modification. As Reynolds (2017) argues, the unabated critiques of existing policies⁹ as well as the board’s new composition—where Producer Networks held equal votes

to National Labeling Initiatives, the historically conservative US representative was gone, and there was now a trade union leader—help explain this somewhat surprising board support.

To operationalize its new strategic commitments, Fairtrade International fundamentally revised its Hired Labor Standards in 2014 for implementation in 2015. I analyze these standards below to reveal the interests they reflect, the priorities they reinforce, and the challenges they overlook.

FAIRTRADE CERTIFICATION AND AUDITING

Fairtrade International presents the new certification criteria in its 57-page “Fairtrade Standard for Hired Labour,” identifying numerous “core requirements” linked to foundational program commitments that are prerequisites for participation (FTI 2014c).¹⁰ These requirements stipulate that firms must support Fairtrade in principle and practice: incorporating this commitment in their mission statements and allocating administrative and worker time to program activities (FTI 2014a). Following a third-party certification model, FLO-Cert audits participating enterprises for adherence to Fairtrade International’s standards. Core standards require that participating enterprises facilitate oversight by granting certifiers access to firm information, owned and subcontracted facilities for scheduled and unscheduled audits, and all workers. FLO-Cert undertakes a physical audit of enterprises prior to certification, on a scheduled annual basis and through unscheduled visits, in each case incorporating document reviews as well as manager, worker organization, and individual worker interviews (FLO-Cert 2017). While these procedures undergird effective certification, they have proved insufficient to guarantee factory compliance (Esbenshade 2016).

Fairtrade acknowledges the limitations of traditional compliance procedures and explicitly supports a beyond-compliance approach in its New Workers’ Rights Strategy, stating:

We want to move beyond the traditional CSR paradigm of social compliance based on standard-setting and auditing. While audits are a tool, Fairtrade’s focus should be to help build the conditions whereby workers have the tools and ability to negotiate their own wages and terms of work. (FTI 2012a:1)

Adopting a central WRAC labor-advocate proposal for increasing worker participation, Fairtrade moves beyond the traditional compliance approach in now requiring that accessibly written annual audit reports be shared with workers (FTI 2014a). This innovation increases workers’ knowledge regarding certification expectations and enterprise compliance, and aligns with a labor-movement view that workers are the ones most able to provide continuous oversight (Anner 2012). Although most Fairtrade stakeholders support further increasing worker engagement in certification (FTI 2013), more detailed guidelines are currently available only for textiles (FTI 2016b).

Fairtrade’s new standards tighten up existing grievance protocols, requiring that procedures be in place prior to certification, with workers represented on grievance committees and engaged in dispute resolution. Complementing the internal complaints system, workers, community members, and other stakeholders can submit complaints directly to FLO-Cert and in the second instance to Fairtrade International. Fairtrade requires that all allegations of noncompliance be investigated, with minor infractions addressed via corrective policies

and major violations via enterprise sanctions and, if unremedied by a specified deadline, decertification (FTI 2017d). Research suggests that engaging workers can strengthen compliance (ITC 2016), but it is hard to judge the effectiveness of Fairtrade's procedures since compliance reports are not public. What Fairtrade standards documents make clear is that while workers are involved in audit interviews, informed about audit results, and integrated into grievance systems, the program continues to rely largely on external oversight, rather than a participatory oversight model (Rodríguez-Garavito 2005).

FAIRTRADE LABOR STANDARDS AND WORKPLACE PROTECTIONS

Fairtrade International has wide-ranging standards “to ensure decent working conditions” (FTI 2014a:4), building on United Nations and International Labour Organization conventions. As noted in Table 3, Fairtrade rules ban unequal treatment based on worker characteristics (including pregnancy and union membership) and abusive management practices (including sexual harassment). These anti-discrimination regulations were fortified in response to findings that women, migrant, and seasonal workers are often disadvantaged in Fairtrade (Nelson and Martin 2015), as in other production arenas (Alkire et al. 2013). Grievance procedures and retribution protocols bolster the rights of all workers, including those of union members, who legitimately fear retaliation in many countries (Anner 2012). Fairtrade's forced and child labor policies further reflect its rights-based commitments. Acknowledging that child labor remains prevalent in many areas of certified production (FTI 2014b), Fairtrade strengthened rules restricting underage workers from entering worse forms of employment.

Fairtrade has extensive hiring, overtime, leave, health, and safety regulations. These stipulate that workers employed over three months have contracts; subcontracted workers perform only non-regular work; and workers know their employment conditions and rights. Rules regarding migrant and seasonal hiring and labor contracting (a common avenue for hiring contingent agricultural workers) have been tightened to address the widespread use of irregular workers in global production (Standing 2014), including Fairtrade (Nelson and Martin 2015). Certification rules specify that workweeks not exceed 48 hours; overtime be voluntary, reasonable, and paid extra; paid annual, maternity, and sick leave exist; and regular and nursing breaks be provided. Except in mandating paid maternity leave, these regulations, which exceed legal protections for agricultural workers in most countries (FAO 2017), remained unchanged. Fairtrade standards address general occupational health and safety concerns (requiring medical officers and exams, health and safety committees, sickness and accident documentation, fire and first aid procedures, and worker training) as well as the specific hazards of chemical-intensive agriculture (detailing protective gear and equipment use, pesticide worker training and rotating, re-entry schedules, and work assignments). Since they surpass legal requirements in most producer countries (ILO 2017), Fairtrade's health and safety standards were largely unmodified (FTI 2014b).

The most important change in Fairtrade's standards promoting decent work involve its new “living wage” protocols. Prior regulations remain that wages and benefits meet legal minimums, collective-bargaining agreements (CBAs), and regional averages; pay be timely and recorded; and deductions legal. Augmented rules stipulate that piece-rate workers earn

TABLE 3. Fairtrade 2014 core labor standards and workplace requirements (new and augmented^a standards in bold)

Discrimination (9 rules)	No discrimination based on race, color, gender, sexual orientation, disability, marital, HIV/AIDs, pregnancy , age, religion, politics, national origin, or union status in hiring or promotion. No verbal or physical abuse or sexual harassment. Sexual harassment policy and training, grievance procedures, and disciplinary policies exist. No punishment for pursuing grievances. Reasons for firing are recorded, noting union membership. All (including temporary and migrant) workers may be elected representatives.
Forced and child labor (6 rules)	No forced, prison, bonded, or mandatory spousal labor. No employment of children under 15 or age defined by law (whichever is higher). Those under 18 prohibited from work that risks health, safety, morals or schooling. Child labor policy supports child rights, and remediation policy ensures that previously employed children do not enter worse jobs.
Wages and benefits (8 rules)	Wages meet collective-bargaining agreement rules, legal minimum or regional average (whichever is higher). Piecework pay equals average wage. If wages and benefits are below Fairtrade living wage benchmark, real wages are increased annually to close the gap (negotiated with worker reps). Pay is regular and recorded. Only legal, collective-bargaining agreement, or worker-approved deductions allowed. Full-time workers receive legal benefits; seasonal workers get equal benefits. Company housing is safe and sanitary. Regular jobs are done by permanent workers with legal written contracts.
Hiring conditions (9 rules)	Temporary workers hired for 3 or more months have written contracts. Contracting of regular temporary workers is direct. Any subcontracting is recorded and used for non-regular work. Workers are aware of their rights, duties, salaries, and schedules and have a copy of their contract. Grievance procedures exist and are known.
Overtime, breaks, and leave (9 rules)	Working hours and overtime meet legal regulations and do not exceed 48 hours per week. There is 1 day off for 6 consecutive worked. Overtime is voluntary, does not exceed 12 hours per week or extend for over 3 months. Overtime pay is provided. Workers get 2 weeks paid annual leave, 8 weeks paid maternity leave , and sick leave. Lunch breaks, work breaks, and breaks for nursing mothers are provided.
Worker and workplace health (10 rules)	Workers receive medical exams every 3 years; those handling chemicals receive free exams yearly. Sicknesses, accidents, and proposed actions are documented. A qualified medical officer and health and safety committee (including workers) meets regularly. Workplaces are safe and clean and have adequate lighting, heating, ventilation, drinking water, toilets, and sinks.
Workplace safety (10 rules)	Workplaces, machinery, and electrical facilities are safe. Health and safety officer and first aid equipment and staff exist. Work accidents and actions are recorded. Health and safety training occurs yearly; information is posted. Those engaged in hazardous

(continued)

TABLE 3. Fairtrade 2014 core labor standards and workplace requirements (new and augmented^a standards in bold) (*continued*)

	work get added training. Adequate fire equipment and escape routes exist; workers receive evacuation training.
Additional protections (6 rules)	Adequate tools and uniforms are provided. Personal protective equipment for those handling hazardous chemicals is provided, used, and properly stored. Pesticide equipment is properly cleaned, serviced, and stored. Spray operators are trained and rotated. Post-spraying re-entry rules are upheld. Youth, pregnant and nursing women, and other vulnerable workers do no dangerous work.

^aFor example moved from guidelines to requirements, or from progress to core standards. Sources: Compiled by author from FTI (2014b, 2014d).

average wages and seasonal/migrant workers receive full benefits. Yet, endorsing WRAC labor-advocacy arguments, Fairtrade acknowledges that these wage requirements cannot ensure a decent living and that prior guidelines meant to promote living wages were ineffective (FTI 2014d). The new standards upgrade living wages to a “requirement,” stating: “If remuneration (wages and benefits) is below living wage benchmarks as established by Fairtrade International, your company **must ensure** that real wages are increased annually to continuously close the gap” (FTI 2014a:23–24, bold text in the original). Following WRAC’s recommendation, regulations specify that worker representatives negotiate annual increases. Yet it is not clear when the living wage must be reached or who is to pay the costs.¹¹ Since there is no accepted living wage definition or rate table,¹² Fairtrade is delineating both. Living wages are defined as “remuneration (wages, other monetary, and in-kind benefits) that is sufficient to cover a decent standard of living for a worker and her/his family, including food, water, housing, education, healthcare, transport, clothing, and unplanned expenses” (FTI 2014d). While far from a complete rate table, Fairtrade has established living wages for workers in key certified products, including South African grapes, Dominican Republic bananas, Malawian tea, Kenyan flowers, and Indian textiles (FTI 2014d, 2016b).

The Fairtrade International standards described above reveal and enact the program’s goal of enhancing worker well-being. Most protocols focus on traditional, yet important, worker protections. Fairtrade’s standards exceed legal requirements in many countries of the Global South; where they duplicate existing laws, they may, like other private standards, be able to bolster enforcement (Amengual and Chirot 2016; Berliner et al. 2015). Certified enterprise managers and workers, as well as other stakeholders, largely supported Fairtrade’s workplace standards revisions, with new grievance procedures receiving particularly widespread backing (FTI 2013). Fairtrade managers’ support for these augmented provisions may derive from their relatively easy compliance and verification and fit with prevailing management models (Renard and Loconto 2013).

Some of the above standards, most importantly Fairtrade’s new living wage requirement, go beyond protecting workers to fueling empowerment, fostering the enabling environment Rodríguez-Garavito (2015) argues is essential for a beyond-compliance approach. As Miller

and Williams (2009) argue, living wages are critical in empowering workers by relieving economic anxieties and bolstering overall human rights. Not surprisingly, Fairtrade workers support living wage provisions more than managers, and among managers it is those in Africa (where wages are lowest) who most strongly oppose new requirements (FTI 2013). Initial reports suggest that reaching living wage benchmarks will require a doubling of prevailing agricultural wages in many countries.¹³ The enormity of this challenge should not be understated, and it helps explain Fairtrade's lack of clear procedures and timetables. Fairtrade standards may be able to fuel progress toward living wages on certified farms. Potentially broadening their impact, living wage benchmarks may also provide workers a framework for negotiating higher wages in non-certified contexts.

FAIRTRADE LABOR RIGHTS AND SOCIAL DEVELOPMENT STANDARDS

Revised Fairtrade International standards support the New Workers' Rights Strategy's endorsement of unions. As the program manual states: "Fairtrade International promotes the rights of freedom of association and collective bargaining as the foundation of ensuring workers' rights, and considers independent and democratic trade unions the best means for achieving this" (FTI 2014a:3). While previous standards required hired labor enterprises to uphold core rights, they now require that firms *promote* labor rights. Table 4 outlines Fairtrade's freedom of association protocols, including prior criteria regarding union worker and workplace access, respect for worker representation, worker organization independence, and representational procedures. Three new tools recommended by WRAC were added to fortify these regulations: a Freedom of Association Protocol signed by management vowing support for workers' right to unionize, unions' workplace access, collective bargaining, and other labor rights; a Right to Unionize Guarantee provided in writing to all workers; and a Fairtrade-designated local labor rights contact available to advise workers. While these information/commitment tools do not ensure freedom of association, they address key barriers to unionization (Compa 2008). As Fairtrade suggests, its Freedom of Association Protocol seeks to overcome the acknowledged resistance to unionization by some certified firms; its Right to Unionize Guarantee and labor contacts seek to address workers' often limited knowledge and anxiety about organizing (FTI 2014b).

Although Fairtrade has always required that workers be democratically organized, prior rules allowed firm-based workers' committees to represent workers in non-unionized sectors. Following WRAC's union-member recommendations, the 2014 standards promote unionization more forcefully, stipulating that non-unionized companies "**must allow** representatives of trade union organizations that represent workers in the sector or region to meet with workers on company premises" prior to certification, and when workers decide not to unionize, workers must (on their own) create a representative body (FTI 2014a:20, bold text in the original). In explaining these revisions, Fairtrade International advances trade unionist arguments made by WRAC members and unions involved in Fairtrade banana plantations (COLSIBA 2009), suggesting that workers' committees may threaten labor rights by fueling management co-optation and a parallel structure that can impede unionization, and that pro-unionization efforts are needed to create an enabling framework fostering labor rights (FTI 2014c).

TABLE 4. Fairtrade 2014 core labor rights and social development standards (new and augmented^a standards in bold)

Freedom of association (9 rules)	<p>Fairtrade FoA Protocol is signed. Written Right to Unionize Guarantee is given to workers. Democratically elected and independent worker representation, preferably a union, exists. No punishment, harassment or discrimination of union members or representatives. Workers' right to join unions is respected. No anti-union discrimination, interference, or obstruction. Workers are given local designated worker rights contact. Union reps have access to meet and communicate with workers freely. Worker representation is supported: reps meet together, with workers, and with management during work hours. Results of meetings with managers are signed and posted.</p>
Collective bargaining (3 rules)	<p>Workers' rights to bargain collectively are respected. Bargaining is in good faith. Sector collective-bargaining agreement is signed and upheld. Where there is no CBA, there is a proactive process to create one, with a coercion review of any non-CBA-covered enterprises.</p>
Fairtrade Premium Committee and management (12 rules)	<p>Legally registered Premium Committee (including democratically elected worker representatives and non-voting management advisors) and Premium Account, which designates workers as sole owners and beneficiaries, exist. Premium payments go directly into account, with worker and manager reps as joint signatories. Committee (meeting regularly during work hours) manages premium funds in accordance with decisions made by workers' general assembly. Committee members and certifier receive all premium records (Fairtrade sales, premium received, meeting minutes). If firm decertified, legally binding agreement allocates all premium funds to projects or workers within 3 months. Multi-estates fully document all premium income, distribution, and plans.</p>
Fairtrade premium use (6 rules)	<p>Premium Committee prepares prioritized funding plan in consultation with workers (taking into account needs of different types of workers) and budget based on expected premium income. Premium plan is approved in workers' general assembly annually. Premium funds are administered responsibly, including assessing risks for all major projects, loans, and investments. Committee monitors activities and provides annual report to workers' general assembly. Premium is used to benefit workers, their families and communities, not to cover regular company costs; 20% of premium can be a cash bonus with union/worker reps' approval.</p>
Capacity building (3 rules)	<p>Worker training provided during work hours on Fairtrade and workers' rights; managers trained regarding Fairtrade rules. Worker reps on Premium Committee receive added training, partly during work hours. Children of all full-time-resident workers have access to primary education.</p>

^aFor example moved from guidelines to requirements, or from progress to core standards. Sources: Compiled by author from FTI (2014b, 2014d).

Fairtrade requires that hired labor enterprises proactively seek a CBA within the first year. Standards mandate that firms uphold workers' rights to bargain collectively, bargain in good faith, and sign sectoral CBAs. What has changed is that when no CBA exists, managers "**must proactively engage** in a process to enter into a collective agreement," negotiating with a recognized union or other worker body (FTI 2014a:21, bold text in the original). Although this mandate is waived when workers decide not to unionize and non-union worker representatives are not legally authorized to bargain, Fairtrade specifies that such cases will be reviewed to identify any "intimidation or coercion" (FTI 2014a:21). In justifying its new proactive CBA measures and policing of waivers, Fairtrade echoes WRAC's report, acknowledging that managers often evade CBAs, which are rare in many sectors of certified production (FTI 2014c).

The Fairtrade Premium Program, funded by buyer fees, supports services for workers, their families, and communities and lays "the foundations for empowerment and development" (FTI 2014a:9).¹⁴ Standards dictate how a Premium Committee (made up of elected worker representatives aided by a few company advisors) is to manage the worker-owned fund. Addressing labor-advocate concerns over potential management interference, new rules strengthen worker control over the premium and bar managers from allocation decisions (FTI 2014c). The Premium Committee proposes projects, convenes an annual Workers' General Assembly to vote on funding priorities, and manages ongoing projects. Regulations stipulate that funds be used to benefit workers and their communities, *not* to subsidize wages or other company costs. Prior standards prohibited direct payments to workers to avoid underwriting company wage bills. Yet 2014 revisions allow workers to vote to disperse 20% of funds (50% if migrant workers, who benefit little from community projects, predominate) as a cash or cash-equivalent (e.g., food box) bonus to all workers. Endorsing the logic of WRAC labor-advocacy members, Fairtrade explains its new standards as supporting workers' right to allocate funds as they see fit (FTI 2014c).

The certification standards outlined above advance Fairtrade's empowerment agenda through individual and collective capacity building, fueling the enabling rights Rodríguez-Garavito (2005) endorses in his "empowered participatory labor regulation" model. One set of standards follows a trade unionist strategy of promoting empowerment through collective labor rights. This approach considers rights of association and collective bargaining as essential in themselves and in strengthening workers' ability to uphold other rights (Anner 2012; Compa 2008; Mosley 2017; Riisgaard 2015). Fairtrade has embraced this view, identifying unions as the most legitimate form of worker representation, requiring proactive support for unionization and CBAs, and introducing new tools supporting unionization. Yet implementation guidelines are lacking in a number of areas, including in outlining union collaboration and identifying local labor rights contacts. Managers of certified enterprises and many workers question Fairtrade's pro-union stance since in many producer countries unions are tied to political parties or have a reputation for usurping power from local workers (FTI 2013:10–12), fears which scholars suggest may be well founded (Anner and Liu 2016). These concerns speak to the challenges in promoting worker empowerment on the ground and the contradictions in privileging unions over other forms of worker representation.

The second set of standards related to Fairtrade's Premium Program moves beyond a focus on labor rights to address broader citizens' rights. Advancing a development empowerment model (Utting 2012), the Premium Program works to foster individual and collective empowerment through education, health, credit, and other services selected by workers to benefit themselves, their families, and their communities. Research finds that premium projects bring important gains, although they cannot compensate for limited public investment in poor communities (Nelson and Pound 2009). Workers acknowledge the Fairtrade premium's importance, and many are concerned that new individual payment rules might undermine collective long-term investments and permit companies to sidestep legal and Fairtrade remuneration obligations (FTI 2013:18). Fairtrade's long-term development efforts are critical, since certification gains are too often fleeting and confined to a few workplaces (Rodríguez-Garavito 2005) and strengthening civil society is essential for upholding rights around the world (Fox 2015).

FAIRTRADE CERTIFICATION IN COMPARATIVE PERSPECTIVE

Comparing Fairtrade International's certification procedure and standards documents with those of other programs highlights their distinctive features, strengths and weaknesses, and implementation challenges. Since Fairtrade operates predominantly in agriculture, but has a growing factory presence, I include in this comparison two social standards systems which span agriculture and manufacturing—the Ethical Trading Initiative (Ethical Trading) and Social Accountability International (Social Accountability)—and two specializing in agriculture—the Rainforest Alliance / Sustainable Agriculture Network (Rainforest) and the Equitable Food Initiative (Equitable Food). Like Fairtrade, these programs are multi-stakeholder initiatives, operate in the Global South, and include multiple agricultural commodities.¹⁵ Yet program distinctions shape their comparability. Most importantly, the very large Ethical Trading has a code of practice but no certification; Rainforest includes social criteria but is primarily an eco-certification; and Equitable Food is very small, food safety focused, and not limited to the Global South (half of certified enterprises are in the US and Canada). Table 5 outlines the selected programs' characteristics, focusing on their governance, oversight systems, and labor standards.

Analyzing program origins and governance structures helps reveal the institutional power of workers and program independence from corporate efforts to weaken labor commitments (Boström and Tamm Hallström 2010). NGOs, unions, and corporations co-founded Ethical Trading and Social Accountability. Although unions are defined as members, workers are not guaranteed board representation, and corporate members often override labor interests (Fransen 2012). Rainforest and Equitable Food were, like Fairtrade, founded by NGOs. While formally independent, Rainforest is subject to influence from transnational corporate donors (Raynolds, Murray, and Heller 2007), and neither workers nor their organizations participate in program governance. In Equitable Food, the balance of union/farmworker organization and corporate representatives on the board helps support worker interests. In Fairtrade, Producer Networks represent workers (and farmers); although unions are stakeholders and have been engaged in recent policy decisions, their place in Fairtrade governance is not guaranteed.

TABLE 5. Comparison of hired labor standard program characteristics

	Agriculture and industry programs			Agriculture programs		
	Fairtrade International	Ethical Trading Initiative	Social Accountability International	Rainforest Alliance / Sustainable Agriculture Network	Equitable Food Initiative	
Size						
Enterprises	229	20,000	4,000	2,000	25	
Workers	204,000	9,800,000	2,074,000	1,000,000	10,000	
Governance						
Founders	NGO	Corp., NGO, and union	Corp., NGO, and union	NGO	Corp., NGO, and union	
Union role	Stakeholder	Member	Member	None	Member	
Worker board representation	Yes, via Producer Networks	No	No	No	Yes, via farm worker organizations	
Monitoring						
Oversight system	Third-party certified	Internal oversight	Third-party certified	Third-party certified	Third-party certified	
Regulatory stringency ^a	Strong	Weak	Strong	Strong	Strong	
Audit shared with workers	Yes	No	No	No	Yes	
Noncompliance Reporting	Internal and external systems	Internal system	Internal system	Internal system	Internal and external systems	
Workers on grievance committee	Yes	No	No	No	Yes	

(continued)

TABLE 5. Comparison of hired labor standard program characteristics (continued)

	Agriculture and industry programs			Agriculture programs		
Employment						
Workplace standards ^b	Strong	Medium	Strong	Medium	Strong	Strong
Living wages	Required annual progress	Not required; guidance	Not required; guidance	Not required; guidance	Not required; guidance	Alt required; 125% legal minimum
Workers' rights						
Approach to workers	Empowering	Protecting	Protecting	Protecting	Protecting	Capability-building
Workers negotiate work	Yes	No	No	No	Yes	Yes
Right-to-organize information	Required	Not required	Required	Not required	Required	Required
Worker representation	Required, preferably unions	Not required				
Development fund	Fairtrade Premium Program	No	No	No	No	No ^c

^aIdentified as strong if noncompliance results in suspension; weak if no suspension system.

^bCalculated using ITC coding of 99 social criteria, with strong = 70-85/99; medium = 55-70/99.

^cA premium program is planned aimed at enhancing wages.

Sources: Compiled by the author from ITC (2017) and program websites, particularly EFI (2015); ETI (2017); RAVSAN (2017); and SAI (2016).

Most programs, like Fairtrade, rely on third-party certification, including audits by an external agency and stringent regulation. The exception, Ethical Trading, has in-house validation visits but no auditing, resulting in weak regulatory stringency (Fransen 2012). While third-party certification helps identify problems, fixing them requires that firms be held accountable (Esbenshade 2012, 2016). Pursuing an important new approach, Equitable Food and Fairtrade enlist workers in maintaining accountability by giving them access to audit information. Effective grievance procedures are critical to accountability. Rainforest and Social Accountability rely on internal grievance procedures, requiring signed allegations and seeking enterprise-level resolution (through committees excluding workers) before engaging certification bodies. This internal bureaucratic approach helps address some issues, like health and safety problems, but rarely resolves labor rights violations, particularly in situations where workers fear retaliation (Anner 2012; Locke 2013). Equitable Food and Fairtrade have internal grievance procedures that incorporate workers, supplemented by external mechanisms for workers, community members, and others to register complaints directly with certification bodies. Equitable Food has an innovative telephone hotline for reporting violations. Fairtrade International and FLO-Cert solicit allegations directly (whether the new labor rights contacts accept complaints is unclear). Robust grievance procedures are necessary, but without effective sanctions and remediation, they are insufficient to maintain accountability. Fairtrade, Social Accountability, Rainforest, and Equitable Food decertify enterprises for major violations, but none use negative publicity to bolster accountability by identifying sanctioned or decertified programs.¹⁶ For less egregious problems, these four programs seek remediation by creating new company policies or training programs, strategies that vary in their effectiveness (Anner 2012; Locke 2013). While Fairtrade and Equitable Food have introduced important innovations, the limitations of the systems used by all five programs support the observation that external oversight “is a blunt tool for implementing workers’ rights” (Williams 2011).

All the programs studied have extensive workplace standards. Yet an analysis of criteria in 99 standard areas (see Table 5, note b) finds that Ethical Trading and Rainforest have less extensive social protocols, including workplace protections, than the other programs.¹⁷ Fairtrade, Social Accountability, and Equitable Food have strong, relatively consistent employment and occupational health and safety standards, substantiating the view that these workplace protections are favored since they are easily monitored and remediated (Berliner et al. 2015). Where Fairtrade and Equitable Food exceed Social Accountability is in protocols addressing the specific needs of women, ethnic-minority, and migrant/seasonal workers. Efforts to address the needs of these workers are commendable, since they are often disadvantaged in private regulatory programs (Barrientos and Smith 2007; Locke, Amengual, and Mangla 2009), yet there are very significant challenges in bringing improvements to workers who are socially and legally marginalized.

Miller and Williams (2009) argue that living wages represent a central arena for moving beyond enhancing worker well-being to advancing labor rights. All the programs studied require paying minimum wages. Equitable Food builds on this benchmark, requiring that wages in the Global South be 1.25 times the legal minimum. This innovative approach may raise the wage floor, but it does not close the gap between minimum and living wages, which

can require wages over twice the legal minimum.¹⁸ Fairtrade is the only program that stipulates annual increases (negotiated by worker representatives) to close the gap between existing wages and living wage targets. Although Ethical Trading, Social Accountability, and (as of 2017) Rainforest reference living wage goals and offer guidance for reaching those targets, paying living wages is not required. The difficulties in making living wages a reality are significant, and providing guidance is likely insufficient. Yet the increasing incorporation of the living wage concept in major standards systems is important, since it bolsters labor rights norms in framing advocacy around decent work (Barrientos, Gereffi, and Rossi 2011; Berliner et al. 2015) and helps legitimate worker demands for higher remuneration (Miller and Williams 2009). Rising acceptance of living wage goals also shows that high-bar programs like Fairtrade can push competing organizations to raise their standards (Ponte and Riisgaard 2011).¹⁹

Ethical Trading, Social Accountability, and Rainforest seek largely to protect rather than to empower workers, as evidenced in their labor rights protocols. These programs do not require that workers negotiate terms of employment. The three initiatives stipulate that freedom of association be respected, although none requires that workers be represented; and of these three, only Social Accountability mandates that workers be advised of their right to organize. This programmatic focus on protecting, rather than empowering, workers is common among standards systems (Barrientos and Smith 2007; Locke 2013), and respecting freedom of association often means overlooking violations (Anner 2012; Esbenshade 2016). Fairtrade and Equitable Food espouse a more robust labor rights approach, requiring respect for associational rights, worker representation in employment negotiations, and that workers be apprised of their right to organize. Although Equitable Food does not require democratic worker organizations, it creates “leadership teams” including managers and elected or appointed worker representatives. This team-based capability-building strategy may help advance food safety and productivity, but it does not offer workers an independent voice or vehicle for collective empowerment. While Equitable Food’s small size may allow it to foster labor rights, if it grows, it will likely face the challenges encountered by larger programs adopting a similar capability approach (Locke 2013).

Of the programs analyzed, only Fairtrade adopts an empowerment approach to workers,²⁰ moving beyond a compliance and capability-building model by requiring progress toward a living wage, democratic workers’ organizations, and a Fairtrade Premium supporting social development. Despite its strong labor rights standards, Fairtrade faces tremendous challenges in fostering worker rights in practice, particularly in the many areas of certified production with fragile trade unions and weak labor regimes (Berliner et al. 2015; Riisgaard 2009). Fairtrade’s approach to fostering empowerment via worker organizations and labor rights, along with social development and citizenship rights, offers important synergies. While labor rights provisions may bring advances to workers within the workplace, the Fairtrade Premium may bolster the well-being and empowerment of broader communities. Enhancing the capacity of local citizens and community groups to pursue and claim their rights is a formidable task (Fox 2015). Yet an increasing body of research (Anner 2012; Appelbaum and Lichtenstein 2016; Barrientos and Smith 2007; Esbenshade 2016; Locke 2013) suggests

that private standards systems are unlikely to make significant gains without complementary support from public regulatory institutions which provide legal protections to workers and citizens more generally.

CONCLUSIONS

This article explains Fairtrade International's hired labor certification system, increasing our understanding of this important program, which is known largely for its small-farmer certification. The study extends Fairtrade scholarship by providing a systematic analysis of the program's large-enterprise certification and 2014 labor standards. My findings contribute to central debates in this literature by challenging assertions that Fairtrade's plantation certification circumvents its equity commitments (Bacon 2010; Jaffee 2012; Renard 2003) and revealing how Fairtrade is working to strengthen its empowerment agenda in hired labor arenas.

The analysis contributes to the broader labor standards literature by situating the case of Fairtrade International within critiques of typical compliance-based labor standards programs (Locke 2013; Locke, Amengual, and Mangla 2009) and proposals regarding the need for voluntary programs to pursue a beyond-compliance empowerment approach rooted in (1) inclusive governance, (2) participatory oversight, and (3) enabling rights (Anner 2012; Barrientos and Smith 2007; Esbenshade 2016; Rodríguez-Garavito 2005). As I demonstrate, Fairtrade International is making important, but incomplete, advances in each area. (1) Workers have an increasing voice in Fairtrade governance, and labor advocates have been pivotal in forging the program's New Workers' Rights Strategy. However, the role of unions and other social groups is not secured, and these stakeholders are unlikely to be able to offset corporate interests if labor rights expectations cut significantly into corporate profits. (2) Fairtrade largely maintains a compliance-based oversight system, using bureaucratic certification and auditing to support conformity. Although new audit report sharing requirements can enhance workers' knowledge of infractions, this does not necessarily increase workers' ability to uphold program expectations. (3) Where Fairtrade shows the greatest strength is in its enabling rights standards. The program has extensive workplace criteria focusing on traditional, but important, worker protections, recently augmented particularly for vulnerable and irregular workers. Fairtrade's living wage requirements represent a key innovation in tackling financial insecurity and empowering workers. New regulations seeking to enhance workers' knowledge, via a Right to Unionize Guarantee and local labor rights contacts, and support unionization uphold a labor-advocacy view that associational rights are essential in themselves and in strengthening workers' ability to uphold other rights. Pursuing a broader development approach to advancing citizens' (as well as labor) rights, the Fairtrade Premium Program offers an important avenue for fostering well-being and empowerment beyond the workplace. I argue that given its incomplete beyond-compliance advances, Fairtrade represents a *worker-enabling compliance* program.

My comparative analysis highlights Fairtrade International's distinctive features and the shared challenges encountered by voluntary programs seeking to improve labor conditions in global agro-export production. This analysis confirms the innovative nature of Fairtrade's new living wage and union requirements and its established Premium Program. The

comparison finds that Fairtrade provides the strongest worker-enabling protocols across governance, oversight, and labor standards areas. Yet other programs also have important strengths. In support of inclusive governance, some programs identify unions as members, offering worker organizations a clearer role than as stakeholders, as in Fairtrade. In enhancing participatory oversight, the Equitable Food Initiative has an anonymous hotline for reporting violations, a promising measure that Fairtrade and others could adopt given increasingly widespread phone access. To expand public accountability, all programs might consider identifying sanctioned and decertified enterprises. In bolstering enabling rights standards, the other programs provide Fairtrade few lessons; but Fairtrade's living wage efforts appear to be encouraging other programs to strengthen their wage expectations.

Although Fairtrade International has introduced important innovations in its labor certification program which fuel beyond-compliance inroads in key domains, Fairtrade, like other voluntary standards programs, faces critical challenges in implementing its standards and realizing its empowerment goals. Despite moves to increase participation in governance and oversight, Fairtrade remains largely a top-down certification that may be better able to inform workers of their rights than to guarantee those rights. Fairtrade's worker-enabling compliance approach diverges significantly from the "empowered participatory labor regulation" envisioned by Rodríguez-Garavito (2005) in its continued reliance on external auditing and compliance. The central question regarding Fairtrade's strategy appears to be whether workers and their allies can harness certification practices to bolster local efforts to ensure labor and citizen rights, particularly in regions of the Global South with weak labor regimes and public institutions.

We need further field-based research to clarify the opportunities and obstacles facing a worker-enabling compliance model. To explain what Fairtrade's new standards mean on the ground, research should explore how program rules are interpreted and enacted and whether certification actually reshapes local labor regimes. This study suggests that Fairtrade certification may be able to shift local labor conditions in two key areas. First, Fairtrade's living wage efforts may provide a strategic avenue for improving wages in its certified enterprises (and potentially in those certified by other programs) and critical benchmarking tools for groups advocating for national minimum-wage increases. Second, Fairtrade's labor rights information and unionization provisions may encourage collective organizing in rural areas where unions are legal but uncommon. By supporting empowerment within and beyond the workplace, voluntary regulations like Fairtrade may be able to augment, even if they cannot replace, mandatory legal protections upholding labor and citizenship rights. ■

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NOTES

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1. "Fairtrade" refers specifically to Fairtrade International's certification, distinguishing it from other efforts calling themselves fair trade.

2. Since Fairtrade treats these enterprises equally, these terms are used interchangeably in program documents and this article.

3. This category is rather ambiguous, since cooperatives include farms of varied size and most farms employ workers. Cramer et al. (2014) criticize Fairtrade's small-farmer hiring practices.

4. Articulated for example in FLO Banana Register internal documents and email exchanges, 1997 to 2000.

5. Latin American Producer Network officials have criticized plantation certification, raising complaints in Fairtrade Annual Forums and private conversations. Fairtrade International staff and Latin American regional representatives have voiced similar concerns to the author.
6. My summation of the New Workers' Rights Strategy development and approval draws on exchanges with two WRAC members (engaged separately between 2010 and 2012) and internal documents, including WRAC's "Recommendations Offered to the Board of Fairtrade International." To maintain confidentiality, I provide no direct quotes.
7. Since the 1990s, WRAC NGO members (like Oxfam, Banana Link, and International Labor Rights Forum) have engaged Fairtrade on labor issues; the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations has provided trade union input on plantation certification.
8. See WRAC labor advocacy and union member arguments for living wages (Miller and Williams 2009), unionization, and mature systems of industrial relations (Miller 2004).
9. See for example Cramer et al. (2014).
10. Fairtrade also has "development" criteria requiring progress over time and "environmental" and "trade" standards not analyzed here.
11. Only textiles has a (six-year) deadline (FTI 2016b).
12. The ILO and UN promote living wages in principle, but provide no practical guidelines. Asian Floor Wages establish factory (but not agricultural) benchmarks.
13. Fairtrade's living wage rate is two to three times Ethiopia's prevailing agricultural wage (Melese 2017); double Malawi's agricultural wage (Anker and Anker 2014); and double Haitian plantation worker wages in the Dominican Republic (Anker and Anker 2013).
14. In 2014 hired labor premium funds totaled US\$ 18 million and were devoted primarily to education, housing and other services (FTI 2016a:70).
15. Not included are eco-certifications with limited social criteria (e.g., IFOAM/organic) and single-commodity programs (e.g., Better Cotton).
16. Esbenshade (2016) outlines this strategy.
17. Recall that Ethical Trading has no certification and Rainforest is primarily an eco-certification.
18. See note 13.
19. Fairtrade collaborates with Rainforest, Social Accountability, Forest Stewardship Council, GoodWeave, and UTZ Certified in living wage discussions (ISEAL Alliance 2013).
20. The Worker Rights Consortium provides an empowerment model in garment certification (Anner 2012; Rodríguez-Garavito 2005).