AGRIBUSINESS, CORPORATE SOCIAL RESPONSIBILITY
AND TRANSNATIONAL LABOUR RELATIONS: A REVIEW

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This paper presents an analytical review of the existing literature in the area of international labour relations and the scope for civil-society action at the transnational level in the agriculture industry. The paper integrates the elements coming from a cross-disciplinary literature on the emerging trends in this regard.

I. INTRODUCTION

The Oxford Dictionary defines agriculture as “the science of practice of farming, including the rearing of crops and animals”. Nevertheless, literature on industrial relations and corporate practices over labour in the agriculture industry appears divided into different segments of producing, processing and distributing farming-related foods production industry. Agribusiness as a generic term appears to comprise the group of industries related to agricultural production and services; in the broad sense the term agribusiness industry seems to be synonymous with food industry, including seeds supply, agrichemicals, farm machinery, distribution, processing, retail and marketing. Nevertheless, critics seem to use the term as an opposite term to family farming, defining agribusiness as corporate farming. This is supported by the clear tendency of vertical integration in agricultural commodities from production to distribution; concentration of power in a few companies; and the traceable impacts through the chain of retailers and consumers on production practices. Furthermore, some agribusinesses are often classified depending on their production; consumption; functionality into other industries (e.g. fibre production).

Transnational industrial relations are the labour-relations strategies which interconnect individuals around labour relations transcending nation-state boundaries, opening the arena of labour relations to non-traditional players, such as non-governmental organisations (NGOs) and other private individuals and collective entities at the global scene beyond the control of national governments.

The idea of labour relations which transcend national legislative regimes and organisational bodies, originates in the nineteenth century through international trade secretariats, international labour mobilisations and organisations, and the establishment of the International Labour Organisation in 1919 (Haworth and Hughes, 1998; Kaufman, 2004). However, the literature review here focuses on transnational labour relations; and, therefore, elements of intergovernmentalism are excluded.

The literature review here reviews the existing scholarly research in the area of transnational labour relations and corporate social responsibility in agricultural production. In the process, the paper attempts to integrate the elements coming from a cross-disciplinary literature in terms of international relations, industrial relations, economics, management, sociology, agriculture, agribusiness, rural and development studies, anthropology, and geography, among others.

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II. TRENDS OVER THE 1990s

Four social movements are directly connected to ethical demands in agricultural production: organic agriculture, integrated agriculture, fair trade and ethical trade (Codron et al., 2005).

Since the 1990s, the global market for agricultural products requires suppliers to comply with incessantly increasing regulated and voluntary standards, imposed within supermarkets’ global value chains (Barrientos and Kritzinger, 2004; Codron et al., 2005; Tallontire and Greenhalgh, 2005). The process of deregulation; the role of the nation-state; the national stimulation to Foreign Direct Investment (FDI); and flexible policy arrangements towards Transnational Corporations (TNC) since the 1980s—affecting decentralisation of collective bargaining which has challenged conventional trade-union strategies and practices — in many ways seem to provide the preamble for the emergence of Corporate Social Responsibility (CSR) in the 1990s, manifested in the proliferating codes of conduct and other voluntary standards to reflect environmental and social commitments. Many of these standards have resulted from civil-society backlash reflecting concerns of social, economic and environmental conditions of production (Dombois, 2003; Jenkins, 2001 and 2002; Maitra, 1997).

Similarly, a broad range of increasing risks associated with the complexity of supply chains prompt companies to introduce strategic, ethical-monitoring mechanisms across their supply chains to protect corporate reputations (Neef, 2004; Teuscher et al., 2006). A clear example of this is the case of the soybeans sub-sector in the 1990s documented by Teuscher et al. (2006). Due to public consumers’ boycotts of genetically modified products, European retailers demanded from their importers products which were free of genetically modified organisms (GMOs). Their demands created the necessity to construct and implement a traceable supply chain to guarantee the absence of GMOs; to develop social and environmental value-added product; and to establish mechanisms to revert revenues to soybean-producer communities.

Patterns of consumption and production of international agro-business brands provide opportunities for alternative production-and-distribution-based social differentiation — through labelling or other insignia which characterise the product’s social qualities, and through gaining positions in niche markets (see Renard, 1999). However, a tendency of sequential transformation from niche markets to mass-markets is observed (see Codron et al., 2005). As an illustration, EurepGAP protocol has become the minimum market-entry requirement for agricultural products to European retailers; and the Ethical Trade Initiative (ETI) Base Code agreed to apply the protocol to all “own brand” products. While manufacturing and apparel industry literature on CSR seems to be focused on human rights and labour rights, the literature on implementation of CSR in agribusiness seems to pay special attention to environmental issues, such as the use of pesticides, impact of agribusiness practices on workers health, and sanity of water (Smith and Feldman, 2004). No unanimity exists on a “corporate financial accountability” homologous regulation of corporate social responsibility (Morrós Ribera, 2003). Persistent polemic discussions on the issue of social accountability and social-auditing instruments developed by MNCs have been based on the fact that these instruments were designed by environmentally and socially hazardous MNCs and sectors (Morrós Ribera, 2003).

Adopting an Integrated Management System (IMS) such as SA8000, ETI Base, Global Reporting Initiative (GRI), OHSAS18001, EurepGAP, Sustainable Agriculture Initiative (SAI) programme, in the corporate context rather than several management systems has been associated with costs and time reduction and also with societal tendencies towards international standardisation (Oskarsson and Malmborg, 2005, pp. 121–122).

The effects of social labelling can be assessed from apparently antagonistic positions. On one hand, social labelling helps to build intra-organisational consensus and partnerships, which may improve working conditions; may help to raise funds for specific programmes; may develop
compliance to labour legislation; and may cause industries to adopt codes of conduct (Taylor and Scharlin, 2004; Urmsinsky, 2001). On other hand, social labelling can have adverse impacts, such as financial difficulties for producers (and as a consequence job losses), legal incompatibilities with national labour law, higher prices and lower market penetration, inconsistency with anti-competence national law and international trade law and truth in advertisement law (Urmsinsky, 2001). Some authors suggest that labelling programmes tend to be lacking in transparency in the verification process; discriminate against producers in developing countries whose due financial constraints are unable to finance a labelling strategy; and promote foreign intervention in national standards settings (Stichele et al., 2005; Urmsinsky, 2001).

III. CODES OF CONDUCT AS TRANSNATIONAL REGULATION

The development or adoption of codes of conduct in agribusiness is associated with branded companies, usually with high public profiles (Smith and Feldman, 2005; Jenkins, 2002; Tallontire and Greenhalgh, 2005). The literature infers that both codes of conduct and social labels appear to stimulate social concerns among consumers, and can provide financial market-based incentives to producers to improve labour conditions in niche markets (Stichele et al., 2005; Taylor and Scharlin, 2004; Urmsinsky, 2001).

The striking growth of voluntary corporate codes of conduct dealing with labour conditions is attributed by Jenkins et al. (2002) to a global tendency to corporate self-regulation in areas such as labour and environmental standards and human rights, which were historically government-regulated. Several arguments explain the proliferation of corporate codes of conduct, mostly associated with public relations (PR) strategies, consequently the role of marketing in labour, social and environmental relations. The overall explanation given by Jenkins et al. (2002) to explain the growth in numbers and importance of corporate codes of conduct is that they are responses of MNCs in order to defend their reputation from consumer and political pressures, from both trade unions and NGOs. They are also attempts to legitimise their globalising production practices by internationally accepted labour standards. The literature highlights the increased reflection and direct reference to ILO Core Labour Standards in codes of conduct in agribusiness industry (Hammer, 2005; Smith and Feldman, 2005). Through the literature, one observes the complexity of corporate social responsibility governance that has been developed through multi-lateral instruments such as ILO Tripartite Declaration, the UN Global Compact and the OECD Guidelines on Multinational Companies, together with the codes of conduct (Hammer, 2005). Variables in codes’ content in agribusinesses were found in areas such as minimum working age (which could vary between age 14 to age 18). In cases of provisions for the allowance of child labour on farms under specific circumstances, rigorous management is taken to ensure protection against the dangers of hazardous activities (Smith and Feldman, 2005).

The literature shows that voluntary codes are developed and implemented to respond to market incentives, and the commitments implied in them have no legal or regulatory obligation to be accomplished. Nevertheless, arguments justify codes of conduct as mechanisms which engage and encourage suppliers to act coherently with set internationally accepted social standards (Arts, 2002; Becker-Olsen and Cudmore, 2006; Bredgaard, 2004; Cardozo Brum, 2003; Chambron, 1999; Hammer, 2005; Nelson, 2002; Riisgaard, 2004; Sheller, 2005; Taylor and Scharlin, 2004); therefore, development and implementation of codes of conduct is associated with the competitiveness discourse (Chamorro and Bañagil, 2006; Clark, 2000; Davis, 1973 and 1980; Levy, 1999; Maignan and Ferrell, 2003; McWilliams and Siegel, 2000; Swift and Zadek, 2002; Tallontire and Greenhalgh, 2005; Teuscher et al., 2006) since it provides market incentives.

Comprehensive labour issues embraced in codes of conduct often reflect the nature of publicised labour problems. For instance, Urmsinsky (2001) was focussed on core labour standards
(forced and child labour, employment discrimination, freedom of association and collective bargaining, wages and occupational health and safety). He found that 33 per cent of the sampled codes of conduct addressed freedom of association and/or collective bargaining, in contrast to 70 per cent covering employment discrimination. Additionally, he found that 51 per cent of the 258 codes formulated commitments related to wage levels. Health and occupational safety appear to be the most frequent labour issues to be included in codes of conduct. Seventy-one per cent of the revised codes contents referred to health and occupational safety. Furthermore, the involvement of NGOs and trade unions in developing the codes of conduct increases the likelihood of including freedom of association and/or collective bargaining (Urminsky, 2001).

The influence of the involvement of trade unions and other NGOs in the development of codes of conduct has increased the likelihood of the inclusion of social and community goals’ involvement in business (Jenkins, 2001; Nelson, 2002; Riisgaard, 2004 and 2005; Schmidt, 2004; Urminsky, 2001). Urminsky (2001) reveals that 27 per cent of the sampled codes included provisions for community involvement. Overall, codes of conduct research has concluded that labour-practices benchmarked in the codes of conduct reflect ad hoc negotiations in the interested parties which were involved in the codes’ development.

Global networks of codes of conduct both at company and sectoral level “could counteract the competitive ‘race to the bottom’ tactics, and lock key suppliers into a commitment to raise rather than lower labour standards” (Jenkins et al., 2002, p.6). Nevertheless, it is questioned if the universalistic and generalised approach assumed by corporate codes of conduct — proposing particularisation of codes based on the complexity of supply chains, considerations of specific contexts — definitively increases the inclusion and representation of those the codes are supposed to represent.

Corporate codes of conduct are also presented in the literature review as highly controversial for brand-based activism, due to the non-legally-enforceable set of ‘good intentions’ administered by public relations departments which accompany the denial that abuses exist at some corporations’ production sites. Klein (2001) describes a case outside the agriculture sector, exposing how Shell, in 1999, adopted a code of conduct without enforcing and monitoring the strategies put into place, which raised the distrust in corporate codes of conduct and gave arguments to anti-corporate campaigners to ratify the lack of commitment and responsibility of production practices of multinational corporations.

Codes of conduct can be studied from the perspective of their implementation and monitoring, projecting industry trends and identifying relationships between international labour standards and codes of conduct (Hammer, 2005; Stüchele et al., 2005; Urminsky, 2001). It is found that consumer goods industries tend to be more conducive to code development.6

The literature identifies that despite the fact that corporate codes of conduct have been associated with improvement of workers’ pay and working conditions, they could maximise their impact linked to other campaigns and initiatives. The literature suggests that corporate codes of conduct, in the absence of universally agreed commitments to the demands and needs of labour, represent a pivotal framework for workplace justice and for a broadened commitment to responsibility beyond the production place (Jenkins et al., 2002; Teuscher et al., 2006). Even though codes of conduct alone do not improve working conditions, they should be understood as part of supply chain management systems, which help companies to reduce inherent risks in global supply chains through the implementation of communication and intermediation strategies, third party involvement, the use of broadly recognised standards and establishment of accountable partnerships. Teuscher et al. (2006) see sustainable supply chain management (SSCM) as risk-oriented mechanisms that handle all internal and external financial, social and environmental risks along the chain.
Jenkins (2001) identifies scope and coverage variability amongst codes and classifies them into five main types: company codes, trade association codes, multi-stakeholders codes (MSC), model codes and inter-governmental codes (IGC).

There are several studies on codes of conduct in agriculture from a feminist perspective. The findings from these approaches tend be unanimous, showing that gender perspective approaches have found that codes of conduct in the agriculture sector do not always reflect gender-specific needs (Barrientos et al., 2004a and 2004b; D’Amato, 2005; Pearson and Seyfang, 2002; Prieto et al., 2002; Talcott, 2003; Tallontire & Greenhalgh, 2005). Findings also identify the need for local participatory social auditing as an alternative to uncover marginalised workers grievances with a gender focus (Auret & Barrientos, 2004; Hale and Opondon, 2005; Prieto et al., 2004).

The term “social labelling” implies a physical label as a method of information to expose the social, environmental and/or labour conditions that a certain good or service was produced under (Urminsky, 2001). The issues covered by a social label depend on the activity and the sector covered by the label. Social labels have their rationale in consumers, media and civil campaigns of affluent consumers in developed countries and producers in developing countries, and in consumers’ belief that their buying practices as political acts can change market patterns. Social labels demand a costly infrastructure comprising administration, consumers outreach, publicity, monitoring and verification management, which is passed in some cases to the consumer in the form of mark-ups (Stichele et al., 2005; Urminsky, 2001). In the cost involved in social labelling, just a small percentage of the profit is distributed back to the local producers to cover the programmes that justified the social labelling (D’Amato, 2005; Urminsky, 2001). Due to the commercialised characteristics of certifications, monitoring and labelling initiatives, consumers have raised transparency concerns, and increasing flower-production costs have been connected to these initiatives. A micro-macro understanding of the socio-economic and cultural conditions and of the political debate over where production takes place will help to understand the specific nature of local labour relations and avoid inaccurate generalisations (D’Amato, 2005).

Originally, social labels were created for non-labour issues; however, due to the involvement of trade unions in social labels, labour issues have been added to the labelling agenda, and the development of social auditing had positioned the right to collective bargaining and freedom of association as “the Holy Grail of social auditing” (Hunter and Urminsky, 2003:52). Licensing is another means of social labelling. The process of licensing consists of a registration given to producers who accomplish the social label criteria. However, social auditing, reporting and management systems of sourcing management are presented as technical solutions to political problems, without addressing the power imbalance presented across the sourcing relationships (Urminsky, 2001).

The cut-flower sub-sector, among other agricultural sub-sectors, was the target of European activists and trade unions in the north during the 1990s, thereby exposing the environmental, labour and social conditions of the production of flowers. The main criticisms are the employment of child labour, workers exposure to pesticides, and union repression. As a result of these social backlashes, several responses materialized. One of the international responses was the development of the Flower Label Programme (FLP) developed by the German Flower Wholesale and Import Trade Association (BGI) with early involvement from trade unions. The International Code of Conduct (ICC) for the Production of Cut Flowers was launched in August 1998, and it was developed jointly by trade unions and NGOs. The cut flowers’ ICC includes ten fundamental principles: freedom of association and collective bargaining, equality of treatment, living wages, working hours, health and safety, pesticides and chemicals, security of employment, protection of the environment, child labour, and non forced labour. Also, flower producers in less developed countries (LDCs) have developed national codes of conduct which reflect locally the international
market’s suggested standards, such as the Kenya Flowers Council (KFC) and the Colombian Florverde.7

While in the 1990s most codes of conduct in the horticulture (including floriculture) sector were primarily developed by civil society or by individual companies as model codes, at the end of the 1990s independent stakeholders such as Ethical Trade Initiative’s Base Code and Social Accountability International’s SA8000 were developed based on the experience of civil society and individual companies (Tallontire and Greenhalgh, 2005).

Although the majority of the labour force in the cut-flower industry is female, the existing literature found that codes of conduct in the cut-flower industry do not always reflect gender-specific needs (D’Amato, 2005; Talcott, 2003; Tallontire et al., 2005). Special emphasis was found to be needed for local participatory social auditing (PSA) as an alternative to uncover marginalised workers — such as women and temporary workers grievances — and to gain an understanding of the local realities which have been silenced due to the proliferation of codes of conduct in the global cut-flower industry (Hale and Opondon, 2005).

The European sugar sector’s social partners comprising 56 companies and 143 factories agreed to sign an industry-based code of conduct in February 2003 so as to become effective from January 2004 and set standards in human rights, education and training, health and safety, the relationship between social partners, fair pay, working conditions, restructuring, business relations and choice of suppliers (see Harper, 2003).

IV. FAIR TRADE

Although, “fair trade” lacks a universally accepted definition (see McDonagh, 2002), principles in fair-trade organisations seem to imply forms of trading partnership in which payment to producers truly reflects their work. The literature shows that alternative trade initiatives, such as fair trade, aim to use the market to transform the market (Taylor, 2005), creating bonds between consumers and producers and “challenging the impersonal capitalist market relations that foster the exploitative practices characteristic of the current global agro-food system” (Murray and Raynolds, 2000, p.65). It is suggested, that the challenge for fair-trade is been able to operate in the mainstream market without the conventional market’ logic, practices and dominant actors, in order to achieve its objectives of social justice (Taylor, 2005).

Trade unions working in the tea and banana sub-sectors in plantations, packing, distribution and retail see fair-trade labelling as a strategy to strengthen workers in the agriculture sector (Stichele et al., 2005; Urminsky, 2001). Under a fair-trade system, obligations tend to extend responsibilities over working conditions to importers, exporters and retailers, thereby making indirect contributions to improving working conditions in developing countries (Urminsky, 2001).

Another form of CSR is socially responsible investment® (SRI), and it is defined as the investment-related decisions that seek social change while maintaining economic returns. Socially responsible investment can be classified into screening of investment funds and shareholder initiatives. Screening of investment funds consists of stock investment or disinvestment on publicly traded companies from investment portfolios based on the social performance of a company. Shareholders’ initiatives are shared ownships aiming to influence a company’s social behaviour through mechanisms such as voting and submitting shareholders’ resolutions, raising concerns at shareholders’ annual meeting and attempting to reach agreements with management. The literature suggests that the impact of socially responsible investment in labour beyond anecdotal evidence remains inconclusive, unspecific and lacks standardisation (Urminsky, 2001). Nevertheless, the literature has exposed that companies with international outsourcing have experienced labour-issues-related interventions by shareholder activism. Socially responsible investors tend to be located in public retirement and pensions funds, religious groups and
Since the year 2000, British pension funds “requires pension fund trustees to disclose their policies on socially responsible investment, including shareholder activism” (SRI World Group, 2000), a scenario which might be stimuli for further discussions over responsible investment.

V. TRANSNATIONAL SOCIAL PARTNERSHIPS AND INTERNATIONAL FRAMEWORK AGREEMENTS

Since the 1990s partnerships between agencies with antagonistic relationships have gained popularity between business and NGOs (Arts, 2002). Corporations, in order to safeguard their social and environmental reputations, are moving towards traceable, supply management based, accountable partnerships (Neef, 2004; Taylor and Scharlin, 2004; Teuscher et al., 2006). Teuscher et al. (2006) identify measures such as stakeholder engagement, joint planning, mechanisms for price setting along the chain, use of systematic partner evaluation tools and periodic workshops between partners, which may reduce partnership risks.

International Framework Agreements (IFAs) are accords negotiated between Multinational Companies (MNCs) and Global Union Federations (GUFs) concerning their international activities on minimum labour standards, such as the freedom of association and the right of collective bargaining (see Riisgaard, 2005).

The IFAs must contain the following points: (a) conventions must be referred to the ILO; (b) the inclusion of provision of the MNC to influence its suppliers, contractors, subcontractors and licensees to ensure the accorded standards are implemented through the supply chain; (c) a provision for trade union involvement in the implementation and monitoring; and (d) a signatory right to the global union, regional or national union structure to rise against the MNC-alleged infringement of the signed agreement (Graham and Bibby, 2002; Hammer, 2005; Nilsson, 2002).

The first IFA was signed between the French-based MNC, Danone (former BSN Group) and the IUF (International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers’ Associations) in 1989 based on information on the understanding of the company’s economic and social development, and in 1994 an agreement was signed in respect of trade union rights which involved ILO Convention Number 87 on Freedom of Association and Protection of the Right to Organise; ILO Convention Number 98 on Right to Organise and Collective Bargaining Convention, and ILO Convention Number 135 on Workers’ Representatives Convention (Graham and Bibby, 2002; Hammer, 2005; IUF, 2001; Riisgaard, 2004, 2005; Schmidt, 2004).

The increase of IFAs is attributed in the literature to the failure of social dialogue in Global Multilateral Institutions such as the International Labour Office (ILO), the World Trade Organisation (WTO), the World Bank and the International Monetary Fund (IMF) (see Hammer, 2005). Hammer compares this with a similar phenomenon which occurred in the 1960s with the World Works Council. Hammer maintains that the World Works Councils were an approach of trade unionism emanating from the North American labour movement as a strategy to balance the power of MNCs through social dialogue in multilateral global institutions, whereas the IFAs emerged from the European Works Councils.

Hammer (2005) claims that IFAs constitute platforms for international labour relations since IFAs legitimise GUFs (Global Union Federations) as bargaining partners. He argues that even though IFAs are voluntary agreements, not legally binding as corporate codes of conduct, they contain obligations which are monitored by labour, and they impose responsibilities on MNCs over minimum labour standards in foreign operations beyond national boundaries. He adds that the potential of IFAs to raise minimum labour standards of MNCs is vast, and its complexity requires a systematic involvement from negotiation, implementation and monitoring, at all levels of the labour movement. There is differentiation of the nature of IFAs depending on their scope.
either in buyer-driven supply chains (which function as rights agreements), or in producer-driven chains which function more as “bargaining” agreements.

The literature identifies that the agreement signed on June 14, 2001 between COLSIBA (Latin-American Coordination of Banana Workers Unions), IUF (International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers’ Associations) and Chiquita Brands International argues that international agreements between MNCs and trade unions have potential benefits to ameliorate workers’ rights violations across geographical and political boundaries. These agreements can also develop unions’ levels of sophistication and diversify their responses to the challenges of the new globalization (Riisgaard, 2004 and 2005).

The IUF/COLSIBA and Chiquita Brands International Inc. agreement includes the ILO Convention Number 29 on Force Labour, ILO Convention Number 87 on Freedom of Association and Protection of the Right to Organise; ILO Convention Number 98 on Right to Organise and Collective Bargaining; ILO Convention Number 100 on Equal Remuneration; ILO Convention Number 105 on Abolition of Forced Labour; ILO Convention Number 111 on Discrimination in Employment and Occupation; ILO Convention Number 135 on Workers’ Representatives Convention; ILO Convention Number 138 on Minimum Age Convention; and ILO Convention Number 182 on Worst Forms of Child Labour Convention (IUF, 2001; Hammer, 2005). Apart from referring to these ILO conventions, the IFA between IUF/COLSIBA and Chiquita also regulates information, consultation and training plans in the case of restructuring (Hammer, 2005).

Riisgaard (2004) did empirical research (61 semi-structured interviews in Costa Rica, Guatemala, Honduras and Nicaragua with banana workers, union members and Chiquita representatives) to describe the IUF/COLSIBA and Chiquita Brands International Inc. agreement and evaluate its implications. The implementation of the IFA between IUF/COLSIBA and Chiquita required a transatlantic coordinated strategy of capital-access control over the retail market through consumers and investors, rather than a control of capital through labour (see Riisgaard, 2004 and 2005). The IUF/COLSIBA innovative strategy was developed through regional cooperation to campaign against Chiquita Brands through solidarity groups in the European and United States markets targeting consumers and supermarket chains. Tesco and Alda in the United Kingdom demanded that Chiquita Brands address the claims related to pesticides and trade unions’ rights (Riisgaard, 2004).

The campaign-planning meeting took place in August 1998 and the campaign focussed on the right of workers to organise and the right for collective agreements and environmental protection (Riisgaard, 2004). The partners in the campaigns were COLSIBA in Latin America, US/LEAP (US/Labour Education in the Americas Project) in the United States and EUROBAN (European Banana Action Network) in Europe (ibid.). The campaign’s main strategies for disseminating information were public demonstration at supermarkets which sold Chiquita bananas, letters to Chiquita Brands and press conferences held by organisers (ibid.). In November 1998, Chiquita initiated meetings with COLSIBA; however, Chiquita refused a regional agreement. In 2001, after six months of meetings and negotiations with IUF, the “IUF/COLSIBA and Chiquita agreement on freedom of association, minimum labour standards and employment in Latin American banana operations” was signed in Geneva and this was witnessed by Juan Somavia, the ILO’s Director General; Ron Oswald, General Secretary of the IUF; German Zepeda, Coordinator of COLSIBA; and Steve Warshaw, President and Chief Operating Officer of Chiquita Brands International Inc. (IUF, 2001). The agreement between COLSIBA/IUF and Chiquita Brands was the first IFA in agriculture and requires suppliers, contract growers and joint venture partners to comply with the accord (Broughton, 2001; Riisgaard, 2004). Riisgaard (2004) found that at the time she performed her study the agreement was poorly communicated.
to workers and both dissemination strategies and coverage varied among countries depending mostly on the local unions initiatives.

NGOs are increasingly covering areas which historically have been the focus of labour movements. Gallin (1999) quoted in Riisgaard (2004) shows that the overlapping between trade unions and NGOs over workers rights simultaneously causes a conflicting and cooperative relationship, which requires a mutual understanding and acceptance of workers as human beings, of workers’ rights as human rights, and of workers’ rights as union rights. NGOs can be trade-union allied; however, they can work against labour’s interests, undermining local unions (Justice, 2003; Riisgaard, 2005).

Riisgaard (2004 and 2005) presents a case-study-based demonstration of NGOs’ and trade unions’ successful cooperation on corporate campaigns on workers’ rights advocacy, and NGO support for union-organising efforts in Honduras and Colombia. Nevertheless Riisgaard (2004 and 2005) shows that the trade unions under-use the agreement, attributable to the lack of experience in inter-union cooperation justifiable by political differences; the distrust towards the agreement due to the long Chiquita history of labour exploitation in Latin America; and the resistance to changes towards union-employer cooperation by some traditional unions.

Cross-border cooperation between unions seems to have been difficult and fragile, since too often workers remain divided among themselves due to their individual self-interests, language differences and national cultures, which are reflected in the limitations on establishing common specific strategies and lack of adherence to generalised commitments (Taylor, 1999). Despite the traditional low priority of unions to international activities, an increase in intra-regional, developing country, cross-border union organising, cooperation and collective bargaining by European and US labour unions has been observed since the 1980s (Burgoon and Jacoby, 2004). Although this tendency is associated with unions’ international experimentation as a path for economic justice, an uncertain future is associated with a fragile internationalism (Burgoon and Jacoby, 2004). Labour internationalism seems to reflect the interaction between national and international political settings and patterns of economic globalisation.

Riisgaard (2004) found that plantations owned by suppliers present worse labour conditions than those owned by Chiquita. It is suggested that a need exists to address the issue of stopping cheap supply of non-union bananas, in order to prevent a larger undermining of the bargaining position of unionised workers. It is also suggested that voluntary initiatives represent business and/or NGO interests presenting IFAs (International Framework Agreements) as alternatives to overcome the issue of workers’ representation.

Another global agreement in agricultural production was the global agreement against child labour in chocolate and cocoa. On November 30, 2001, a global agreement in the chocolate and cocoa sector was signed by the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers’ Associations (IUF), the US Chocolate Manufacturers’ Association, the Cocoa Association of London, the Cocoa Merchants’ Association of America, the European Cocoa Association, CAOBISCO, the International Cocoa Organisation, the Child Labor Coalition, Free the Slaves and the US National Consumers League Against Child Labour (Broughton, 2002).

VI. CONCLUDING OBSERVATIONS
First of all, the literature on agribusiness, CSR and transnational labour relations can be assessed from a quasi-evolutionary perspective, whereby the available literature can be classified into non-sequential stages of CSR development.

A trend is observed, especially in business literature, to look at corporate social responsibility as risk-management strategy. This can be linked to academic empirical evidence, with a
significant number of mechanisms established in the 1990s by supermarkets and other food retailers in the north in order to reduce their vulnerability associated with consumers’ and other stakeholders’ (civil society) concerns on social, labour and environmental issues, and as a consequence to develop market-entry requirements associated with CSR, such as European Union regulations on environmental and food safety.

A second track of the literature on CSR and labour issues in agriculture is associated with a second stage of CSR development. Generally, there is the recognition of different forms of capital (such as human and social capital) across the value chain, expressed in the form of agricultural goods with value added in terms of ethical quality and partnership developments. The policy-making literature provides positive feedback on the implementation of voluntary mechanisms, and responsibility over the chain’s governance and attempts at regulatory mechanisms.

A third track of the literature on CSR and labour in agriculture reflects a third stage of CSR-development by way of scepticism and uncertainty, as the value chains are increasingly fragmented making it difficult to differentiate between producer-driven chains and buyer-driven chains. Agriculture is seen in terms of its functionality in relation to the retail industry, and the governance over the value chain seems to be avoided.

Notes
1. Private voluntary basic standards for organic production were established by the International Federation of Organic Agriculture Movements (IFOAM); and guidelines for the production, processing, marketing and labelling of organic foods was established by the FAO/WHO Codex Alimentarius Committee.
2. EUREP GAP began as an initiative of Euro-Retailer Produce (EUREP) Working Group in 1997, aiming to develop a global certification on Good Agricultural Practices (GAP), after food safety crises such as the mad cow disease (BSE) outbreak in 1996, the use of pesticides, and the progressive introduction of GMOs, raised concerns amongst consumers of the conditions food production (www.EurepGAP.org).
3. The goal of ETI is to ensure that UK-consumed goods were produced according to internationally recognised labour standards. Six of the UK’s largest supermarkets: Tesco, Sommerfield, Marks & Spencer, J Sainsbury, The Co-op and ASDA are members of the ETI.
4. The Social Accountability 8000 was promoted by Levis-Strauss & Co. as a response to public accusations in 1991 of exploitative labour practices towards the female labour force, in order to recover its public reputation (Morrós Ribera, 2003). Social Accountability International (SAI) developed the standard, and it focused primarily in producers and suppliers. Although the main certifications of SA 8000 are in in manufacturing and production, SA 8000 is also used in agriculture (25 of the 655 SA 8000 certifications until March 2005 were in agriculture) (Stuchele et al., 2005). SA 8000 is based on the Human Rights Declaration and the fundamental International Labour Organization labour rights.
5. The SAI Platform is an industry based approach which counts on the participation of major TNC in the agriculture sector, aiming to investigate sustainability issues of specific crops (www.saiplattorf.org).
6. Urminsky’s (2001) research (258 codes of conduct) found that the leather and footwear industries alone account for 24 per cent of the industry-distribution of codes, whereas the food and drink industry account for 10 per cent. However, no evidence is made specifically for codes of conduct in the agricultural production.
7. Florverde is a self-regulated code of conduct developed by the Colombian Flowers Exporters–Asocolflores (Talcott, 2003).
8. Socially responsible investment has its roots in the late-eighteenth century in the United States-based religious group decision not to invest in companies engaged in alcohol, gambling and tobacco (Urminsky, 2001)

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