What organic and Fair Trade labels do not tell us: towards a place-based understanding of certification

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Abstract

Certified organic and Fair Trade food products are making their way into the mainstream among Western consumers and, as such, are increasingly viewed as sustainable and preferable alternatives to the conventional food system, with its many negative social and environmental externalities. Two case studies discussed in this paper indicate, however, that operationalizing the goals for organic and Fair Trade food via certification can be a complex and difficult process. Specifically, the implementation of certification creates a disconnect between expectations raised by labels and the 'lived experience' of small farmers. In the case of small farmers in Mexico growing certified organic tomatoes and herbs, certification exacerbated socio-economic inequality and disrupted local social norms by creating a hyperfocus on surveillance. In the case of small farmers in the Dominican Republic growing Fair Trade bananas, the certification process prioritized the demands of the market to such a degree that the farmers were largely unaware that they were participating in anything 'alternative', and it simultaneously reinforced socio-economic inequalities within the communities. These findings suggest that if the appeal of certified labels rests on the integrity of what the label represents to consumers, then such consumer movements would benefit from a more robust analysis of how certification intersects with and affects local spaces, cultures and communities at the point of production.

Keywords Agriculture, certification, Dominican Republic, Fair Trade, Mexico, organic.

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Introduction

While standing in line at the Berkeley Bowl, a locally owned natural foods and produce market in Berkeley, CA, a woman in front of us was paying for the items in her basket, which included two bunches of bananas. After she paid for her items, she looked at her receipt and asked the cashier if he had charged her the correct prices for each bunch of bananas – the 'organic' one and the 'Fair Trade' one. We were struck by the intentionality of her purchase and her awareness of the (albeit relatively small) price differential between the two types of certified bananas. Although we did not stop to ask her what the respective certified labels meant to her, her actions and demeanour indicated a sense of expectation about what the labels, and the price premiums she was paying for them, represented about the environmental and social conditions under which those bananas ended up in her shopping basket.

Our experience at the Berkeley Bowl demonstrates how labels can entice consumers with the idea that what they are buying and eating is somehow 'better', not only for themselves, but also for all players in the food chain. In this paper, we examine more closely the promise made to consumers by certified labels by exploring the experiences of small farmers under two certification regimes: certified organic and certified Fair Trade.

While acknowledging the many *products* or benefits of third-party certification for small farmers, we focus specifically on the often-overlooked experience of production in two farming communities – one in Mexico and the other in the Dominican Republic. By highlighting the tensions inherent in certification work at the point of production, we suggest that the hyperfocus on growing the *consumption* node in alternative food chains can enable a neglect of efforts to ensure that the social, economic and political relations of *production*

live up to the promise driving the growth in these markets. Broadly, we question the ability of consumption-driven movements to enable small farmers to 'trade on their own terms' (Mutersbaugh, 2002, p. 1181).

Benefits and costs of third-party certification

Third-party certification systems in agriculture have proliferated over the last two decades, with certification viewed by many in the sustainable agriculture movement as a successful way to codify and garner rents from more sustainable production practices. As a market-based approach, third-party certification is premised on the fact that relatively wealthy *consumers* in first-world countries can be convinced to pay more for a product that is produced in ways that reflect their values (see Levi and Linton, 2003; Hatanaka *et al*., 2005; Bartley, 2003; Gereffi *et al.*, 2001). To ensure the credibility and legitimacy of the certified label, a particular firm or industry must adopt a certain set of standards, rules, and monitoring and compliance methods. In this paper, we discuss some of the ways the need for strict and enforceable standards, verification, monitoring and auditing is experienced at the point of production.

Much of the literature focuses on certification's benefits of providing access to niche and mainstream markets, generating higher prices and promoting environmental sustainability, among other benefits. Few scholars have questioned the extent to which third-party certification affects nonmaterial ends for farmers in these 'value chains'. The critiques that do exist have primarily been levelled on other fronts. For example, some (Whatmore and Thorne, 1997; Rice, 2001) have challenged the argument that alternative trade networks promote sustainable alternatives to the modern agrofood system, while others (Allen and Kovach, 2000; Raynolds, 2000; Shreck, 2002a) have highlighted the limits to using a market-driven strategy to bring about fundamental change in the agrofood system.

Despite much analysis of third-party certification, little is known about how certification is enabled or enacted at the point of production. The insights of those few who have explored some of the political and social effects of certification at the point of production are worthy of further examination. In his research on certification practices within the organic coffee industry in Oaxaca, Mexico, Mutersbaugh (2002) finds that farmers and workers must adhere to myriad rules within organics' regulatory framework, which require an ' "audit" trail that stretches from farmstead to retail store bin and encompasses every way station en route' (p. 1168). He shows how the monitoring systems that are part of certification at times disrupted 'local governance and economic management within producer organizations and villages' (p. 1166) and created intravillage tensions that had not existed prior to the regulatory system imposed by organic certification. And he questions the extent to which such producers actually ' "trade on their own terms" within alternative-food networks' (p. 1181).

O'Rourke's (2003) research on social certification practices in the industrial sector also examines some of the more practical impacts and overlooked costs of non-governmental regulation and third-party certification. For social certification, the worry is that such certification will supplant local union organizing efforts. O'Rourke's (2003, p. 3) also alludes to critiques that characterize social certification as a 'corrupt attempt to free industry from the last vestiges of state regulation and union organizing' thus reinforcing and empowering the market model within which it operates.

In a similar vein, Frank (2003) suggests that while 'ethical' purchasing and consumption in alternative food chains ostensibly represents a consumer–worker (or consumer–small farmer) alliance, it is also important to ask if these alternative supply chains actually work to empower workers/small farmers to 'achieve control over their own economic lives and communities' (p. 365). Frank's analysis inspires our own, in which we ask if the representational 'work' done by the certified label itself truly reflects conditions at the point of production. If engaging consumers is as much about convincing them to consume the product as about involving them in the consumption of the 'label discourse' (Goodman and Goodman, 2001, pp. 111–112), then this question stands to be a critically important one.

In the case of organic certification, because labelling is the outcome or manifestation of standardization (Boström and Klintman, 2003), scholars have critiqued it for not being able to show flexibility in varied and complex ecological, economic and socio-cultural contexts (Guthman, 1998). Standards can become so important that they allow virtually no room for flexibility in

their application, lest the 'integrity' of the label become weakened. Goodman and Goodman (2001) expand on this argument and argue additionally for the importance of specifying 'place' in certified organic supply chains:

> The technocentric imaginary is curiously "place-less" since actual production conditions, other than being codified organic, are secondary to the nutritional and symbolic properties at the point of consumption. (p. 115)

Following on Goodman and Goodman's analysis, we explore the extent to which the labels of alternative commodities, which 'shout' to consumers about the socio-natural relations of production (Bryant and Goodman, 2004), obscure differences and tensions generated by their implementation in local cultures, ecologies and social systems. As Jaffee *et al*. (2004, p. 193) point out, 'Meanings of fairness . . . are both locally specific and at the same time open to re-definition in an international context'. The diversity among both the social and ecological components of organic farming systems has been widely documented (see Buck *et al*., 1997; Guthman, 2004), and Fair Trade networks are similarly complex and differentiated, with some groups embodying Fair Trade criteria much more strongly than others (see Shreck, 2005). However, analysis of the 'lived experience' of certification at the point of production is scant (except Lyon, 2003).

To address many of these and related issues, we draw on our work with small farmers in Mexico growing certified organic tomatoes and herbs and in the Dominican Republic growing Fair Trade certified bananas. We use our data from these cases to explore the consequences of codifying socially and/or environmentally 'sustainable' agriculture into a set of rules and regulations. We find that in each case, the process of certification has unexpected consequences that, in turn, affect the existing social and environmental landscape of production.

In both cases, each operating within discrete and unique certification regimes, we identify a common thread – the enactment of certification at the point of production creates a disconnect between expectations raised by the label and the 'lived experience' of production. Both cases illustrate some of the hidden costs and more ambiguous implications of certification and labelling that are illuminated only when one focuses attention on what happens locally, behind the scenes or before the labelled product makes its appearance to consumers. Our findings suggest that some of the promise embodied by eco- and social-certification regimes is of yet still unfulfilled.

Case studies

We use the extended case method to explore the specificity, complexity and uniqueness of two case-study communities, one community farming under organic certification and the other farming under Fair Trade. Burawoy (1991, p. 281) writes about this method: 'The importance of a single case lies in what it tells us about society as a whole rather than about the population of similar cases'. As such, we do *not* suggest that these cases are a basis for generalization about all communities that farm under certification regimes. We *do* suggest, however, that these two cases are instructive in forcing us to re-examine some of the underlying assumptions driving growth in alternative food markets. If a value-based understanding of certification is premised on the notion that certified food chains rebalance the terrain of power, knowledge and control both within agrofood chains and within farming communities, then these cases should inform a re-evaluation of consumption-driven models of change within agrofood systems.

The case of *del Cabo*: exploring organic certification in Mexico

Our first case draws on 11 months of field research by the first author, who conducted research with specialty herb and tomato farmers in Mexico on the Baja peninsula during 1999–2000. The majority of the farmers were connected to the *del Cabo* marketing cooperative, the seeds of which originated when a couple of organic farmers from the US visited the Los Cabos area of the Mexican state of Baja California Sur in the mid-1980s and initiated the project with a few local farmers. By the early 1990s, the venture had more than 140 members from more than 15 production zones in the region. In 1993, it officially incorporated as a cooperative and obtained organic certification from the US-based certifying agency Oregon Tilth. Although the cooperative

experimented with a variety of commodities, basil and specialty tomatoes comprised the lion's share of exports. We use this case to explore the dynamics in certified organic supply chains that connect small Mexican farmers to niche markets in the US.

The organic context

The US Department of Agriculture (USDA) web site asserts that 'organic food is produced without using most conventional pesticides; fertilizers made with synthetic ingredients or sewage sludge; bioengineering; or ionizing radiation' (USDA, 2006). Contextualizing the meaning of certified organic agriculture, Mutersbaugh (2002, p. 1165) describes it as 'a system of production and distribution that organizes the movement of organic products [and which] seeks widespread support from those who seek socially and environmentally desirable alternatives . . .'

In the US market, 'certified organic' is the most visible and lucrative of all of the green or 'eco' labels. During the 1980s and 1990s, organic commodity chains grew from local, informal networks of producers and consumers to a burgeoning global industry (Buck *et al*., 1997; Guthman, 2004). Within the US, the countercultural organic 'movement' was originally tightly connected to a politics of 're-localization' (Buck *et al*., 1997, p. 3). However, as demand for organic and specialty foods, and in particular fresh fruits and vegetables, grew, consumers increasingly demanded year-round supply of these niche market crops (Getz, 2003). The increased demand for counter-seasonal produce planted the seeds of globalization that would extend the organic chain well beyond US borders. By 2001, sales of organic food in the US were estimated at $9.5 billion dollars, keeping pace with the 20% average yearly growth rate of the 1990s (Kortbech-Olesen, 2002). And within the global organic export sector, during the 1990s, fruits and vegetables showed more dramatic growth than any other sector of organic agriculture (Raynolds, 2000). This rapid growth in the organic market and in demand for organic food encouraged the formalization and standardization of certification practices, with the USDA putting into effect the final rule of its National Organic Program and its USDA Organic seal in October 2002.

As a result of this dynamic economic activity, a number of players in the industry saw organic markets as a rural development opportunity and as a niche into which small farmers in developing countries might be able to fit (Buck *et al*., 1996). Although organic certification in the US context does not explicitly address the social conditions of production (Goodman and Goodman, 2001; Shreck *et al*., 2006), organic food is frequently associated in the consumers' mind with social as well as ecological sustainability. Furthermore, the label raises expectations that 'organic agriculture' will be at the very least socially benign if not beneficial for small farmers and farming communities.

Methods

Research on the *del Cabo* cooperative, including interviews with *del Cabo* and other farmers in the region, was conducted during 1999 and 2000. During that period, 120 farmers, identified through a snowball sample and including those who were and were not involved in certified organic farming, were interviewed in their homes. In addition, interviews were conducted with more than 25 staff members and administrators of the cooperative. This in-depth case study of *del Cabo* reveals the importance, complexities and nuances of 'place' that are often obscured by the generic certified organic label (Goodman and Goodman, 2001). It also demonstrates how the complexity of 'locality', with its political, cultural, social and economic characteristics, interacts with a certification system imposed from 'above'.

The experience of organic certification

The benefits to the *del Cabo* farmers of adhering to the myriad rules and regulations within organic certification were many. In gaining access to the US organic marketplace, the *del Cabo* farmers gained access to a niche market that involved a higher and more stable price structure than equivalent conventional markets. The organic commodity chain in this case certainly actualized one of the often stated goals of alternative agro-food networks – to ensure that farmers extract greater rents from value chains than they would in more conventional exchange relationships. In fact, the *del Cabo*

farmers were so successful that they received a prize from Mexico's national ruling party in the early 1990s.

Other rural development goals were achieved as well. For example, certain production zones with higher levels of social capital were able to leverage relationships with market actors to mitigate or 'squeeze out' local political corruption (see Getz, 2003 for an expanded analysis or Fox, 1996 for other examples). Farming organically protected farmers and workers (mostly family labour in this case) from exposure to many toxic pesticides and, arguably, was better for the integrity of local ecological systems.

In spite of these and other tangible benefits, the *process* of enacting organic certification at the community level generated tensions and strife within the *del Cabo*-affiliated communities. Because the bureaucratic costs of organic certification were too high for any one farmer to bear, the *del Cabo* farmers were able to create economies of scale by forming a cooperative that obtained certification and coordinated production. The cooperative, in turn, certified individual farmers' land and monitored their production practices to ensure compliance. However, in the case *of del Cabo*, the extremely rapid growth of the venture strained relationships among the various players and made it difficult for the cooperative to function effectively. As a result, the cooperative's members decided to limit membership and closed the cooperative. Through the late 1990s and during the time of the fieldwork for this case study, the cooperative was effectively closed to new members. As such, access to the organic market, represented by a *del Cabo* membership number, or *clave*, became a highly prized possession among the farmers in the region. As one son of a *del Cabo* member commented, 'Owning a *clave* is like owning a taxi license; it's almost impossible to get and it's worth a lot' (Interview, 12 October 1999). Another farmer noted, 'I will likely sell my land if the price is right, but I will never sell my *clave*' (Interview, 13 October 1999).

The ensuing division between those with and those without a *clave* created a number of tensions in the communities studied. In particular, the *del Cabo* cooperative's experience of organic certification suggests two phenomena that are worthy of further examination. We discuss next both how the 'closed' cooperative, as the official certifier of only its members, contributed to increased socio-economic inequality at the local level and how what we call a 'culture of surveillance' developed in the context of organic certification where barriers to entry were exceedingly high.

Socio-economic inequality

Organic certification rules prohibited members from sourcing product from neighbours, friends or others who were not members of the cooperative and did not have certified organic land.[1] However, this constraint, imposed by the organic certification system, stood in stark contrast to long-standing traditions of barter and exchange. Among the community, the rules did not curtail such traditions, but rather forced them underground, in essence, to occur illicitly, secretly and 'in the dark'. In a number of the communities studied, community members developed creative ways to overcome these barriers that were erected by organic certification even though they understood that these practices subverted the official rules and regulations of organic certification.

While in some communities, this illicit trade maintained a spirit of reciprocity, in others this trade was divisive and unproductive for community social structure. In one community in particular, cooperative members overcame the barrier to entry for nonmembers by illicitly buying cheap produce from nonmembers and selling it dear to *del Cabo*. This phenomenon not only increased income inequality between members and nonmembers, but also created a new class of middlemen who farmed very little, if at all, and who were able to get by with nonproductive, rent-seeking behaviour by contracting out all of their production to nonmembers, securing for themselves a percentage of the proceeds.

Additionally, the cooperative's agronomists at times abused their discretionary control over the certification process and production quotas that determined how much product the cooperative would purchase from each farmer. This abuse exacerbated income inequality among members themselves. This 'politicization' of certification allowed some members the ability to have significantly more land certified than others and to

[1]At the time of this research, the *del Cabo* farmers were the only certified organic farmers on the eastern side of the cape.

produce and sell more product to the cooperative. One of the cooperative's six technical advisors was in charge of certification, and he developed a reputation for only certifying extra land for those farmers he liked: 'If he doesn't like you, you can be sure you won't get more land certified', one farmer complained (Interview, 22 October 1999). This process contributed to increased but skewed income flows for those members who were 'in favour' with the cooperative's staff.

The constant controversy over the who, what, how much and 'is it?' of organic production and the related socio-economic stratification therein illustrates the challenges of maintaining the 'integrity' of the organic label as constructed by and for the organic consumer movement and certifying agencies. As a local broker concluded in a disillusioned letter he drafted, but never sent, to the *del Cabo* certifier Oregon Tilth, 'What I am discovering here is that the integrity of organic farming is waning as farmers focus more on the money and less on the morality of organic . . .' (Produce broker, draft letter – September 1999).

What these scenarios demonstrate is that the implementation of an organic certification regime in these small farming communities allowed many small farmers entry to the market, but at the expense of exacerbating socio-economic inequality and the politicization of farming in the region. The rules and rigour of organic certification, meant to protect consumers and ensure the legitimacy of the label, backfired by promoting cheating that allowed *de facto*, but not certified, organic produce to be labelled as such.

Culture of surveillance

Beyond the monitoring and surveillance that is to be expected to maintain certified organic standards, in this case the surveillance of one another was magnified by concerns about the illicit sourcing of noncertified organic product. This vigilance was exercised not only by cooperative administrators, but also among the members themselves.

When asked about illicit trading, one nonmember responded, 'Hidden they [nonmembers] sell like that. To *del Cabo* members . . . very hidden. No one wants it to be like that, but that's the way it is' (Interview, 12 October 1999). Interestingly, while blatant evidence existed that two particular *del Cabo* members were participating in these informal economies, these same two members took pains to explain to the first author how honest everyone was. One noted how 'everyone is vigilant over everyone else; there is no corruption. The vigilance here is strict . . . The majority of the farmers are watching' (Interview, 16 October 1999). The other member explained,

> The people here are very noble, there is fear that if you turn in someone else's tomatoes or basil that you are going to lose your *clave* – and no one wants to risk that – and by the same token, the people here are very honest . . . so if they give you their word, if they tell you I didn't do this it is because they didn't do it and you should believe one in this. (Interview, 2 February 2000)

The existence of this illicit trade and sourcing exacerbated the hyperfocus of both community members' and cooperative administrators' obsession with vigilance, surveillance and monitoring to ensure compliance with the rules inherent in organic certification. This focus on compliance, we found, detracted from more constructive activities within the cooperative, between the cooperative and its members and within the communities themselves. We see here that organic certification did not allow small farmers in the region to 'trade on their own terms' (Mutersbaugh, 2002, p. 1181). The terms of trade in this case were *excessively* visible, and their rigidity and exclusiveness dominated and altered social relations within these communities.

In sum, the organic contract simultaneously increased opportunities for accessing markets *and* fostered both increased income inequality among farmers in the region and decreased peasant autonomy over production practices and community-level reciprocity networks. Organic certification created a 'culture of surveillance' and the associated lack of a feeling of 'ownership' over the certification process, thus altering norms, reciprocity networks and institutional roles both within a peasant cooperative and within peasant communities on the Baja peninsula. While we acknowledge that the focus of organic certification is on the ecological conditions of production, negative social ramifications can undermine the foundation of consumers' implicit trust that organic is, indeed, better.

Fair Trade certification in the Dominican Republic

Our second case draws on 9 months of field research by the second author, who conducted research with small-scale banana farmers in the Azua valley of the Dominican Republic during 1999–2000. Approximately 800 small-scale banana farmers lived in the Azua valley and roughly two-thirds of them belonged to Fair Trade certified associations at that time. Most were growing bananas as their primary (and often only) crop because bananas were widely understood to be the most viable agricultural crop in the area, with the potential of generating stable, if low, income, thanks to the possibility of year-round, biweekly harvests. Two European-owned exporting companies purchased the vast majority of bananas that were exported from the region. In 1997, the farmers in Azua became the first small-scale banana producers to be certified by Fair Trade Labelling Organizations (FLO) and began exporting small shipments of Fair Trade bananas to Europe.[2]

The Fair Trade context

Fair Trade bananas are marketed to consumers who want to support – by exercising their purchasing power – farmers who are disadvantaged in the global, capitalist agrofood system and thus find it difficult to be competitive, let alone get access to the international market. The Fair Trade logo (the label) placed on bananas signals to consumers that the social relations of production and exchange have been verified by a third party in whom they can place their trust.

The Fair Trade system of certification and labelling differentiates itself from organic certification by focusing on connecting agricultural producers in the South who are marginalized from mainstream supply networks and more profitable export markets with socially and environmentally conscious consumers in the North who are willing to pay slightly higher prices for products grown under healthy social and environmental conditions. In addition to being grown under healthier conditions, Fair Trade products are also traded through alternative trade channels that are characterized as more equitable than those common in conventional supply channels. A Fair Trade label placed on food products such as coffee, tea, honey and bananas identifies the products to their target market in supermarkets and specialty stores alike.

The market for Fair Trade products is best known in Europe, but the US Fair Trade market is the most dynamic in terms of growth today. Since 1997, annual sales of Fair Trade-labelled products have seen double-digit growth, and between 2003 and 2004, sales (as measured in metric tons) increased by a record 56%. Sales of Fair Trade bananas have been particularly robust, rising from 2500 t in 1996, when they were first made available, to over 110 000 t today (FLO, 2006a; Transfair USA, 2006). The international Fair Trade movement seeks to both improve the conditions under which small-scale farmers and farm workers work and alter conventional trade relations that take advantage of the power asymmetries within the global agrofood system. The Fair Trade system is overseen by FLO International, the umbrella group that sets certification standards and oversees the international Fair Trade network (Renard, 1999; Raynolds, 2000).

Fair Trade certification takes place at several levels, and, similar to organic certification, in order for a product to be sold with the Fair Trade label on its packaging, it must have been grown by a producer group or farm that has been certified by FLO and traded by exporters and importers who are registered with FLO. However, the price paid for Fair Trade products must be at or above the Fair Trade minimum price (set for each product according to the region from where it comes), and producer groups receive a 'social premium' above and beyond the minimum price that can be invested by producer organizations in ways that will benefit their communities.

Methods

During fieldwork conducted for this study, a face-to-face questionnaire was administered to a random

[2]Virtually all of the bananas growing in the Azua valley were certified organic prior to the producers obtaining their Fair Trade certification. Globally, 12 of the 18 certified Fair Trade bananas producer groups export Fair Trade/organic bananas. This analysis focuses on the Fair Trade certification process, which was analytically distinct from the organic certification process.

sample of 115 small-scale banana farmers. The sample included both farmers who were and those who were not involved in Fair Trade production. Respondents were selected from membership lists from the three largest banana producer associations in the region, two of which were certified for Fair Trade. The third wished to be certified, but was not at that time. In addition, throughout the research period, qualitative, semistructured and unstructured interviews were conducted with banana exporters, FLO representatives, government officials and local leaders from producers' associations and local community organizations.

The experience of Fair Trade certification

Consistent with the promises implied by the Fair Trade label and literature, our research suggests clear advantages for those producers who were selling Fair Trade bananas and confirms that participation in the Fair Trade banana initiative can confer both material and less tangible benefits. Perhaps most importantly, the Fair Trade initiative in the Dominican Republic offered many small-scale farmers (who farmed, on average, less than 2 ha of land) access to an international export market that brought far higher prices for their harvest than could the local market. Banana farming in this region of the Dominican Republic is unique in that virtually all of the production is certified organic. By 2000, many of the smaller organic banana farmers were facing new competition from much larger, far more experienced exporters who enjoyed economies of scale and often had fruit that was of much higher quality. Fair Trade certification became a possibility around the same time that these small farmers were being squeezed out of their markets. A key and primary advantage associated with Fair Trade was access to the export market, as around this time, access to the non-Fair Trade market was eroding rapidly (see Shreck, 2002a).

Looking closely at how Fair Trade operates locally, however, suggests a disconnect between the expectations raised (by the label) about Fair Trade and the lived experience of production under a certification regime. Given the realities of the global agrofood system, local production practices and consumer behaviour, remaining true to the promises embedded in the Fair Trade label is a very ambitious goal indeed. Our examination of the Fair Trade system at the point of production shows that the 'price' of maintaining the crucial aspects of the system (i.e. supermarket shelves consistently stocked with high quality Fair Trade-labelled fruit) for the consumer in the North – upon whom 'success' arguably ultimately depends – is charged against the farmer's experience of the Fair Trade system. In other words, even in a Fair Trade market that is driven by 'the goodwill and loyalty' (FLO, 2006b) of consumers who want to support disadvantaged agricultural producers, the needs of the capitalist market and these consumers (whose support for Fair Trade may waver as prices change or quality falters) takes precedence over the careful implementation of the system locally. As a result, the realities of Fair Trade banana production do not necessarily resemble the promotional literature that describes how the Fair Trade system is designed to operate.

In the Dominican banana case, two broad implications stemmed from this dynamic. First, prioritizing the exigencies of the Fair Trade market in the North (over the needs and challenges in the South) fostered a situation in which Fair Trade bananas were being sold and social premiums were being paid largely without the participation of the 'certified' farmers. Furthermore, it resulted in an exacerbation of socio-economic inequalities at the local level.

The invisibility of Fair Trade

Upon arrival in the region to study the local impacts of Fair Trade, the most striking initial finding was that the Fair Trade farmers did not seem to know anything about Fair Trade. The study revealed that just over three-quarters of the 115 farmers interviewed were identified as members of one of the two producer associations in the region that were certified to use the Fair Trade label. Yet only about half identified themselves as such, and with the exception of a small handful of leaders (e.g. the association presidents or secretaries), none had more than a very basic understanding of what Fair Trade was or how they might be affected by (let alone participating in) it. Significantly, none of the Fair Trade farmers who were interviewed knew anything about the minimum prices that are supposed to be guaranteed to Fair Trade exporters, nor did they recognize that Fair Trade producer groups were entitled to a social premium of $1.75

per box of bananas, above and beyond the box price. Although this lack of understanding did not necessarily prevent the benefits from being realized, it became apparent that many of these so-called Fair Trade partners failed to differentiate the Fair Trade market from any other (presumably more exploitative) export market. And although the system might persist like this, such conditions threaten to undermine the integrity of the label and the success of the market.

A number of factors contributed to and can help explain the overwhelming lack of understanding about Fair Trade among producers. Importantly, the initiative to get involved with Fair Trade and to apply for certification came from the exporting companies in the region – not from the producers themselves. In both instances, the exporters were already familiar with Fair Trade coffee and other commodities (that have been certified for much longer than have bananas) and were aware of a nascent demand for Fair Trade bananas in Europe. To meet a key requirement for certification – being a democratically organized group of farmers – the exporters arranged for and facilitated the formation of producer associations. In one of the groups, the organizing effort was so top-down that most of the 'members' did not even recognize the name of the association when it was mentioned to them during their interview. Moreover, the farmers' limited education affected the ability of members to educate one another about the workings of the international export market, let alone how Fair Trade provided an alternative to the conventional export market. Finally, when the Fair Trade officials visited the associations and their communities, most of their time was spent with the association officials and very little time was spent with producers. As a result, the large majority of the farmers were totally disengaged from the certification process and hence uninformed about the system.

In spite of the invisibility of the certification process at the local level, the bananas that were packaged for sale in the Fair Trade market received Fair Trade labels before being boxed up. And because of the invisibility, the rewards and benefits of Fair Trade were similarly invisible to most producers or attributed to something else. Again, although this does not diminish the positive impact that Fair Trade production can have, if the participants at the level of production do not recognize their roles, responsibilities or rewards, the longer term stability of the Fair Trade scheme is vulnerable. Ultimately, we suggest, the meaning of the label may be compromised.

If the material benefits of Fair Trade are passed on as intended, then it is arguably a case of naïve idealism to raise concerns about the extent to which the farmers are 'buying in' to the Fair Trade scheme. We suggest, on the contrary, that this phenomenon is consequential. The ultimate success (or failure) of Fair Trade certification as a means to provide material and other benefits to marginalized agricultural producers is dependent on the extent to which consumers in the North can be persuaded to look for and purchase commodities bearing a Fair Trade label. In the marketing of Fair Trade, consumers are trained to look for a label, but equally important, they are taught that the label confers a guarantee that the otherwise undifferentiated commodity embodies their social and environmental values. As such, consumers believe that selecting fruit with a label 'helps' small farmers, who are partners in a system of 'Fair Trade'. If or when the actual experience of Fair Trade certification is revealed, there is a risk that consumers could withdraw their support, thereby putting in jeopardy even the material benefits that are relatively easy to confer. At yet another level, as long as the participant farmers lack understanding of their 'rights' as Fair Trade partners (e.g. to minimum prices and social premiums), they cannot hold other players in the system accountable. Under such circumstances, the very democratic nature of Fair Trade is called into question.

Unequal access

Attention to the experience of certification at the level of production also reveals the unintended consequence that production for the Fair Trade market could actually exacerbate the socio-economic inequalities that existed locally. In Azua, this happened in a couple of ways. First, not all of the banana farmers in the region were associated with the groups that were certified by FLO. This meant that the important access to the more lucrative export market was restricted to association 'members', much like in the case of the *del Cabo* closed cooperative. Other producer associations in the region, with similar histories and overwhelmingly similar production practices, were denied access, even though some of them had

tried, unsuccessfully, to become certified. Data gathered from interviews with farmers show that Fair Trade farmers were 20% more likely to be exporting at all, than were non-Fair Trade farmers. Conversely, non-Fair Trade farmers were 16% more likely to have been cut off from the export market for a year or longer (Shreck, 2002b).

Within the certified associations, there was also unequal access to the market. As the supply of bananas available always far exceeded the demand, farmers who were able to deliver higher quality fruit were given priority and permitted to sell more boxes each harvest period. The income they received from their consistent sales in turn enabled them to invest the resources needed to deliver the better quality fruit. By contrast, the poorest farmers tended to have lower quality bananas, which prevented them from realizing direct benefits from Fair Trade and kept them stuck on what might be described as a 'quality treadmill'. In one of the associations, FLO representatives encouraged the farmers to restrict market access even within the association. The rationale for this move was a desire to improve the quality of bananas to meet rising expectations from importers (and, in the end, consumers). As a result, only about 50 of the association's 'best' members were granted access to sell their bananas to the Fair Trade market (approximately 2000 boxes each week) while the remaining 200 or so members had to compete with one another to supply the non-Fair Trade buyer's much smaller order (about 500 boxes per week).

Thus, in the end, despite the intention of Fair Trade advocates to provide a viable alternative to the conventional market, market demands, over which producers have no control and which have no explicit relationship to the certification criteria for producer groups, play an enormous role in shaping how Fair Trade is experienced at the local level. The ability to produce an 'exportable quality' banana became the most important, if unofficial, criterion for participating in the Fair Trade market. And the limited demand in Northern markets forced limits on the number of producer associations FLO was willing to certify.

The dynamics of the local experience of Fair Trade indicate that what might be best (or simply better) for the 'beneficiaries' of Fair Trade certification is easily subordinated to the demands of consumers and of the market more broadly. These experiences suggest that, like other nontraditional export agriculture schemes that have targeted small-scale farmers (Glover and Kusterer, 1990; Conroy *et al*., 1996), Fair Trade too has the potential to actually increase existing inequalities at the local level. In turn, the integrity of the label and certification process can be called into question, in this case not because certifiers are *overly* focused on the standards, but because such standards can be overlooked if the process interferes too much with meeting market demands.

Conclusion

These two case studies indicate that operationalizing ideal agricultural production practices via third-party certification is a complex process that can create a disconnect between expectations raised by the label and certification's implementation on the ground. From a purely material and technical standpoint, certification-based alternative agrofood networks, for the most part, do ensure for consumers the credibility of the claims that their respective labels represent. However, if the success of certified organic and Fair Trade food sales rests on the integrity of what the label represents to consumers, then such consumer movements would benefit from a more focused analysis of how certification intersects with local spaces, cultures and communities at the point of production.

In the two cases analysed here, one of organic certification in Mexico and the other of Fair Trade certification in the Dominican Republic, small farmers were *not* 'trading on their own terms' (Mutersbaugh, 2002, p. 1181). In the Dominican case, many producers were not even aware of what those 'terms' were. In theory, Fair Trade offers a 'more radical promise of transformation' than does organic as the Fair Trade label should function to make visible the social conditions of production in a way that organic does not (Goodman and Goodman, 2001, p. 109). However, our research suggests that while the Fair Trade *model* approximates 'fairness' and 'equal exchange' in which consumers and producers are in partnership via trade, this partnership can be illusory at best. In our organic case study, on the other hand, the terms of trade were not invisible but, to the contrary, *excessively* visible, as their rigidity and

exclusiveness dominated and altered social relations and increased socio-economic stratification within small farming communities. While the focus of organic certification is on the ecological conditions of production, negative social ramifications can undermine the integrity of the system.

These cases are not intended as a blanket critique of certification conditions at the point of production. Instead, we hope they will encourage all of us who consume certified food to ask: Do we imagine the social and environmental conditions of production and exchange as they are? What is going on in certified food chains that is either misrepresented or not represented at all? What are the limits of market-driven, third-party certification models for achieving goals such as encouraging more sustainable and equitable food production? If the success of the label turns on its representational 'work', and if this representation is disconnected from reality, then the entire basis of certification systems is in jeopardy. A more nuanced and robust incorporation of 'place' (at the point of production) into international certified commodity systems would go a long way towards reflecting on these questions and holding such consumers and certification groups accountable to the small farming communities who stand to benefit, and also to lose, the most from certification's success or failure.

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