Evolution of non-technical standards:
The case of Fair Trade

Nadine Arnold

Department of Sociology, University of Lucerne, Switzerland; email: nadine.arnold@unilu.ch

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Evolution of non-technical standards: The case of Fair Trade

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Abstract
This contribution suggests examining non-technical standards as artefacts that evolve in accordance with their contextual setting. In the past, organization scholars have increasingly paid attention to standards and standardisation but they tended to ignore material aspects of the phenomenon. An analysis of the Fair Trade standardisation system shows how its underlying rules changed from guiding criteria to escalating standards. Taking an evolutionary perspective I outline four major trends in the written standards and relate them to the history of Fair Trade. Detected modifications were either meant to legitimate the standardisation system through the content of standards or to enable legitimate standardisation practice. Overall the exuberant growth of non-technical standards leads to critical reflections on the future development of Fair Trade and its standards.

Introduction
Standards are to be found everywhere. Distinct social spheres such as agriculture, education, medicine and sports have become the subject of standardisation. Corresponding standards have evolved without the enforcement of the hierarchical authority of states and they ‘help regulate and calibrate social life by rendering the modern world equivalent across cultures, time, and geography’ (Timmermans and Epstein, 2010, p. 70). In this context, Loya and Boli (1999) highlight that global and private standardisers homogenise the technical base of the world to facilitate unrestricted exchange. As a consequence, a multitude of technical standards is the basis for organisational practices and their coordination. Nonetheless, standardisation is not only about technical compatibility and interoperability: some standards are used to differentiate by making largely particular claims (Busch, 2011). Non-technical standards are often designed to make a difference. Well-known examples include sustainability programmes, such as Organic, Fair Trade, or the Forest Stewardship Council (FSC), that aim to offer alternatives to the conventional array of products. In contrast to the usual prevalence of one technical standard, multiple non-technical standards often coexist (Reinecke et al., 2012) and can easily be challenged by competitors (Leveque, 1995).

Standards consisting of paper and text build the ground of non-technical standardisation and are embedded in many working processes. Nevertheless, the phenomenon of standards and standardisation,
which has become ‘a central area of research in organisation studies’ (Brunsson et al., 2012, p. 626), is
mainly investigated without considering the standards themselves. On reasonable grounds, organisation
research has developed a preference for analysing the organisational procedures of formal standardisation
and therefore concentrates on form rather than content. To put it in the words of Orlikowski, standards per-
se demonstrate ‘absent presence’ (Orlikowski, 2010, p. 128-129) in current organisation analysis on
standardisation. Precise and prescriptive standards are of central importance, however, as they define, for
example, what an organic apple is or which processes lie behind the ISO 9000 quality management
certification. I argue that organisation research might miss essential aspects of standardisation if the
phenomenon is investigated without paying attention to the foundation of standardisation: the written
standards. Bringing standard documents and their content to the fore implies a focus on materiality, which
generally tends to be ignored in organisation studies (Orlikowski, 2007).

In this contribution, I argue that organisation studies should incorporate material aspects of
standardisation to round out their research. To contribute to a better understanding of standardisation, I
investigate the evolution of non-technical standards, which, as distinguished from technical standards,
contain a complex set of written rules that calls for interpretation. An evolutionary perspective gives the
opportunity to identify modifications and trends in the standards’ development. The case under study is
the Fair Trade standardisation system. Fair Trade standards are combined with certification and labelling,
and build the basis of a sustainability initiative that advocates better trading conditions for producers in
developing countries. At the beginning, in the 1980s/1990s, different national labelling initiatives set the
Fair Trade standards in mutual agreement, but since 1997, the standard setting has become centralised and
is now performed by the standardisation organisation Fairtrade Labelling Organizations International e.V.
(FLO). With an evolutionary approach I illustrate how Fair Trade standards have changed from guiding
principles to complex third-party certified standards and shed light on material dynamics of Fair Trade
standardisation. Furthermore, through a linkage of the evolution of standards with the history of Fair
Trade, I exemplify how the development of standards is closely related to its environment in which
fundamental changes have been made. Against this background I propose to examine standard documents
as material artefacts that trace the history of their contextual setting.

The chapter proceeds in the following fashion. In the first section, I discuss the prevalent understanding of
standards in organisation analysis. I show how material aspects of standards and standardisation run the
risk of being forgotten, and present insights from other fields of research that acknowledge the relevance
of standards’ materiality. The second section is dedicated to empirical findings about the evolution of the
Fair Trade standards. At the outset, I give a short insight into the history of Fair Trade and present the
data used for this study. Thereafter, I outline four major trends in the development of Fair Trade standards and combine each trend with the history of Fair Trade. Subsuming the evolution of Fair Trade standards under the notion of an escalation of standards in section three, I shed light on material dynamics that are inherent to non-technical standards. Thereby I explain how material elements of standardisation are used to foster Fair Trade’s legitimacy and how standards’ modifications correlate with the history of Fair Trade. Beyond I present some critical reflections on the evolution of Fair Trade standards. The chapter concludes with a short summary and some suggestions for future work.

1. Bringing standards as material devices into organisation analysis

What are standards? Are they modes of governance, infrastructure, artefacts, or all of these simultaneously? Organisation scientists propose the following definition:

A standard can be defined as a rule for common and voluntary use, decided by one or several people or organizations. (Brunsson et al., 2012, p. 616)

In the context of such an understanding, standards are described as a new mode of governance in contemporary society (Brunsson and Jacobsson, 2000; Djelic and Sahlin-Andersson, 2006; Bartley, 2007). The contrast between this organisational definition of standards with the practice-oriented definition from the International Organization for Standardization (ISO) indicates the neglect of materiality on the part of organisation scholars. ISO, which is the world’s largest non-governmental standardiser, defines a standard as a

document, established by consensus and approved by a recognized body, that provides, for common and repeated use, rules, guidelines or characteristics for activities or their results, aimed at the achievement of the optimum degree of order in a given context. (ISO/IEC, 2004, p. 12)

In comparison to the firstly mentioned definition, ISO defines standards explicitly as documents. I pursue the goal of bringing these documents – the materiality of standardisation – into the organisational debate on standardisation. Thereby, I share the understanding of Leonardi, who proposes ‘to use the term “materiality” to refer to those properties of the artefact that do not change from one moment to the next or across differences in location’ (Leonardi, 2012, p. 29). The application of this understanding allows the content of non-technical standards to be characterised as material, as the requirements generally apply anywhere and only change in a regulated manner.
Studies on information systems and technology stress standards as an integral part of a working infrastructure. Examples include an analysis of the international classification of diseases (ICD) by Bowker and Star (1999). The authors emphasise that the ICD and related standards support infrastructural arrangements because they underlie a large part of all medical bureaucracy. Similar findings are presented by Murphy and Yates (2009) who explain how ISO standards are needed to complete the technical infrastructure of the new global economy. Moreover, Hanseth and Monteiro (1997) define standards as the technical basis of information infrastructure and Tassey (1995) makes the general claim that the infrastructure roles of standards increase in importance. According to Star (1999), infrastructure can be read in three distinct but not mutually exclusive ways: as a material artefact, as a trace or record of activities, or as a veridical representation of the world. In this chapter, I focus on standards as material artefacts, each ‘with physical properties and pragmatic properties in its effects on human organization’ (Star, 1999, p. 387), but also as traces of history.

Standards appear in paper form and are consequential for organisational life. As material artefacts, they have particular significance for standardisation organisations that usually create voluntary standardisation systems (Brunsson et al., 2012). Standards thus form a vital element of the work process of standardisation organisations; standards need to be produced, disseminated, and commonly revised from time to time. Standards thereby exhibit a high degree of instrumentality as they are used to achieve certain goals. According to Vilnai-Yavetz and Rafaeli, ‘instrumentality can be high, or positive, if the probability of attaining a goal or accomplishing a task is increased by the presence of an artefact’ (2006, p. 12). In the case of Fair Trade, standards are used to realise better trading conditions for marginalised producers and to promote sustainability among them. Hence, standards might also be relevant for standard adopters, which can be individuals or organisations. In particular, that is the case when the adoption of a voluntary standardisation system has become so indispensable as to be considered a certain type of organisation (Ahrne et al., 2000). Furthermore, standards are important for certification organisations when they receive orders to monitor the implementation of certain standards. Last but not least standards are of interest for any other organisation that uses voluntary rules, such as standardised product qualities, as sources of information and coordination.

Like other readable artefacts, standards can be analysed as information-collecting devices that record events and changes in their environment (Star, 1999). Empirical studies have shown how standards reflect social change. Lengwiler (2009) examined the history of standards for humans in life insurance since the late nineteenth century and linked modifications with changes in their environment. In so doing, he pointed out that the emergence of the notion of standard lives and the subsequent development of the
standards for humans was due to the cultural, economic, and social transformations of modern industrialised societies. Additionally, the long-term analysis of the ICD mentioned above has shown how that classification system is not only directly responsive to changes in medicine and medical technology but also to other types of changes in the world (Bowker and Star, 1999). Against this background, I assume that standards can be valued as a source of historical insight.

2. Evolution of Fair Trade standards

The Fair Trade movement has grown out of a variety of alternative trade organisations (ATOs) that emerged for the first time in the 1940s (Raynolds and Long, 2007). They supported producers from developing countries by selling their products at alternative points of sales in northern countries. These European and North American ATOs ‘sought to establish trade relations based on principles of trust, charity and solidarity rather than on competition’ (Mohan, 2010, p. 24). The ATOs did not specify formal standards that defined the rules and conditions of Fair Trade. Hence, Fair Trade was based on informal rules and ideological practices. In the late 1980s, then, a crucial dimension was added to the Fair Trade movement: the certification and labelling of products. In this way, the first formal and binding Fair Trade standards came into existence, and cooperation with conventional importers and retailers set in. With this collaboration, the non-governmental development strategy of Fair Trade started to focus on mainstreaming and allowed with it an unprecedented growth of sales (Fridell, 2004). The commercialisation of Fair Trade has somewhat pushed aside the role of ATOs but they still form part of Fair Trade. As a result, the Fair Trade movement comprises today distinct types of organisations that coexist and compete (Becchetti and Huybrechts, 2008). In a general way, the movement can be divided into two wings: on the one hand, the informal model of the ATOs that rests mainly upon relations of trust, and, on the other hand, the formal certification system that builds upon formalised standards. Due to my focus on standards as material devices, I concentrate on formalised standards, which came into existence with the emergence of standardised and market-oriented Fair Trade in 1988.

The introduction of certified Fair Trade standards has not only led to a rise in the volume of sales but also caused crucial development in the organisation of the Fair Trade sector (Arnold and Hasse, 2012). After the foundation of the first national labelling initiative in 1988 in the Netherlands, similar Fair Trade standardisation organisations emerged in other northern countries. These national initiatives founded in 1997 the standardisation organisation FLO, which is now fully responsible for standard setting. Today FLO represents 19 national initiatives that license the certification mark and promote Fair Trade in their respective countries. The standardiser FLO is the central actor in Fair Trade issues. Since 2003 its standardisation system involves an autonomous certification body (FLO-Cert) that provides independent
third-party certification. As is common in such certification systems, the Fair Trade standardisation programme includes an accreditation of the certifier, which means that FLO-Cert is independently checked to recognise formally its capability to carry out certification. Therefore, FLO-Cert follows specific ISO standards\textsuperscript{4} for organisations operating a product certification system. Beyond the professionalisation of the Fair Trade standardisation system, a plurality of new and competing sustainability initiatives has emerged over recent years. The most prominent examples that compete against Fair Trade are Rainforest Alliance and UTZ Certified. The multiplicity of sustainability standards and related problems of standards confusion have led to the emergence of new coordination efforts. Distinct types of organisations began to elaborate standard comparison frameworks that rate labelling programmes. These frameworks provide orientation for consumers and businesses. Moreover, in 2002 a standardisation organisation called ISEAL Alliance was founded to harmonise and coordinate sustainability initiatives. The ISEAL Alliance aims to strengthen sustainability standards by setting standards for its member organisations, which currently number 14 sustainability standardisers and certification bodies.\textsuperscript{5} Overall, since the introduction of formal Fair Trade standards in 1988, the Fair Trade movement has left behind its niche existence and its coordination efforts have increased in complexity.

Continuing product launches have contributed essentially to the steady growth of Fair Trade. Product differentiation is directly mirrored through the emergence of new product specific standards. At the beginning of Fair Trade in 1988, coffee was the only Fair Trade standardised product. Over the years, new standards that regulate the production of specific product categories came into existence. Today, several southern products are Fair Trade certified and FLO presents 16 main product categories: bananas, cocoa, coffee, cotton, flowers, fresh fruit, honey, gold, juices, rice, spice and herbs, sport balls, sugar, tea, wine, and composite products. To open up all these agricultural markets to Fair Trade, it was necessary to allow plantation production in the Fair Trade system. Initially, Fair Trade was limited to small producers, but they were historically not engaged in some sectors: for example, tea and flowers (Renard and Pérez-Grovas, 2007). To widen the Fair Trade product array, new standards for hired labour conditions had to be elaborated. Consequently, FLO currently presents two generic standards for Fair Trade producers: the Fair Trade standard for small producer organisations and the Fair Trade standard for hired labour. In addition, FLO defines in a separate document – the generic Fair Trade trade standard – the standards for operators buying or selling certified products. All of these standards are constituent elements of the Fair Trade standard world and are differently combined in practice, depending on the Fair Trade commodity and its production (see Table 1).
To investigate the evolution of Fair Trade standards, I analyse modifications in the Fair Trade coffee standard. Coffee leads the way in Fair Trade labelling efforts and corresponding standards have existed since the beginning of Fair Trade’s labelling strategy in 1988. Owing to coffee’s general pioneering role in developing social and environmental standards, it has attracted much attention as a subject of investigation (e.g., Giovannucci and Ponte, 2005; Raynolds, 2009; Reinecke et al., 2012). I analyse five revisions of Fair Trade standards, including the initial and the current criteria, as well as the coffee standards from 1999, 2002, and 2009. Due to my focus on standards for producers, the generic trade standard does not form part of my analysis. Furthermore, I concentrate on the generic standard for small producer organisations, as Fair Trade coffee cannot be produced in hired labour situations. The standard frameworks are collected from different sites. While present standards are readily available on the website of FLO, old standards are collected from the archive of the Swiss Fair Trade initiative ‘Max Havelaar’ and from the private archive of a Swiss Fair Trade pioneer. To better understand Fair Trade standardisation and its historical development, I use data from 15 semi-structured interviews with Fair Trade actors who were – and sometimes still are – actively involved in Fair Trade. These interviews provide complementary insights about the history of Fair Trade, which is primarily examined here through the secondary literature. Owing to the evolutionary lens this study pursues a historical orientation, which is increasingly called for in organisation studies (Clark and Rowlinson, 2004).

**Trend 1. Increase and expansion of standards and organisational artefacts:**

**Downsizing space for interpretation and enabling independent control**

Aside from direct information, indirect reading of dry documents such as standards can be instructive (Star, 1999). Counting the pages of the Fair Trade coffee standard is definitely astonishing. The first criteria for small coffee producers that participate in the framework of Fair Trade were formulated on a single page. In comparison, the standards for the production of Fair Trade coffee are now – 25 years later – listed in two complementary documents: the product specific coffee standard, which counts eight pages, and the generic standard for small producer organisations, which counts 45 pages. Hence, since the beginning of market-oriented Fair Trade, the standard framework has multiplied more than fiftyfold in volume.

Not only have the standards themselves gained in volume but requests about the production of organisational artefacts have as well (see Table 2). In the initial standards, southern producers were not
explicitly prompted to generate specific artefacts. Hence, there was no mention of the necessity of organisational artefacts to become a member of the Fair Trade standardisation system. Such requirements were still absent in 1999. In the revised standards from 2002, however, producer cooperatives began to be asked to produce a plurality of documents: records, reports, plans and other written documents. The process did not stop there, however. A detailed look into later standards shows that standard adopters had to produce an even larger amount of textual artefacts in 2009. Required plans, policies and records thereby often formed part of a larger plan. In my analysis, I counted all required plans, including those which form part of a larger plan, as well as plans that are only recommended and not compulsory. In the latest standards from 2011, requests to produce symbolic artefacts emerged. The use of the Fair Trade mark became regulated and standards about the labelling of hazardous containers and materials were formulated. Additionally, new forms of records were demanded to ensure physical traceability of Fair Trade products. Despite these new requirements, the increase in required artefacts slackened in the newest Fair Trade standards. This stagnation can be traced back to the introduction of the development plan. This new instrument replaced several policies and plans that had to be created individually before. However, as I will explain in my discussion of the subsequent trend, this instrument has triggered the production of an additional standard document.

< Insert Table 2 here. >

Table 2. Textual artefacts demanded from producers by Fair Trade coffee standards (author’s own).

How does this growth of standards and particularly the rise of demanded organisational artefacts relate to the history of Fair Trade? Both the increase of standards and the expansion of required documents from standard adopters are attempts to improve the Fair Trade standardisation scheme, and, in particular, to enable autonomous monitoring by FLO-Cert. From the beginning of Fair Trade until 2003, the implementation of the standards was controlled by the same people who also set the standards. This means that ‘FLO was both the regulator and provider of certification services’ (Mohan, 2010, p. 25). On these grounds, vague descriptions of Fair Trade standards were not overly problematic. The introduction of independent monitoring activities through the foundation of FLO-Cert in 2003, however, made it necessary to express standards in concrete terms and downsize the space for interpretation. The specification of standards that goes along with an increase of text, as well as textual artefacts produced by standard adopters are therefore helpful means for certifiers to perform credible audits as they face the challenge of monitoring everyday practices at one specific point of time.
Trend 2. Reference to alternative standardisation schemes:
Enhancing Fair Trade standards and demonstrating reliability

In the standard documents, I detect an increase of references to additional standards that are created by the standardiser itself. I call these devices in-house standards. References to in-house standards are often indications of complementary Fair Trade documents. For instance, the standardiser advises the producer cooperatives in the generic Fair Trade standards from 2011 to familiarise themselves with the trade standards and the specific standards for products. Interestingly, the standardiser also refers to supplementary documents outside the Fair Trade standard world that are also standardisation systems. In 2002 FLO annexed a list of prohibited pesticides which has formed an integral part of the standard framework since then. In 2009 a further list became annexed: the geographical scope policy of producer certification for FLO. In this policy, FLO defines the countries in which producers can become members of the Fair Trade system. Finally, an explanatory list for the previously mentioned Fair Trade development plan that clarifies possible content has been added. In light of these additional in-house standardisation schemes, I assert that not only standard adopters increasingly produce textual artefacts, but also the standardiser itself makes a significant contribution to the production of supplementary artefacts.

Apart from referring to in-house standardisation schemes, FLO points to external standards. Citation from and reference to several conventions and recommendations of the International Labour Organization (ILO) stand out. The ILO is a United Nations agency that promotes labour standards and decent work for all. Since its establishment in 1919, the ILO plays an essential part in the emergence and shaping of international social models, mainly through standard setting, technical cooperation, and research (Kott and Droux, 2013). In the standard framework from 2002, FLO cites nine ILO conventions. Although the ILO existed before then, their standards were not mentioned at the outset of Fair Trade standardisation in the 1980s/1990s. FLO continues citing ILO standards up to this day and has even added further citations. They include: ILO Convention 182 on the worst form of child labour, and ILO Recommendation 193 on the recommendation on the promotion of cooperatives. In addition, FLO refers to the universal declaration of human rights on ending discrimination, as well as the United Nations convention on the rights of the child (UNCRC). However, FLO integrates external standardisation systems not only in the context of social justice but also with respect to environmental issues. FLO mentions in its standards that reference lists are used to establish its own list of prohibited agrochemicals. In 2002 and 2009 data from three external classification systems was used to build Fair Trade’s prohibited material list. FLO’s current list of forbidden materials even contains information from six different catalogues. As will be explained later, FLO also referred for a limited period of time to organic certification, which itself is a
certification system.

How is this trend of increased referencing related to the historical development of Fair Trade? References to in-house standardisation systems go along with the fragmentation of the Fair Trade standard world, a process which calls for explanatory commentaries. In addition, FLO produced supplementary documents to complement the core standards and provide further regulation. While the list for the development plan and the list for prohibited material were elaborated to concretise the standards, the regulation of permitted countries of origin is an inevitable outcome of the professionalisation of the Fair Trade standardisation system. Initially, Fair Trade selected its producer organisations and cooperated exclusively with these partners. Since the accreditation of the certification system, every producer cooperative must be allowed to obtain Fair Trade certification. For this reason, it became necessary to determine allowed countries of production. If not, Fair Trade commodities could also have been planted in other than developing countries and the basic Fair Trade concept about fair north-south trade could have been questioned.

References to external standardisation systems simply show, on the one hand, that there are other standardisers who deal with social justice and environmental issues. On the other hand, such references exemplify how FLO has intensified its efforts over time to bring itself into a larger framework of social justice and environmentally friendly agriculture. To do so, FLO began to integrate expertise from alternative standardisations. Discussions of human rights are on the rise worldwide and the celebration of human rights has become a central feature of world culture (Bromley, forthcoming). By pointing to ILO standards and citing United Nations Declarations, FLO demonstrates connectedness to the human rights regime, whose principles enjoy great legitimacy (Hafner-Burton and Tsutsui, 2005). Moreover, FLO integrates expert knowledge from external standardisers about environmentally friendly production to justify its own list of prohibited material. In so doing, FLO brings external expertise into its standards and underscores its ecological intentions. To put it in general terms, references to external standardisation systems are means to demonstrate Fair Trade’s reliability.

Trend 3. Addition of environmental standards:
Making Fair Trade sustainable

Modifications of environmental standards in the Fair Trade system illustrate how standards proliferate and how Fair Trade widened its focus from social improvements to include environmental developments as well. In the beginning of Fair Trade, environmental requirements hardly existed, because Fair Trade was deliberately about social issues. In the first decade of Fair Trade, the producers were encouraged to produce in ways as environmentally friendly as possible, and concrete requirements about ecological
production did not exist. Later – in the standards from 2002 – environmental requirements became more specified through the list of prohibited pesticides and by encouraging the producers to work toward organic certification. By this time, ecological requirements were specified on a half page and bore only the title ‘Environment protection’. In the course of revisions, FLO replaced its recommendation on organic certification and worked out its own environmental standards. As a result, standards dedicated to environmental issues covered 12 pages in 2009. Correspondingly, titles and topics have multiplied and included at that time: ‘Impact assessment, planning, and monitoring’, ‘Agrochemicals’, ‘Waste’, ‘Soil and water’, ‘Fire’, and ‘Genetically modified organisms’. Recently, environmental requirements were again expanded by introducing standards on integrated pest management and requirements for energy and greenhouse gas emissions.

Why did environmental requirements gain such importance in the Fair Trade standards? Apart from concretising the standards, FLO worked on its own environmental standards to make Fair Trade an accurate sustainability initiative. Since a series of United Nations conferences, especially the Rio Conference in 1992, the concept of sustainability has successfully diffused and the three dimensions of sustainable development – economy, environment, and society – have become widely accepted. The popularity of these three axes of sustainable development is directly reflected in the Fair Trade standards from 2002. The Fair Trade standards are classified according to the topics of social, economic, and environmental development. The economic dimension then became more nuanced in 2009 and was named socioeconomic development. Remarkably, in the latest standard framework the three dimensions of sustainability are not obvious anymore. The new leading subjects are apart from general requirements: ‘Trade’, ‘Production’, as well as ‘Business and Development’. These thematic changes in the standards may refer to a vanishing popularity of the three pillars of sustainable development. However, the addition of ecological production requirements is targeted on completing Fair Trade standards and making the initiative precisely sustainable. Particularly since the recent emergence of standard comparison frameworks that rate sustainability initiatives and labels, serving all dimensions of sustainability seems to be of central importance. In effect, to receive a good rating, initiatives usually need to present criteria regarding all aspects of sustainability.

**Trend 4. Graduation of standards:**

**Fostering and demonstrating Fair Trade’s impact**

The graduation in the Fair Trade standards builds the fourth major trend in the evolution of Fair Trade standards. Initially, Fair Trade standards were not nuanced with regard to the lengths of producers’ membership. Later – in 2002 – FLO categorised the standards along two graduations: firstly, the
minimum requirements which all producer organisations had to meet from the moment they joined Fair Trade, or within a specific period, and secondly, process requirements on which producer organisations had to show permanent improvement. Introducing a third category later refined the two-stage graduation. Through the latest revision the graduation became even more complex. While the types of requirements again became grouped into two categories – core and development requirements – FLO introduced a timeline that defines the number of years after certification (0, 1, 3, or 6) when each requirement becomes applicable. As a consequence, each requirement is now classified as a core or development standard and endowed with a number.

Where is the link between the graduation of standards and the historical development of Fair Trade? In principle, the graduation of standards aims to foster the development of producer cooperatives in an elaborate and scheduled way. Supporting marginalised producers is obviously important in the light of Fair Trade’s vision but it is equally relevant with respect to impact measurement. As in other fields, impact has become a hot topic in Fair Trade. In recent years, publications about the impact of Fair Trade have exploded (e.g., Ruben, 2008; Nelson and Pound, 2009; Valkila and Nygren, 2010). The popularity of impact measurement in Fair Trade is associated with FLO’s membership in the umbrella organisation ISEAL Alliance. The ISEAL Alliance aims to strengthen sustainability standards by setting standards for these programmes. Therefore, ISEAL Alliance created three codes of good practice, of which one addresses impact. This impacts code ‘requires standards systems to develop and implement a monitoring and evaluation plan that includes all the steps required to assess their contributions to social and environmental impact’ (ISEAL Alliance, 2013). As a member of ISEAL Alliance, FLO is required to comply with these higher-level standards and is thus expected to demonstrate and improve impacts of Fair Trade standards. In this context, the graduation of standards provides a possibility to foster impact in an orderly manner and contributes to making impact measurable.

3. Material dynamics in the evolution of Fair Trade standardisation

In line with the overall professionalisation of Fair Trade, its standards changed from guiding criteria about the selection of producer cooperatives to comprehensive standards that regulate the conditions of Fair Trade production. In the course of these rationally justifiable revisions, Fair Trade standards and related documents have exploded and reading them has become a time-consuming task. These profound modifications of the Fair Trade standards were only possible because the content of Fair Trade standards is easily modifiable due to its non-technical nature. While the changeability of non-technical standards might facilitate the standardiser’s work to adjust standards to market trends, standard adopters’ satisfaction with this circumstance can be questioned. However, this exuberant growth of Fair Trade
standards can easily be reduced to a classic bureaucratisation trend, as first considered by Max Weber. But concentrating on material aspects of Fair Trade standardisation in detail provides the opportunity to shed light on the material dynamics of standardisation that currently constitute unexplored facets of standardisation.

Material elements of standardisation are used to foster Fair Trade’s legitimacy. Maintaining legitimacy is essential for organisations, as it ensures survival (Meyer and Rowan, 1977). As a matter of course, this is also true for standardisers, as ‘without legitimacy would-be adopters are unlikely to follow a standard’ (Brunsson et al., 2012, p. 619). Thus far, research has emphasised organisational practices that endow standards with legitimacy. Well-known examples are the inclusion of different stakeholders (Boström, 2006; Hallström and Boström, 2010; Fransen, 2012) or experts (Jacobsson, 2000) in the standard-setting process, as well as the certification by an independent body (Conroy, 2007; Hatanaka and Busch, 2008). In addition to these findings, my results suggest that legitimacy can also be achieved through the standards and their modifications. Trends 2 and 3 can be seen as efforts to legitimate Fair Trade on the basis of the content of standards. The integration of alternative standardisation schemes (trend 2) is a way to integrate formally expertise and legitimate principles, such as human rights. Similarly, the addition and specification of environmental standards (trend 3) is a form of incorporating legitimate elements. Finally, the graduation of the standards (trend 4) is an effort to legitimate Fair Trade by fostering impact based on standards. Standard revisions – always closely connected with standard expansion – are thus organisational attempts that use materiality to foster Fair Trade’s legitimacy.

Linking the evolution of standards with the history of Fair Trade provides the opportunity to demonstrate how organisational arrangements shape dynamics in non-technical standards, and how they provoke an escalation of standards. As shown in trend 1, Fair Trade standards remained simple principles for more than ten years and started to gain volume in the pre-phase of the establishment of an independent certification system in 2003. In the course of this process, the standardiser revised its vague Fair Trade principles, which simultaneously demanded and allowed a high degree of interpretation. In so doing, the configuration of the standards received new importance and standards became means to enable credible and independent certification. Since FLO started to substantiate its standardisation system by certification, the standards have entered a spiral of artefact production: the standardiser has created more standards to improve regulation and standard adopters have been forced to document and record their activities. Hence, the decision to make Fair Trade autonomously certified set the ball rolling. Against this background, I argue that the introduction of independent certification – and the subsequent accreditation involved – can be characterised as the pivotal trigger to boost non-technical standards.
Taking the trend of escalating standards seriously leads to reflections on future development of Fair Trade standards. Particularly, this includes questions about the possibilities of an end to such an expansion of standards. For this reason, it is important to note that Fair Trade standards can grow exuberantly, as FLO will never be able to provide regulation for all eventualities. This incompleteness, which has already attracted attention in cases of contracts (Brousseau and Bessy, 1997), prepares fertile ground for infinite standards production. Even if the standardiser FLO decides to minimise and lessen its standards by accepting an interpretive space, this will be an extremely difficult undertaking. Since the introduction of an independent certification body (FLO-Cert), the standardiser is no longer autonomously responsible for its standardisation system because monitoring and certification lies in the authoritative sphere of the certifier. To perform audits, FLO-Cert strives after accurate means of control, not least because of its own accreditation that proves its competence as the certifier. A cessation of the standards explosion – if desired – is therefore closely related to the organisational arrangement of the standardisation system. On that account, I assume that as long as the standardisation programme involves inspection by an independent certifier, a simplification and clearing up of the standards is not within reach.

4. Summary and discussion

An evolutionary approach to written Fair Trade standards has shown how they proliferate in accordance with their environmental setting. Distinct events and changes in the historical development of Fair Trade are directly linked with modifications of the standards. The case of Fair Trade thus provides empirical evidence for the assumption that ‘standardization is a recursive practice, necessarily historical and embedded in a series of complex events and social structures’ (Star and Lampland, 2009, p. 14). While the basic concept of Fair Trade remained the same – supporting marginalised producers – its underlying standards increased in complexity and volume over time. Modifications of the Fair Trade standards were either meant to legitimate the Fair Trade standardisation system through the content of standards or to enable legitimate standardisation practice: that is, certification, accreditation, and implementation of higher-level standards. Providing a legitimate independent third-party certification system seems to provoke and trigger the expansion of standards. Owing to the characteristic mutability of non-technical standards, they assimilate surrounding changes and record insightful information. For this reason, I suggest that standards – and their content – should always be included in research on non-technical standardisation. Studying standardisation systems without considering standards themselves is comparable to playing football without knowing the rules of the game. You can do it, but it is very inchoate.
To enhance knowledge about material aspects of standardisation, research is needed that investigates the effects of non-technical standards on organisational life. In this chapter, I proposed to analyse standards as material devices that trace the development of their contextual setting. In so doing, I did not pay attention to the influence of standards on organisations and their practices. From the perspective of organisation studies, more work is needed that analyses how standards and their modifications shape organisational practices. Thereby, the research must go beyond the analysis of standards’ adoption, which has attracted some attention in the past (e.g. Beck and Walgenbach, 2005; Boiral, 2007; Sandholtz, 2012). Therefore, Fair Trade could be used once more as an empirical case. The elaboration of formal Fair Trade standards, for instance, opened the possibility of commercialising Fair Trade. Without formal standards, cooperation between the Fair Trade movement and conventional retailers could not have been realised. Furthermore, the peculiarities of standards constrain the launch of new Fair Trade product categories. While the cultivation of raw cotton, for instance, can easily be standardised, textiles and clothes subject to the complexity of the supply chain are more challenging and notably more costly to standardise and certify. As a consequence, FLO provides standards for cotton but does not – and with great certainty will not – offer a certification mark for apparels. Such considerations might be the starting point to grapple with standard-related development and to study the recursive intertwining of standards and organisation.

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Table 1. Current Fair Trade standard world (author’s own)
Table 2. Textual artefacts demanded from producers by Fair Trade coffee standards (authors’ own)

| Year | Artefacts | Details |
|------|-----------|---------|
| 1988 | 0         |         |
| 1999 | 0         |         |
| 2002 | 9         | 4 records/reports, 4 plans, 1 other |
| 2009 | 44        | 16 records/reports, 1 list, 15 plans, 2 labels, 4 policies, 6 others |
| 2011 | 42        | 20 records/reports, 6 lists, 5 plans, 6 labels, 1 policy, 4 others |

Notes

1 This chapter forms part of a larger research project at the University of Lucerne entitled ‘Organization and Rationalization of Fair Trade’, which is supported by the Swiss National Science Foundation (100017_134588).
2 Practitioners usually distinguish between Fair Trade (written as two words) to refer to an organised social movement which aims at supporting southern and marginalised producers by raising consumer awareness with market-based strategies and Fairtrade (written as one word) to denote the product certification operated by FLO (WFTO, FLO, FLO-Cert, 2011). To enhance the legibility of this chapter, I constantly use the term Fair Trade.
3 Emphasis is laid here on the uncertainty of the implementation of standards, as various studies have demonstrated decoupling processes in standardisation procedures (Christmann and Taylor, 2006; Boiral, 2007; Aravind and Christmann, 2011).
4 FLO-Cert follows the ISO 65 norm for certification bodies operating a product certification system and is accredited for the generic Fair Trade standard for small producer organisations, the generic Fair Trade standard for hired labour, the generic trade standard, and the all product specific Fair Trade standards, including some minor exceptions (FLO-Cert, 2013).
Current members of the ISEAL Alliance are, apart from FLO: the 4C Association, Accreditation Services International, Bonsucro, Forest Stewardship Council (FSC), GoodWeave, International Organic Accreditation Service, Marine Stewardship Council (MSC), Responsible Jewellery Council, Roundtable on Sustainable Biomaterials, Social Accountability Accreditation Services, Rainforest Alliance/Sustainable Agriculture Network, Union for Ethical BioTrade, and UTZ Certified.

The first Fair Trade standards have been extracted from a document from 1993 from the first national Fair Trade initiative ‘Stichting Max Havelaar’. According to informants from the Fair Trade field, these standards built the initial Fair Trade standard framework.

The currently valid Fair Trade standards for coffee producers were elaborated in 2011.

In the standards no difference between the use of the terms ‘record’ and ‘report’ is evident. Therefore record and reports form one type of textual artifact in Table 2.

In general, other written documents include contracts, declarations, diagrams and written rules,

The requirement for a development plan emerged already in the standard framework from 2009 but was not yet elaborated in-depth at that time.

They include: ILO Conventions 29, 105, and 138 on child labour and forced labour; ILO Conventions 87 and 98 on freedom of association and collective bargaining; ILO Convention 100 on equal remuneration; ILO Plantation Convention 110; ILO Convention 111 on ending discrimination against workers; and ILO Convention 155 on the prevention of accidents and injuries.

Pesticides in World Health Organization class 1a and 1b, pesticides in the Pesticide Action Network’s (PAN) ‘dirty dozen’ list, and pesticides in Food and Agriculture Organization (FAO)/United Nations Environment Programme (UNEP)’s Prior Informed Consent Procedure List.

The Stockholm Convention on Persistent Organic Pollutants, The Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, the PAN’s ‘dirty dozen’ list (currently 18 pesticides), the World Health Organization Acute Toxicity classification 1a and 1b, Banned or severely restricted in the European Union according to PAN List of Lists, and Banned or severely restricted pesticide United States Environmental Protection Agency (EPA) according to PAN List of Lists.

They included: 1) general requirements, which all producer organisations must meet from the moment they join Fair Trade; 2) minimum requirements, which must be met before initial certification; and 3) progress requirements, against which producer organisations must demonstrate compliance over time and by means of continuous improvement.

Core requirements must be complied with.

Development requirements refer to the continuous improvements that certified organisations must make on average against a scoring system.

FLO also applies a multi-stakeholder strategy. Its board composition has shifted significantly over recent years and its general assembly is now made up of 50 percent producer representation and 50 percent national Fair Trade organisation representation.