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Session 15 - Agricultural Labor Practices

GTNF Session 15 tackled the challenges associated with pursuing good agricultural labor practices (ALP). In the past, things were simpler: A farmer would take his tobacco to auction and receive a check, the amount of which was determined largely by the quality of his leaf. Today, the industry has taken on many additional responsibilities relating to sustainability and corporate social responsibility (CSR). “It’s a completely new ballgame—and one that requires additional skills,” said one participant.

The basic ALP principles include the freedom of association among workers, a commitment to occupational health and safety, and a prohibition on child labor and forced labor. As one panelist insisted, these should be seen not as separate issues but as an integral part of the core business. At the same time, pursuing both objectives requires a balancing act because they are sometimes pulling in opposite directions. How, for example, do you balance farm equipment’s greenhouse effects against the advantages of mechanization?

Responsible tobacco companies demonstrate they “walk the talk,” by having their efforts verified by third parties. Many firms publish elaborate reports, disclosing even the smallest details of their CSR programs. “If we are not transparent, everybody gets to have an opinion,” said one panelist. Satisfying critics can be challenging, however, given the unpopularity of the tobacco industry. “Some are just out there to hate tobacco,” lamented one speaker.

Another participant distinguished between two types of critics—those who dislike tobacco to the extent that they can never be pleased and those who care primarily about labor and human rights. The latter group, he said, tends to respect the tobacco industry’s initiatives, which are often far ahead of those in other sectors. Yet others are simply indifferent. How many consumers bother to read corporate sustainability reports?

Dealing with hundreds of thousands of farmers—many of them smallholders—and, often, temporary, unorganized labor, the tobacco industry has its work cut out. “Once committed, ALP is serious work, requiring standards and proper staffing. And rather than a single event, it is an ongoing effort of continuous improvements. One panelist recalled how representatives from a big (nontobacco) firm known for its CSR efforts “fell from their chairs” when they learned about the extent of his employer’s involvement, dealing with nearly half a million farmers.

Child labor continues to draw negative headlines, although the problem is less widespread than portrayed in the media. Yet even isolated cases can cause substantial reputational damage. Many sourcing countries have weak governments and labor laws. In such places, it can be a challenge to explain to farmers that they must comply with standards that are higher than those stipulated in national legislation. And some of the tobacco industry’s responses raise questions about the division of responsibilities between the public and the private sectors. To address concerns about child labor,

tobacco companies in some countries have built schools, for example—a job that, many would argue, is a government responsibility. “We must do our bit, but so does government,” said one panelist.

The issue of child labor is not limited to developing countries. Last year, Human Rights Watch (HRW) raised a stink about it in the United States. Industry representatives insist the report was based on isolated cases and by no means representative of the overall situation. Nonetheless, the report generated lots of negative publicity.

The panelists agreed the HRW episode held some lessons for the industry. “When criticism comes, we need to make an effort to understand where it comes from,” said one. Instead of getting defensive, the industry should acknowledge the issue and present a solution. “If the attack comes, be ready to say, ‘Yes, we know—and this is what we are doing about it.’”

The tobacco industry, of course, is changing, with new products entering the marketplace at a higher frequency than in living memory. As products change, the panelists expected ALP requirements to become even more demanding.