

SweatFreeCommunities

Analysis and Action towards a Just Global Economy

April 2007

I. EXECUTIVE SUMMARY

SweatFree Communities (SFC) is a national network of anti-sweatshop organizations that works to build a global economy with justice and equity. We reject the sweatshop labor regime, oppression, environmental destruction, and erosion of democracy at the core of corporate-controlled globalization. We campaign for worker justice, and work for a global trading system that reflects the values of working people and communities worldwide, giving just workplaces a chance to succeed. SweatFree Communities recognizes the great potential for using government procurement and humane purchasing practices to build a system of fair trade and create positive alternatives to global sweatshops in apparel and other labor-intensive industries.

Based on the assumption that something can be done to change the global economy for the better, sweatfree campaigns offer an implicit critique of the dominant stories of corporate globalization which are designed to engender feelings of powerlessness and attitudes of submission. Sweatfree campaigns also reject the notion that ending sweatshops is a matter of detecting the "bad apple" in an otherwise sound industry. Human rights abuses, poverty wages, dangerous and unhealthy working conditions, and environmental pollution are not an aberration, but the norm for tens of millions of workers in such industries as apparel, electronics, and toys. Furthermore, codes of conduct and monitoring of factories are not alone enough to improve working conditions; rather, the rules and practices of global commerce must change.

SweatFree Communities is committed to the following goals and objectives through a strategy that emphasizes broad coalition building, grassroots organizing, and cooperation between advocates and government representatives.

- **SweatFree Procurement:** We work with grassroots campaigns and local coalitions that campaign for enforceable sweatfree procurement policies at the local, state, and federal government levels. These policies replace the current low bid purchasing system with one that recognizes the importance of the working conditions under which products are made and seeks to leverage purchasing power to support the human rights of workers. A State and Local Government Sweatfree Consortium will help local jurisdictions to pool resources for more effective policy enforcement. SweatFree Communities also supports faith-based organizations, unions, and other organizations working towards sweatfree purchasing.
- **Fair Globalization:** We campaign for fair trade rules to establish meaningful and enforceable labor and environmental standards, protect democracy, safeguard public services, and promote food security. These rules should halt the international race to the bottom in working conditions and give workers leverage to gain improvements. We reject the charge that such rules constitute trade "protectionism," and understand that uniform global fair labor standards, when implemented in partnership with workers, will raise workers' bargaining power everywhere.
- **Worker Power:** We advocate for democracy in the workplace, supporting the formation of independent and democratic unions, worker-controlled cooperatives, or similar organizations that represent the interests of workers. We reject the industry solution to sweatshops that focuses solely on having a code of conduct and occasional factory monitoring. Workers are the best monitors of their workplaces and need to be

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empowered to fight sweatshop conditions.

- **Solidarity:** We promote alliances with all groups committed to fighting racism, sexism, homophobia, classism, and other forms of oppression underlying sweatshop exploitation. We recognize how deeply held and problematic views about workers in the developing world contribute to conditions of exploitation. We reject the notion that certain societies have sweatshops because they are “culturally different,” or that women or immigrant workers are the majority of sweatshop apparel workers because they are more naturally suited for sweatshop labor.

II. INTRODUCTION

Founded in 2003, SweatFree Communities works for a democratic and just global economy, focusing on improving working conditions in apparel and other labor-intensive global industries. Across the United States, sweatfree campaigns advocate for “sweatfree” procurement policies primarily for states, counties, cities, and public school districts. Tax dollars should not pay for sweatshop abuses, advocates of sweatfree policies say; instead, public contracts should be levers for justice for sweatshop workers. At the time of writing, SweatFree Communities provides person-to-person organizing support to more than 20 local sweatfree campaigns across the country; maintains a website with up-to-date campaign news and educational resources; and provides a variety of forums for networking and collaboration for worker rights activists in North America and beyond, including the annual SweatFree Communities Conference.

To date, over 170 school districts, cities, counties, and states in the United States have adopted sweatfree procurement policies creating significant demand for products made in decent working conditions by workers who earn living wages. The more recently adopted policies feature stronger enforcement measures, including independent investigations of human rights abuses at supplier factories and citizen oversight of policy implementation. SweatFree Communities is also working towards a State and Local Government Sweatfree Consortium that will pool resources for investigations and monitoring of supplier factories and coordinate the implementation and enforcement of sweatfree procurement standards.

Our immediate goal is to build a sweatfree movement in solidarity with sweatshop workers in order to improve working conditions in factories. But our purpose extends beyond improving factory conditions. Each local sweatfree campaign and every action in solidarity with sweatshop workers also strengthen a larger movement to change the rules of the global economy. These rules should guarantee respect for local labor law and international labor rights and human rights by rewarding fairness and justice in the work place, and penalizing sweatshop abuses. Individual factory worker victories are important, but we should also insist on changes to the rules of commerce that allow companies to sacrifice workers’ health and wellbeing for short-term profit. If these rules do not change, we will be supporting the same worker struggles indefinitely while inadvertently strengthening the legitimacy of a global economic system that generates further abuses.

This paper represents SweatFree Communities’ analysis of underlying ideological, political, and economic causes of labor and human rights abuses in global labor-intensive industries such as apparel. We suggest a strategy for an economy of equity and solidarity based on broad grassroots political participation at the community level, and ethical government procurement as a lever for positive alternatives to global sweatshops.

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III. ANALYSIS

A. Telling Stories of Globalization

Hardly anyone (openly at least) supports the exploitation of young women and children in garment sweatshops, toiling long hours under dangerous and abusive conditions for below subsistence wages.

Moral indignation at heinous human rights violations in garment sweatshops across the globe has fueled a decade-long consumer-based anti-sweatshop movement in the United States. Yet, a steady stream of media stories, academic studies, and commentaries has all along cautioned that the moral and economic issues are not as clear-cut as they may appear to be at first blush.

Apparently, for some people a little exploitation can be a good thing.

This appears to be a common view even among avowedly liberal commentators who dismiss the anti-sweatshop movement as “well-meaning but misguided.” New York Times columnist Nicholas Kristof, for example, suggests that in order to combat poverty Africa needs schools, clinics, and, yes, sweatshops. It may be grueling and dangerous work, but it is better than the alternative: starvation. Activists should campaign for - not against - sweatshops.¹

Already in 1996, in the wake of the shocking revelations that the Kathie Lee Gifford label was made by young girls in abusive conditions in Honduras, and Kathie Lee herself cried on television pledging “never again,” media began telling stories of “the good sweatshop, relatively speaking.”

“What residents of a rich country like the United States see as exploitation can seem a rare opportunity to residents of a poor country like Honduras,” proclaimed a widely circulated New York Times story which, like Kristof 10 years later, argued that sweatshops were “progress.”² In Asia, in countries like Indonesia and Thailand, sweatshop jobs are workers’ “greatest aspiration” we heard. A garbage scavenger in the slums of Jakarta describes her dreams for her three-year old son: “She wants him to grow up working in a sweatshop.”³

At times, the story appears sanctioned by economic science. “Admittedly, sweatshops have abhorrently low wages and poor working conditions by western standards,” write an economics professor and his student. “However, economists point out that alternatives to working in a sweatshop are often much worse; oftentimes scavenging through trash, prostitution, crime, or even starvation are the other choices workers face.” What’s to be done? “Buying products made in sweatshops,” proclaim the authors, “would do more to help third world workers than college protests.”⁴

Well, then, if third world sweatshops is progress of a sort – progress that we should encourage by going to the mall and not discourage by protesting – how are we supposed to regard and respond to layoffs, rising job insecurity, and declining living standards closer to home? Surely, decline here at home cannot also equal progress?

¹ Kristof, Nicholas, “In Praise of the Maligned Sweatshop,” New York Time, June 6, 2006.

² Rother, Larry, “In Honduras, ‘sweatshop’ can be progress,” Maine Sunday Telegram, July 21, 1996.

³ Kristof, Nicholas, “Asia’s Crisis Upsets Rising Effort to Confront Blight of Sweatshops,” New York Times, June 15, 1998.

⁴ Powell, Benjamin and David Skarbeck, “Third World Work in the Apparel Industry: Now Sweat?” East Valley Tribune, June 7, 2005.

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Perhaps not. Instead popular commentators tell us that “change is natural.” It is an innocent little phrase, but a phrase that hides deliberate human action with profound consequences for human lives and livelihoods. Here is author and analyst of globalization, Thomas Friedman, approvingly quoting a Reuter’s news agency memo to their own staff, preparing them for the upheavals of outsourcing and layoffs within the news agency:

... How many mill towns saw their mills close; how many shoe towns saw the shoe industry move elsewhere; how many towns that were once textile powerhouses now buy all their linens from China? Change is hard. Change is hardest on those caught by surprise. Change is hardest on those who have difficulty changing too. But change is natural... Work gets done where it can be done most effectively and efficiently.⁵

For the Reuters workers, the economic policy of globalization proceeds hand in hand with a story of globalization whose moral is acceptance and subservience. Change is natural, not of human-making.

According to this story, people who lose their jobs to outsourcing are victims of an inexorable force sweeping across the globe like a natural phenomenon nobody can control. Sweatshops too are spawned by super-human economic forces, akin to natural phenomena, a natural stage of economic development leading, by-and-by, to better times if only we leave the economic forces to operate unhindered.

So what if hundreds of jobs will be lost in your community or in your workplace? It may be sad, but some people just do not have a place in the new global economic world order. U.S. manufacturing workers are a prime example of those discarded in this story, but so are, increasingly, service workers from accountants to telephone operators, whose services can be delivered electronically over large distances. Also discarded are the majority of poor people around the world who, in the dominant stories of globalization, should count themselves fortunate for the privilege of obtaining a meager wage in return for sweatshop exploitation.

These stories of globalization, engendering feelings of powerlessness and attitudes of submission, may be nearly as important as the policies packaged under the name of “liberation” in keeping the corporate economy of rising stock values and increasing human despair humming along. Your job is being outsourced? You are worn out working long hours in oppressive conditions and your children do not have enough to eat? In the former case, it is all due to globalization and it is hopeless and pointless to resist. In the latter, it is better than nothing, isn’t it? Adjust, adapt, and move on. Do not question and create trouble.

Yet, it is hardly natural that a pair of pants now travels half-way across the earth before we put them on, and then half-way across the earth again before the people who made our pants – too poor to purchase the products they make – put them on second-hand. It is actually quite bizarre and un-natural, considering the undermining of local economies, the costs of transportation (despite new technologies), and the complex logistical operations required. And can the cost in terms of human lives broken in sweatshops really be deemed “progress”?

Only human creativity and ingenuity (perhaps delusion) could make our current global system of production and consumption not only possible, but also seemingly sensible and

⁵ Friedman, Thomas, The World is Flat. New York: Farrar, Straus and Giroux, 2006, pp. 20-21.

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morally right, and preferable to a number of alternatives involving more local production and consumption, shorter supply chains, trade on equal terms, and guarantees for job security and adequate compensation for a fair day's work.

There is nothing natural or super-human about globalization. The present global economy is the direct result of specific choices made by some of the most powerful people on earth in the interest of some of the largest corporations we have ever seen, and not in the interest of poor people anywhere. It is the deliberate result of very detailed rules, authored by select people, for the movement of goods and capital, the terms of foreign investments, the protection of copy-rights and patents, and much more.

The history of the deliberate creation of the neoliberal project can be traced: Privatization of public enterprises, rolling back of the welfare state, deregulation of the economy, the removal of barriers (such as labor laws) to free trade – and the exporting of this model as a natural, scientific, economic model onto the rest of the world – gained prominence in the 1970s with Friedrich von Hayek and Milton Friedman; grew in the 1980s with Ronald Reagan and Margaret Thatcher; and continues to become more institutionalized as the unquestionably logical organization of the economy through trade organizations and agreements.⁶

Our point is not that a more locally-oriented economy or one based on the principle of fair trade would be more natural than our current global economy. Rather, all economies are of human engineering, and can be undone, modified, or improved. Therefore, submission and hopelessness in the face of an economy producing misery and despair at home and abroad does not make sense; action for change does.



Sweatfree campaigns reject both the prevailing policies and the dominant stories of globalization. Sweatfree campaigns start from the assumption that something can be done to fundamentally change the global economy for the better, and that politics should not be reduced to measures for adjusting and adapting to seemingly super-human economic forces. As a sweatfree campaign participant in Maine put it:

Finally there was something tangible to do about such a large, large problem that so many people cared about. We knew we were part of a greater movement – that if we won in Maine, other states could join in. Really doable and really monumental – what a combination.

Sweatfree campaigns allow people to channel their outrage about sweatshops into engagement with local institutions, organizing unorganized community members to take part in the political dialogue. People's realization that their tax dollars pay for unspeakable human rights atrocities in factories that produce apparel and other goods procured by their communities has sparked a movement based on the understanding that city halls, school boards, and state houses can serve as democratic spaces where ordinary people can successfully promote a vision for global economic justice. These are spaces where ordinary people have access and influence and where grassroots organizing and coalition-building can prevail over corporate lobbying. Sweatfree campaigns, like most politics, "involves seizing opportunities and making spaces, however small, and exploiting them to the hilt so that genuine politics, in the broadest sense, can begin to happen."⁷ In short, sweatfree campaigns can use their city halls to change the world.

⁶ Harvey, David. [A Brief History of Neoliberalism](#). USA: Oxford University Press, 2005, pp. 5-38.

⁷ George, Susan, [Another World is Possible If...](#) London: Verso, 2004, p. 223.

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By campaigning for fair labor criteria in government procurement, sweatfree campaigns introduce a vision of an alternative global economy where fairness, justice, and dignity are rewarded and not penalized. A national network of sweatfree campaigns can spark a broader public debate on the terms of trade, contributing viable visions of positive alternatives based on international human and labor rights standards and enforcement policies field-tested in their local communities.

B. Conceiving Work without Domination

The rules of the global economy guarantee that sweatshop exploitation is the only viable competitive strategy in labor-intensive global industries.

In the apparel industry, the rules allow the large brands and retailers to define the terms of the contract with supplier factories, including price, volume, and turn-around time. The ten largest retailers account for nearly two-thirds of all apparel sales in the United States.⁸ The combination of concentrated buying power in the retail/wholesale sector and excess production capacity in domestic and overseas garment factories allows the large buyers to lower the price they are paying for goods and dictate more stringent performance standards for vendors. Performance standards include faster deliveries and fines for violations of ticketing, packing, and shipping rules. The retailers can even demand a guaranteed profit margin and insist on cash rebates from manufacturers if the guarantee is not met.⁹ The terms dictated by the large retailers and brand-name companies in effect determine where and under what conditions apparel is produced.

Pitted against one another, contract apparel shops compete relentlessly for customers by cutting costs and pressuring workers to work harder for less, resulting in abusive and oppressive working conditions. Forced long overtime hours, below legal minimum and subsistence wages, denial of healthcare, limited and monitored bathroom visits, and suppression of labor rights becomes part of the violence of everyday life.

The workers are usually young women, uprooted from the countryside, and, often, the sole breadwinners for their children. In China employers favor girls from the countryside, girls they believe to be docile, hard working, and easy to control. In Central America, some 80% of garment workers are women, most have children, and many are single mothers. Mothers sometimes work night shifts in order to be home to cook, clean, and take care of the children during the day, living a life of exhaustion and poverty. In the United States, a majority of garments workers also work in sweatshop conditions. Everywhere, even where the conditions are somewhat less oppressive, a constant shadow of insecurity keeps workers precariously balanced on the edge of an abyss of destitution, vulnerable to the slightest push in the wrong direction. Continuous fear and gnawing insecurity foster submissiveness. Workers who speak openly about oppression and stand up for their rights need great courage.



By contrast, the new rules promoted by sweatfree campaigns favor those workplaces currently struggling for their share of a sweatfree niche market. These are workplaces characterized by humanity, dignity, environmental sustainability, and the absence of

⁸ Bonadich, Edna, "Organizing Immigrant Workers in the Los Angeles Apparel Industry." *Journal of World-Systems Research* <http://jwsr.ucr.edu> 4: 10 – 19, 1998. According to Bonadich: "Since the mid-1980s there has been a major merger movement in retailing, where giant retailers have bought each other out, assuming huge debt in the process. Some retailers have gone bankrupt. Others have become billion dollar giants who can exercise tremendous power over the industry."

⁹ Bird, Laura and Wendy Bounds, "Stores' Demands Squeeze Apparel Companies." *Wall Street Journal*, July 16, 1997.

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relations of domination.

Here is a glimpse of such a workplace, a worker's perspective during the early stages of development of a now established and successful worker-owned cooperative. She says:

We have learned a lot. We didn't have any experience, but we all learned, from how to work a sewing machine to how to construct a shirt. That was a beautiful experience because none of us knew. ... We make decisions together. We are twelve people and the twelve of us sit down and solve our problems or sit down to say everything is going fine and let's celebrate.

A "beautiful experience" – when is the last time you heard anyone describe any work experience as "beautiful"?

In a worker-owned cooperative, the workers own the company; decisions regarding significant matters, such as choosing a manager, are made democratically on a one-person one-vote basis. The labor involved in running the enterprise, and the wages and other benefits that result, are shared on a democratic basis. Because control is not concentrated at the top of the company or with absentee owners, no one feels like a cog in the wheel.

Similarly, in a workplace where a democratic union gives workers an effective, collective voice in determining workplace policies, wages, and working conditions the everyday work experience is more humane. These workplaces are themselves democratic spaces conducive to the participation and self-actualization of all its members who, in turn, gain the knowledge, experience, and confidence to participate in the political process beyond the workplace where they become a significant part of a political base that encourages governments to pursue worker and environmentally-friendly economic and social policies. These workplaces are significant not just because they provide a dignified working environment for workers, but also because they help alter the underlying rules and conditions that favor sweatshop exploitation.

C. Detecting and Discarding the Bad Apple (Theory)

A Business Week cover story revealed in November 2006 that:

*American importers have long answered criticism of conditions at their Chinese suppliers with rules and inspections. But many factories have just gotten better at concealing abuses.*¹⁰

The corporate practice of creating codes of conduct for supplier factories and monitoring factories' code compliance emerged in the mid-1990s after a number of high profile brands were widely scrutinized and criticized for substandard working conditions in their supply chains. Today, tens of thousands of social audits are commissioned annually by hundreds of brand-name companies and retailers.¹¹

Yet, as the Business Week article indicates, there is growing skepticism that codes of conduct and monitoring of factory conditions is a viable stand-alone solution to the problem of widespread labor and human rights violations in global garment factories. A comprehensive analysis by the Clean Clothes Campaign in concludes that:

¹⁰ Roberts, Dexter and Pete Engardio, with Aaron Bernstein, Stanley Holmes, and Xiang Ji, "Secrets, Lies, and Sweatshops," Business Week, November 27, 2006.

¹¹ Clean Clothes Campaign, "Looking for a Quick Fix: How Weak Social Auditing is Keeping Workers in Sweatshops," November 2005. Accessed at: http://www.cleanclothes.org/publications/quick_fix.htm

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... social audits are failing to deliver as a tool for assessing code compliance, particularly in determining violations of freedom of association, excessive and forced overtime, abusive treatment and discrimination of workers.¹²

Similarly, a recent survey commissioned by the Ethical Trade Initiative (ETI), an alliance of companies, non-governmental organizations, and trade unions in the United Kingdom, questions if “workers really benefit” from the ETI Code of Labor Practice.

The Business Week article quotes a Nike spokeswoman to show that some companies themselves are beginning to question the value of monitoring. Monitoring helps them to “measure the performance” of their suppliers, she says, but “doesn’t per se lead to sustainable improvements.” She acknowledges that Nike “still [has] the same core problems.”¹³

Factory managers interviewed in the Business Week article are quick to point out that low product price is one of those core problems. One Chinese factory manager complains that providing for legally mandated overtime wage rates is the biggest challenge. “The price [Nike pays] never increases one penny,” he complains, “but compliance with labor codes definitely raises costs.” Similarly, the ETI report concludes that:

... downward pressure on prices and lead times appeared to be having a negative impact: in all countries and sectors suppliers reported that this limited their ability to make improvements in labour practices.¹⁴



For the most part, the corporate story of monitoring is a story about the “bad apple:” occasionally corporate monitors detect and discard a bad apple from the supply chain, but overall factory conditions are at least acceptable. Moreover, conditions are improving over time.

Of course, there is no possibility that the mere monitoring of factory conditions could have any lasting value independently of more comprehensive business reforms if working conditions in supply chains were not already fundamentally sound. Thus, the assumption underlying most social audits is that conditions, for the most part, are sound. If there were widespread and systematic problems with conditions in the supply chain, it would mean we would have to examine underlying rules and practices of commerce to identify the source of these problems, and that monitoring could only be used as measuring stick to see how bad the problem is, not as a solution.

Unfortunately, that is exactly the situation we are in. Human rights abuses, poverty wages, and dangerous and unhealthy working conditions are not an aberration, but the norm for tens of millions of workers in such industries as apparel, electronics, and toys.¹⁵ As the

¹² Clean Clothes Campaign, *ibid.*

¹³ Roberts, Dexter et al, *ibid.*

¹⁴ Barrientos, Stephanie and Sally Smith, “The ETI Code of Labour Practice: Do workers really benefit?” Institute of Development Studies, University of Sussex, 2006, p. 59.

¹⁵ The view that sweatshop abuses are a systemic problem in the global apparel industry, long held by advocates for worker rights, is now gaining currency among both public officials and corporate insiders. The City of Pittsburgh, for example, recently proclaimed that sweatshop abuses in the apparel industry is “the norm and not the exception,” urging all organizations part of the Pittsburgh community to eliminate the use and sale of sweatshop goods (Proclamation by Pittsburgh City Council, July 11, 2006). Even some large companies themselves now publicly admit to serious and chronic

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above-mentioned Business Week and ETI reports argue, buyer-dominated purchasing practices is one of the root causes of sweatshop abuses in the global apparel industry.

Therefore, SweatFree Communities advocates:

- Factories must receive a sufficient volume of orders at prices that are high enough to allow them to pay workers a living wage while making a reasonable profit.
- The terms and schedules of delivery must ensure that factories can fulfill orders without forcing workers to work long overtime hours in harsh conditions.
- The relationship between producer and buyer must be stable and long-term to ensure job security for workers and enable factories to become more efficient over time.

Implementing fair purchasing relationships will yield several benefits to all parties involved: for workers, better working conditions; for factories, more dependable and less stressful relationships with buyers; for vendors, a level playing field and more reliable sources of supply; and for end-users, better quality products and happier tax payers.¹⁶

D.Creating Fair Trade Rules

The rules of the global economy are very weak on labor standards and weaker yet on enforcement of those standards. Typically,¹⁷ they merely call on governments to “strive to ensure” that they adhere to International Labor Organization core standards (such as freedom of association), while also suggesting they “strive to ensure” they do not weaken their existing labor laws in order to attract foreign investment. If a country violates commercial provisions of a trade agreement, such as the intellectual property rights rules, it could face severe trade sanctions. But in the latest international trade agreement model, violation of worker rights standards and labor laws only result in fines that are capped at a relatively modest maximum amount. Because tariff benefits can only be suspended if a country fails to pay a fine, not because it fails to correct a violation, there is no way to compel remediation.

In the textile and apparel industry the Multifiber Agreement (MFA) established quotas on different categories of apparel and textile imports to the United States and the European Union for over 30 years. By restricting imports from countries with low wages and exploitative labor systems that may have had a larger volume of exports were they not

human rights violations in most of their factory base, including physical and verbal abuse, restricted access to toilets and drinking water, forced overtime, and below minimum wages. In 2005, for example, Nike admitted that up to 50% of its Asian factories restricted access to toilets and drinking water; up to 50% of factories deny workers even one day off every week; and in 25% of factories workers are paid below even inadequate legal minimum wages. See Corporate Responsibility Report at: http://www.nike.com/nikebiz/gc/r/fy04/docs/FY04_Nike_CR_report_full.pdf. The Gap also reports that the company has found widespread Code of Vendor Conduct violations in many of its factories. See Gap 2004 Social Responsibility Report at http://www.gapinc.com/public/documents/CSR_Report_04.pdf.

¹⁶ Over 30 public and private universities have issued official policy statements in support of a fair purchasing initiative, termed the Designated Suppliers Program, first proposed by United Students Against Sweatshops. According to the rules of this program, university logo apparel must be sourced from a set of designated supplier factories that have demonstrated full and consistent respect for the rights of their employees, including the right to organize and the payment of a living wage. University licensees must pay these factories sufficient prices to allow them to pay living wages to workers and achieve other fair labor standards; licensees are also expected to maintain long-term relationships with these factories in order to create a reasonable degree of financial stability and job security. For more information: <http://www.workersrights.org/dsp.asp>

¹⁷ Most trade agreements recycle the same rules and principles with only minor variations in language. Quotes in this section come from the Central America Free Trade Agreement (CAFTA).

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constrained by quota allocations, the MFA helped to halt the race to the bottom in working conditions. The MFA resulted in a dispersal of apparel production to as many as 160 countries exporting to only 30 nations as retailers and brands sought new regions of production with unfilled quotas. However, during a 10 year phase-out of the MFA completed January 1, 2005 low-road competition intensified in the apparel industry. As companies now consolidate production in fewer countries, analysts predict massive job losses in both industrialized and industrializing countries.¹⁸

In January of 2005, many developing countries that rely heavily on the apparel and textile sector for export earnings were already suffering from factory closings and job-losses resulting from the MFA phase-out. These countries included Lesotho, Kenya, Cambodia, Mauritius, Sri Lanka, Tunisia, Fiji, and Bangladesh; Bangladesh may lose as many as one million jobs alone.¹⁹ The American Textile Manufacturers Institute fears the loss of a quarter of a million apparel jobs in the United States in short order.²⁰ Job losses, predictably, are accompanied by deteriorating working conditions as companies concentrate production in countries offering the lowest labor costs, and governments downgrade labor standards to retain investment. For example, the Philippines has excluded the garment sector from its minimum wage law and Bangladesh has legalized a 72-hour work week while allowing wages to fall by half in 10 years.²¹

Trade rules also forbid governments to distinguish and judge products based on “processes and methods of production.” If a shirt is made by children in abusive conditions it must be considered to be exactly the same as a shirt made in conditions of justice. For example, according to the “most favored nation” rule companies from all parties of a trade agreement are to be treated the same, no matter the countries’ human rights records. According to the “national treatment” rule, foreign companies must be treated at least as well as domestic businesses, even if a local government would want to give preferential treatment to local businesses to promote economic development. Governments that adapt trade rules pertaining to government procurement are bound by the “supplier qualification” rule to judge potential suppliers solely on the basis of their legal, financial, and technical ability to fulfill a contract, no matter its treatment of workers and environmental practices. They are also required to limit technical specifications of products to factors influencing the performance of the product rather than factors pertaining to the method of production.

This principle of “non-discrimination” as it is called in trade-legalese lies at the heart of the global economy. A shirt is a shirt no matter the conditions in which it was produced. Companies that benefit from these global trade rules will defend this principle whenever it is challenged.



¹⁸ The U.S. Association of Importers of Textile and Apparel expects its members to cut the number of countries in which they source production from 50 in 2005 to just five or six countries by 2007. Wal-Mart plans to concentrate orders in about 12 countries with 80% of their supplies coming from only four or five countries. See International Textile, Garment, and Leather Workers’ Federation, “Avoiding Meltdown in the Post-MFA World,” January 2005, <http://itglwf.org/DisplayDocument.aspx?idarticle=1271&language=2>

¹⁹International Textile, Garment, and Leather Workers’ Federation, *ibid.*

²⁰ American Textile Manufacturers Insitute, “The China Threat to the Textile and Apparel Trade,” July 2, 2003, <http://www.atmi.org/TextileTrade.china.pdf>

²¹See International Textile, Garment, and Leather Workers’ Federation, *ibid.*, and Labour Behind the Label, http://news.independent.co.uk/this_britain/article1578735.ece

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By contrast, sweatfree campaigns require governments to carefully consider the human aspects of the products they buy, rejecting the principle of “non-discrimination” which protects inanimate things from discrimination but results in highly discriminatory labor practices against women and people of color especially.

Schools, cities, and states that have decided to purchase sweatfree goods must judge products based on the conditions of production in addition to the performance of the product, and suppliers based on their labor practices in addition to their technical capacity to fulfill a contract. They require companies to adhere to International Labor Organization core standards, respect workers’ labor rights and human rights, and pay workers fairly for a reasonable day’s work. Sweatfree communities tell companies seeking public contracts that compliance with sweatfree standards is not optional, and that violations of these standards will be discovered and addressed.

Community-by-community, state-by-state sweatfree campaigns help to create a new and equitable economy based on the values and priorities of workers and communities. By demonstrating the possibility of action for positive alternatives sweatfree campaigns help erode the legitimacy of an economic regime that denies alternatives while claiming super-human genesis. The campaigns create grassroots support for economic alternatives that already have been crafted by many civil society groups around the world.²² Proposals that would help to improve working and living conditions for apparel and other low-income workers around the world include:

- Requiring enforceable labor standard conditions in all international trade agreements, empowering workers to organize for basic rights and fair wages.
- Empowering the International Labor Organization (ILO) to monitor compliance with labor standards, and investigate complaints by unions and other non-governmental organizations.
- Allowing trade sanctions as an enforcement mechanism if necessary to compel remediation of worker rights and environmental violations.
- Allowing governments to address concerns about human rights and environmental protection in procurement policies.
- Reversing policies that displace small farmers from their lands and force them to accept jobs in sweatshop conditions.
- Favoring local production and markets rather than long-distance trade through such measures as allowing governments to provide better treatment to local firms than foreign suppliers; allowing protective safeguards to aid local economic renewal; and requiring profits generated locally to remain in the local community.

IV. STRATEGY

SweatFree Communities proposes a positive vision for the global economy. A positive vision is more than a blue-print for a better world; it is also a good strategy for change. Many people are tired of always reacting to bad proposals or policies, tired of defending social movement gains of earlier generations. On the other hand, a vision of positive alternatives attracts more people to our movement. A vision of positive alternatives allows people to hope. A vision of positive alternatives allows us all to act instead of react, putting us in a more powerful position to direct change.

²² See, for example, India’s Living Democracy Movement; the Citizen’s Agenda in Canada; Sustainable Chile; the Alternatives for the Americas by the Hemispheric Social Alliance; Alternatives to Economic Globalization by the International Forum on Globalization; and the Fair Trade for Our Future congressional resolution (H. Con. Res. 276, S. Con. Res. 69).

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A. Forging Alliances and Broad Coalitions

Racism, sexism, homophobia, classism, and other forms of oppression are building blocks of a global economy that rewards sweatshop exploitation. This foundation of oppression can create a semblance of legitimacy to a dehumanizing production system that traps mostly poor women of color. The notion that “a little exploitation is a good thing for some people” (see section II A) is only conceivable through a lens of oppression. A challenge to these forms of oppression is a challenge to the stewards and regime of corporate globalization.

Part of the work of realizing our power as individuals and communities is recognizing the importance of our diverse identities and creating bonds in conscious opposition to a system that separates us from one another and often forces us to compete against each other. A just global economy requires a social movement unified across race, class, gender, and national borders around a shared positive vision. Strong sweatfree campaigns forge alliances and build true coalitions where unions, civil rights groups, immigrant organizations, women’s organizations, laid-off workers, young people, people of faith and others have a stake and a voice.

In addition we should strive for alliances with organizations working towards a just global economy from different vantage points, focusing on different issues. The peace movement, for example, opposes “pre-emptive” wars that concentrate economic power and control in a few unaccountable transnational corporations and shift public resources from poor people in the United States and in other countries. We should support the peace movement while reaching out to movement participants to discuss a vision for an alternative economy that does not rely on force and violence to create markets.

Finally, as advocates for social change we can also reach out to those in government who share our concerns, working collaboratively towards practical solutions.

B. Grassroots Organizing

Grassroots organizing and leadership development are key strategies to give people a sense of their own power to create a better world and humane public policy. SweatFree Communities supports local campaigns through organizing workshops, strategy sessions, one-on-one consultations, and conferences focusing on nuts and bolts organizing skills, policy development and enforcement, networking with allies, and education on the global economy and sweatshops.

C. Government Procurement

Under constant siege from the right wing for the past quarter of a century, government has not withered and shrunk away to nothing, but has shifted vast resources from protective functions (the programs of the social safety net) to punitive functions (the prisons, the police, and the military). It has become a vehicle to make the world safe for business of the worst kind by providing docile low-wage workforces and freedom from regulations that protect people and the environment, and it has neglected its primary purpose of protecting the public welfare.

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But there is one seldom-noticed function of government that is still at our disposal as a lever for public welfare: the procurement function. Our governments, including state and local governments and school districts in the United States, are enormous consumers. As such they can exercise power for change simply by choosing to spend tax dollars like individual consumers, according to the values and priorities of the public. Interestingly, the one area of government not subject to the rules established in international trade agreements without prior public consent is the area of state and local government procurement. Public procurement has always been and still is considered to be an area of state and local autonomy as citizens have the right to decide how to spend their money.

In many poor countries, government procurement remains a tool governments can use to promote indigenous business and local economic development. In the case of the sweatfree movement, government procurement is a tool to promote a new global economy designed to benefit practices of decency, fairness, and justice. Governments can harness their economic power and their commercial relationships with both domestic and international producers to protect worker rights by conditioning access to their procurement markets on fair labor practices.

As these sweatfree government procurement markets grow, we have the power to change entire industries. States and cities purchase an estimated \$400 billion of products and services states and cities annually. States purchase an estimated \$400 million in apparel alone.²³ Eleven and a half million students in school uniforms, many of them attending public schools, spend an average of \$162 each year on uniforms, creating an additional market of over \$1.8 billion.²⁴ And the federal government purchases \$3.2 billion of apparel.²⁵

D.Focus on State and Local Action

While working for reform at the federal level remains a significant challenge, we can more easily exercise our influence on the state and local level where democratic spaces are more accessible to grassroots movements. Just as we should use the best leverage at our disposal for change (for example, government procurement) we should conduct our campaigns for change by using the democratic spaces at our disposal: for example, state houses, city councils, and school boards. We can win in these arenas and build strength for greater struggles.

²³ The state estimate is based on SweatFree Communities' research of apparel purchasing volume in 12 states located in different geographic and socio-economic regions. By extrapolating the average ratio of dollars spent on apparel per capita in these states (\$1.37/person) to the entire nation, we estimate that states buy over \$400 million of apparel annually. This number includes central procurement and agency procurement, but not reimbursable individual employee purchasing.

²⁴ Bennett, Lisa, "Built to Last," *Uniforms*, January/February 2007.

²⁵ Figure for fiscal year 2005. See: www.fedspending.org

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Only some five years ago the idea that a U.S. state or city, let alone a school, can or should have a role influencing the labor practices of factories in the United States and elsewhere in the world seemed far-fetched. Yet in the spring of 2006 high school students in Colorado, Illinois, and Vermont celebrated when they got their high schools to become the first ones in the nation to agree to a program of independent monitoring of factories that produce apparel for their schools. At the time of writing, over 170 cities, counties, states, and school districts across the country have committed to sweatfree procurement, signaling their concern for worldwide labor practices. Notably, these include the cities of San Francisco and Los Angeles which are funding independent investigations of supplier factories; the City of Pittsburgh which has proclaimed that sweatshop abuses in the apparel industry is "the norm and not the exception" and urged all organizations that are part of the Pittsburgh community to eliminate the use and sale of sweatshop products; over 100 school districts in the state of New York; and the states of Pennsylvania, Maine, and New Jersey which have pledged to cooperate to enforce sweatfree procurement policies. Serving as "laboratories of democracy," these local entities can implement significant policy changes in the near future as a model for other public entities, including the federal government.

In order to compel significant changes in the labor practices of companies the size of Wal-Mart, cities, states and schools must collaborate and coordinate sweatfree policy enforcement. As proposed by SweatFree Communities, a State and Local Government Sweatfree Consortium will pool resources for independent investigations of factory conditions, coordinate pressure on sweatshop offenders, and expand market demand for goods that are made in humane conditions by workers who earn good wages. The Consortium will investigate complaints of worker rights violations at shared supplier factories, and facilitate cooperative purchasing from sweatfree factories where workers are free to organize to protect their rights, and receive a living wage for work in decent conditions. Consolidation of sweatfree orders in a limited field of factories creates the necessary conditions for those factories to provide sustainable jobs at good wages.

As it grows, the Consortium will create the procurement power and the democratic legitimacy necessary to transform a sweatshop industry into one providing good jobs.²⁶

²⁶ For a detailed vision of this consortium of states and local governments see: <http://www.sweatfree.org/consortiumvision>

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E. Federal Action

During the last decade, the U.S. global justice movement has mobilized diverse constituencies and broad coalitions committed to replacing existing free trade agreements and institutions with alternatives based on the values of fairness, equity, sustainability, and transparency. The latest free trade agreements, including the Central America Free Trade Agreement (CAFTA) and the U.S. – Oman Free Trade Agreement, passed with historically slim margins after protracted battles. Such narrow defeats indicate increasing Congressional skepticism of the benefits of unfettered free trade, and the growing strength of the fair trade movement. After numerous victories for “fair-trade” candidates in the 2006 Congressional elections, there may, at the time of writing, be opportunities to turn the corner from protracted defensive struggles against NAFTA/CAFTA-style trade deals to positive advocacy for worker and environmentally-friendly international trade agreements.²⁷

Such a shift to a positive federal fair trade strategy creates opportunities for the sweatfree movement to contribute significantly to the debate on the future of international trade. Specific possibilities for sweatfree action for federal reform include:

- Advocating that the United States Trade Representative (USTR) amend trade agreements that include government procurement rules to exempt states and cities, signaling that sub-federal entities retain the right to pursue procurement policies even if such policies contain labor standards that appear inconsistent with the trade rules.
- Requesting that specific states be withdrawn from the listing of states that have committed to observe the government procurement rules in CAFTA, the World Trade Organization Government Procurement Agreement, and other trade agreements; or requesting specific “carve-outs” pertaining to those elements of a Code of Conduct that appear inconsistent with trade rules.
- Suggesting sweatfree Codes of Conduct already embraced by cities and states as models for enforceable labor rights standards in trade agreements.

In addition, the sweatfree movement can highlight state and local sweatfree procurement policies as models for similar federal sweatfree procurement initiatives recently introduced in Congress. The experience of cities and states in attempting to enforce their own sweatfree procurement policies has yielded significant lessons over the last five years that we should make available to federal policy makers in order to realize the promise of potential federal initiatives. Sweatfree campaigns and state and local policy makers can contribute significantly to the discussion on federal sweatfree procurement standards, scope, implementation, and enforcement mechanisms.

F. Religious, Union, and Other Institutional Purchasing

While we are working for a fair and just system of state, local, and federal government procurement, many sweatfree advocates are also members of other institutions that can buy justly. For example, many faith communities have come together to support

²⁷ One such opportunity lies in replacing the current process for creating trade policy, termed “Fast Track” or “Trade Promotion Authority,” with a more democratic procedure. Fast Track delegates Congress’ authority to negotiate and write trade agreements to the executive branch and keeps them secret until signed, foreclosing public oversight and congressional control. A new procedure can set broad criteria for acceptable trade agreements including fair labor standards, environmental protection, and preservation of state and national sovereignty. Fast Track trade authority expires on June 20, 2007.

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alternatives to sweatshops through their considerable purchasing power. These communities act with a strong moral foundation, and have made great strides in religious garment purchasing while also being strong coalition partners advocating against exploitative factory conditions in government supply chains and beyond. Many unions seek to create solidarity with other unions by ensuring that their members wear union-made uniforms, while also supporting sweatfree government procurement efforts. Unions buying union not only expands vital markets for good working conditions, but also strengthen and unifies the labor movement.

SweatFree Communities helps to create resources for religious, union, and other institutional sweatfree purchasing, and also provides information to individual consumers seeking sweatfree alternatives. We also support students' efforts to ensure sweatfree purchasing and licensing practices of their universities.

V.CONCLUSION

The sweatfree movement is committed to progressive social and economic change within the global trading system. Rejecting the sweatshop economy created by undemocratic and unaccountable international institutions of trade and commerce, we call instead for a just and equitable economic system that supports worker empowerment in workplaces and citizen voice at the federal, state and local government levels. By combining and leveraging public purchasing power over billions of dollars worth of products, our movement seeks to create an alternative economy of solidarity as a positive alternative to the larger sweatshop system. Through the power of public procurement, we can refocus the global trade debate on maximizing justice and equity rather than maximizing trade for its own sake, and deliver real results for workers who are struggling for justice.