Strategies for Garment Worker Empowerment in the Global Economy

Katie Quan*

TABLE OF CONTENTS
I. Introduction .......................................................... 27
II. Strategies for Organizing Domestic Markets .......... 28
III. Strategies that Support Unionizing ................. 30
IV. Strategies that Confront Globalization ........... 35
V. Conclusion .......................................................... 38

I. Introduction

Since 50,000 environmentalists and trade unionists protested the World Trade Organization (WTO) in Seattle in 1999, globalization has become a widely accepted fact among the American public. But, although the anti-globalization movement has actually grown strong enough to derail WTO deliberations in Cancun in September 2003, most Americans have little understanding of what the WTO is or what its policies signify.

However, for garment workers in the U.S., the policies of the WTO and related trade agreements will hit hard. In particular, the apparel trade agreement known as the Multi-Fiber Agreement is set to expire in 2005, which as part of the trade liberalization agenda will eliminate quotas on garment imports from country to country. The result will likely be a shift of worldwide garment production to countries where labor costs are lowest, like China and Vietnam, and millions of garment workers from Bangladesh to New York may lose their jobs. In California alone, half of the 150,000 immigrant women from Latin America and Asia who sew apparel may lose their jobs over the next several years.1 With such dire predictions, neither apparel industry workers nor their employers can afford to ignore the economic effects of these global trade policies. Nor should State policymakers or the general public fail to be aware of the widespread unemployment, demand for jobs and job

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training, and need for multi-lingual social services that will arise as a consequence of this looming threat.

In response to these developments, Sweatshop Watch, the anti-sweatshop coalition known for garment worker organizing and policy advocacy in California,\(^2\) reversed its prior concentration on local organizing and made a strategic choice to increase attention to global organizing beginning in 2002. Its board of directors reasoned that California garment workers are not just impacted by their direct employers, brands and retailers along the global supply chain, but are also directly impacted by the global institutions like the WTO, which is setting rules for competition among those same brands and retailer. These rules will cause garment workers to lose their jobs.

Sweatshop Watch’s decision to prioritize global work reflects a new understanding of the integral relationship between domestic organizing and global organizing. It is just one example of how one local organization is responding to the global economy, but it could be a lesson for others who are struggling to understand the role of local organizations in the global economy.

To analyze the strategic choices that Sweatshop Watch faced, I will discuss the nature of labor-management conflict in the apparel industry and show that different economic conditions have called for different strategies to attain worker power. I conclude that we are in a new period where international capital is aggressively consolidating power by setting rules for trade and investment, and where garment worker organizers must respond accordingly with strategies directed towards institutions of global capital. I will refer to existing literature and law, and will also draw heavily upon personal observations as a former garment worker and union officer, as well as a current Board member of Sweatshop Watch, the Worker Rights Consortium, and the International Labor Rights Fund.

II. STRATEGIES FOR ORGANIZING DOMESTIC MARKETS

In the 1970s when I was a garment worker in New York’s Chinatown, I had two bosses: one was Mrs. Lau, the Chinese-American factory owner who hired me and issued my paycheck, and the other was Paul Reed, the uptown Jewish-American manufacturer who owned the labels, created the designs, and sold the finished garments to department stores. Mrs. Lau was known as a contractor, and Paul Reed was the manufacturer.

The most common type of labor-management dispute that we had with Mrs. Lau was piece rate disputes. Each time we were given a new style to sew, Mrs. Lau would try to lower our rates, offering us less than the established standard and making us work faster and faster to make decent earnings. In response, us workers were always trying to defend the prices we set for stitching various operations, often times organizing work stoppages to back up our negotiations. Usually Mrs. Lau would blame Paul Reed for the low piece rates, saying that he lowered the contract price he gave to her, so she would have to lower the piece rate she gave to us.

We never directly dealt with Paul Reed or other manufacturers, but we knew that the manufacturers were also our employers. We knew this because they paid for our medical and retirement benefits, as well as holiday pay and vacations, through contributions to the union’s trust funds. Only if the manufacturers failed to make payments to the fringe benefit trust funds might the union direct us to strike the manufacturer.

To address these two tiers of employers, in the 1930s the International Ladies’ Garment Workers’ Union (ILGWU)\(^3\) created a triangular system of labor relations. It encouraged the employers in the major apparel markets to form manufacturers’ associations and contractors’ associations for the purpose of collective bargaining, thus ensuring that all employers would be required to provide the same level of wages and benefits.\(^4\) The union negotiated first with the manufacturers’ association for wage increases and fringe benefit fund contributions, and then negotiated with the contractors’ association for the same amount of wage increase. The third step was negotiation between manufacturers’ and contractors’ associations, where contractors negotiated for price increases that they would “pass down” to workers in the form of wage increases. This triangular bargaining relationship was formally recognized as “joint employership,” where the manufacturers bore responsibility for wage increases and benefits contributions for workers in contractors’ shops. Manufacturers also had liability for unpaid wages of those workers.\(^5\)

Joint employership was at the heart of the “integrated process of production,” a concept that formed the basis for the garment industry proviso of Section 8(e) of the National Labor Relations Act, which held that the garment industry contractors were merely providing a service to manufacturers and were actually dependent upon manufacturers in an integrated production system.

\(^2\) See [http://www.sweatshopwatch.org](http://www.sweatshopwatch.org)

\(^3\) The ILGWU was one of the successor unions to UNITE, the Union of Needletrades, Industrial and Textile Employees, which formed in 1995.

\(^4\) DAVID DUBINSKY & A.H. RASKIN, DAVID DUBINSKY: A LIFE WITH LABOR 124 (Simon and Schuster 1977).

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This meant that manufacturers were not secondary employers, and therefore not subject to the restrictions placed upon secondary activity elsewhere in the NLRA. It allowed the union to negotiate contracts requiring union contractors to work only for union manufacturers, and union manufacturers to give work only to union contractors. Firms who violated these provisions could be struck for contract violation.6

By institutionalizing joint employership in triangular bargaining and passing national legislation that defined the garment contractor system as an integrated process of production, the union was able to create a structure that effectively bound employers to the union, and could essentially recruit union members by persuading non-union employers to join employer associations with union agreements. Those who couldn’t be persuaded were struck. During the 1940s and early ’50s, the union used this system to its advantage, aggressively striking non-union firms who did business with union firms and bringing in hundreds of thousands of new members. During the height of its power in 1954, the ILGWU represented 440,650 workers7 or about 70% of the industry,8 a density that was twice the national average at the time for all sectors.9

In summary, prior to 1990, the union’s main strategy to achieve worker power was to establish manufacturer-contractor joint employership, and then to form a triangular bargaining relationship that bound both employers to the union. The alignment of actors was the workers and their union on the one hand, and the joint employers on the other. The union used this position to organize a high proportion of workers in the labor market, and over time substantially improved wages and working conditions through collective bargaining. In 1949, garment workers earned an average of $61.28 per week, compared to the national average of $54.92 for all manufacturing workers.10

III. STRATEGIES THAT SUPPORT UNIONIZING

As long as manufacturers sourced work to union contractors and contractors obtained work from union manufacturers, the union could

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8 For total numbers of workers employed in the women’s apparel industry, see U.S. DEPT. OF COMMERCE, BUREAU OF THE CENSUS 1954 VOLUME II INDUSTRY STATISTICS: PART I GENERAL SUMMARY AND MAJOR GROUPS 20 TO 28, 202-06.
12 See generally MIRIAM CHING LOUISE, SWEATSHOP WARRIORS: IMMIGRANT WOMEN WORKERS TAKE ON THE GLOBAL FACTORY (South End Press 2001).
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III. Strategies that Support Unionizing

As long as manufacturers sourced work to union contractors and contractors obtained work from union manufacturers, the union could maintain control of the labor market. However, beginning in the 1950s, manufacturers began to source production outside the major apparel markets: first to the American South, and later to Puerto Rico, Mexico, Latin America, the Caribbean, Japan, Hong Kong, South Korea, Thailand, Indonesia, China and Vietnam. When production shifted to the American South, the union “followed the work” and organized the workers. Later when production moved to Puerto Rico, again the union followed the work and organized the workers. However, as manufacturers subsequently pushed farther into countries with lower labor costs in the 1960s, the union stopped following the work, did not organize the workers, and lost control of the market. The result was a re-emergence of Nineteenth Century-style sweatshops abroad and loss of jobs and wage standards domestically.\(^9\)

In 1990 I became head of the San Francisco office of the ILGWU, and set up a workers’ center in Chinatown in collaboration with the Asian Law Caucus. During the next several years we handled hundreds of cases for non-union workers involving non-payment of wages, non-payment of overtime premium, and termination for collective action. The largest of these was the Kong case in 1992, where an apparel contractor named Yee Nor Kong suddenly disappeared, owing 450 immigrant Chinese workers more than $1 million in back pay. Through noisy demonstrations and legal action that caught the attention of the GAP and other manufacturers involved, and with the involvement of the U.S. Department of Labor and the State Labor Commissioner’s office, we were able to secure back pay for the workers.

During those years, other anti-sweatshop campaigns highlighted abusive conditions in the U.S. as well as abroad, targeting brand-name manufacturers as the main responsible party. In the early 1990s the Asian Immigrant Women Advocates undertook a media campaign against Jessica McClintock on behalf of several seamstresses whose employer owed them back wages,\(^10\) and union activists in Indonesia exposed horrific conditions in a Nike shoe factory that led to a worldwide boycott against Nike.\(^11\) In response to conditions such as these, worker advocates pressed for manufacturers to adopt “codes of conduct” for their contractors and other suppliers, establishing corporate policies based upon internationally-recognized core labor standards that uphold minimum/living wage and overtime payments, a limit on overtime hours,

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\(^12\) The Nike Issue . . . How It All Began, Nikewages.org, at http://www.nikewages.org/issuehistory.html (last visited Nov. 16, 2003).
a ban on child labor and slave labor, and the right to organize unions. By the end of the 1990s most apparel companies had adopted codes of conduct, and many had also hired monitors to verify contractor compliance with these codes.14

With most manufacturers having voluntarily adopted codes of conduct, the next step for anti-sweatshop activists in California was to pass a law requiring manufacturers and contractors to be jointly liable for working conditions in contracting shops. Joint employership and joint liability had been established in the unionized sector, as noted in the preceding section, but had not been the practice in the non-union sector. In California, the union represented less than 5% of the industry’s workers, so a law requiring manufacturer liability would benefit over 100,000 workers. Joint liability legislation was introduced in the State Legislature in 1989, 1991, and 1994 and supported by a coalition of advocates, including the ILGWU, known as the Coalition to Eliminate Sweatshop Conditions in the garment industry. The bill had passed both houses of the state legislature, but was vetoed by Republican governors. However, all members of the Coalition believed that it was important to continue to work together, so in 1995 the members of the Coalition decided to form a permanent non-profit organization and change its name to Sweatshop Watch. The founding member organizations included Asian Immigrant Women Advocates, Asian Law Caucus, Asian Pacific American Labor Alliance, Asian Pacific American Legal Center, Coalition for Humane Immigrant Rights of Los Angeles, Employment Law Center - Legal Aid Society of San Francisco, International Ladies’ Garment Workers’ Union, Korean Immigrant Workers Advocates, La Raza Centro Legal, Los Angeles County Commission on Women, and Mexican American Legal Defense and Education Fund.15

During this period Sweatshop Watch’s main strategy was to represent workers in holding manufacturers, and the increasingly more powerful clothing retailers, accountable to the workers. In its first five years of existence Sweatshop Watch racked up an impressive list of accomplishments: it represented the 72 Thai workers found incarcerated behind razor-wire fence in El Monte, California;16 it sued The Gap, Liz Claiborne, and a number of other manufacturers in a pathbreaking series of lawsuits regarding their sweatshops in Saipan;17 and it finally won manufacturer wage guarantee legislation in 1999 in the form of AB 633.18 It also networked with a number of organizations that were working on similar issues, both domestically and internationally, ranging from student groups to unions and global activists.19

One important ally was the United Students Against Sweatshops (USAS),20 an organization of university and college students who organized on campus to advocate for universities to adopt codes of conduct for their licensed products. In doing so, students found a way for themselves to act not just as individual consumers, but as part of a larger campus purchasing entity with far greater clout. USAS went on to help form the Worker Rights Consortium (WRC)21 to monitor licensee compliance with university codes of conduct, and Sweatshop Watch is a member of the WRC’s advisory board.

While legal tactics, legislative tactics, or both were present in most activities, the main strategy that anti-sweatshop activists used was large-scale public campaigns that appealed to consumers for support of human rights and urged them to take action against targeted brands. As a result, most people have heard that Nike has had labor troubles in Indonesia and Vietnam,22 and that Kathie Lee Gifford was forced to come out of denial for her clothing line being produced in sweatshops.23 Not only has this movement successfully established manufacturer and retailer accountability, but it has also framed labor rights in terms of human rights, and in doing so has won over a diverse range of allies who might not otherwise have supported workers’ causes or agreed to core labor standards. It has been the most widely-recognized and -sustained social movement for labor rights in recent history.

Whereas in the period prior to the 1990s, garment workers’ main strategy was to organize and bargain collectively, during the anti-sweatshop era the dominant form of empowerment was through organizing a social movement of workers and consumers against manufacturers and retailers. This does not mean that there were no

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14 For surveys of companies that have adopted codes, see The Sweatshop Quandary: Corporate Responsibility on the Global Frontier (Pamela Varley ed., Investor Responsibility Research Center 1998); U.S. DEP’T OF LABOR, THE APPAREL INDUSTRY & CODES OF CONDUCT 1996.


19 Member Organization, Sweatshopwatch.org, at http://www.sweatshopwatch.org/swatch/about/ (last visited Nov. 16, 2003).


23 Steven Greenhouse, A Crusader Makes Celebrities Tremble, N.Y. TIMES, June 18, 1996.
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\textsuperscript{15} Katie Quan, Legislating Sweatshop Accountability (Apr. 20, 2001)


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\textsuperscript{17} Robert Collier, \textit{Pressure Mounts on U.S. Apparel Industry/Saipan Lawsuits
\textsuperscript{18} See http://www.leginfo.ca.gov/pub/99-00/bill/asm_ab_656_0050/ab_632_bill_1999
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\textsuperscript{19} Member Organization, Sweatshopwatch.org, at http://www.sweatshopwatch.
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\textsuperscript{20} See http://www.usasnet.org (last visited Nov. 16, 2003).
\textsuperscript{21} See http://www.workerrights.org (last visited Nov. 16, 2003).
\textsuperscript{22} See Bob Herbert, \textit{Brutality in Vietnam}, N.Y. TIMES, March 28, 1997, at A29;
Street Stories: \textit{Just Do It: Nike Cheap Labor Factories in Indonesia} (CBS television
broadcast, July 2, 1993).
\textsuperscript{23} Steven Greenhouse, \textit{A Crusader Makes Celebrities Tremble}, N.Y. TIMES, June
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social movements during the pre-1990 era; the social movements taken up by the ILGWU for the eight-hour day, an end to child labor, the right of women to vote, and civil rights are all part of a proud history of the labor movement's integration with other progressive social movements.\textsuperscript{24} However, those social movements were not the primary tool used by workers to raise their workplace problems and achieve resolution and remediation; this was done through organizing and collective bargaining.

In contrast, by the 1990s the apparel market had gone global, and the union had lost membership density and become relatively weak. During this period the main strategy for making sure that workers in San Francisco, New York, Indonesia or Vietnam were paid correctly and could form unions was to pressure manufacturers and retailers to voluntarily adopt codes of conduct and require them to accept manufacturer responsibility. The alignment of forces was the workers and consumers on the one hand, and the manufacturers and retailers on the other. Notably, the garment contractors, the direct employers of the workers who were in some cases multinational corporations in their own right, were allied with neither workers nor retailers during this period, and their role should be further analyzed.

However, while the anti-sweatshop movement became the most visible form of labor-management conflict in the apparel industry, disputes on the shop floor did not disappear. Factory owners still tried to lower piece rates, and they increasingly closed down owing workers back pay, so unions were still necessary for garment workers to defend themselves from exploitation and give them collective power.

This being the case, the key strategic goal for garment workers in the anti-sweatshop era was to leverage the gains of the anti-sweatshop movement to promote union organizing. No quantitative data exists to show whether this has been done, however there are a few cases that demonstrate how workers have used labor standards to promote union organizing. Examples include the Kukdong workers in Mexico, where in 2001 workers appealed to the WRC and other monitors to enforce university codes of conduct to persuade Nike to put pressure on their employer to allow them to form an independent union.\textsuperscript{25} Another example is the BJ and B workers in the Dominican Republic, where in 2002 workers likewise appealed to university monitors to enforce their

\textsuperscript{24} See generally Gus Tyler, LOOK FOR THE UNION LABEL: A HISTORY OF THE INTERNATIONAL LADIES’ GARMENT WORKERS’ UNION (M.E. Sharpe 1995).
\textsuperscript{25} Katie Quan & Jeremy Blasi, The Kukdong Story (unpublished paper, presented at the United Association of Labor Educators on Apr. 11, 2003).

\section*{IV. Strategies That Confront Globalization}

Sweatshop Watch's work began with an intended focus organizing in California, but from the very beginning with the Thai c in El Monte in 1995, and then with the Saipan lawsuit, target multinational manufacturers and retailers for responsibility sweatshops necessarily led to an international scope of work. How some on Sweatshop Watch's board of directors (the "Board") were convinced that we should think globally and also act globally. example, while considering whether or not to be a plaintiff in a cl action suit on behalf of workers who were severely exploited in Saip the Board did not agree about whether or not to become involved labor issues overseas. Some members of the Board argued that there plenty of garment worker problems right here in California, and Sweatshop Watch should concentrate its efforts on them. Others arg that garment worker issues were global de facto, and that Sweats Watch could not be limited to domestic work. In the end, because Board operated largely by consensus, the majority acc to the v that its work be focused primarily in California.\textsuperscript{27}

A reflection of this position is illustrated in the decision at Board's 2001 annual retreat to expand the work of the Garment Wor Center, a Los Angeles-based worker organization that it had foun The Garment Workers Center had begun to take on cases of t payment of wages and was mounting public campaigns against retail and the ambitious plan was to mount a strategically targeted campaign Los Angeles that would have significant impact on the industry ove Even though those who had insisted on a domestic focus had left Board, global projects such as a plan to predict the effect of change trade laws on apparel employment in California continued to receive priority.\textsuperscript{28}

However, one year later at its 2002 annual retreat, the BC decided to shift priorities. The plan to mount a strategic camp against a retailer-manufacturer had never materialized, due mainl staff attention to some high-profile public campaigns. When the su was raised, no one on the staff or the Board pressed for

\textsuperscript{26} American Center for International Labor Solidarity, Case Study: Organizing Victories in Export Processing Zones (unpublished report; forthcoming 2004).
\textsuperscript{27} Interview with Nikki Bas, Executive Director, Sweatshop Watch, in Oak Cal. (Sept. 15, 2003).
\textsuperscript{28} Id.
social movements during the pre-1990 era; the social movements taken up by the ILGWU for the eight-hour day, an end to child labor, the right of women to vote, and civil rights are all part of a proud history of the labor movement's integration with other progressive social movements. However, those social movements were not the primary tool used by workers to raise their workplace problems and achieve resolution and remediation; this was done through organizing and collective bargaining.

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This being the case, the key strategic goal for garment workers in the anti-sweatshop era was to leverage the gains of the anti-sweatshop movement to promote union organizing. No quantitative data exists to show whether this has been done, however there are a few cases that demonstrate how workers have used labor standards to promote unionizing. Examples include the Kukdong workers in Mexico, where in 2001 workers appealed to the WRC and other monitors to enforce diversity codes of conduct to persuade Nike to put pressure on their employer to allow them to form an independent union. Another example is the BJ and B workers in the Dominican Republic, where in 12 workers likewise appealed to university monitors to enforce their codes of conduct, allowing them to form a union and win a collective bargaining agreement.26

IV. STRATEGIES THAT CONFRONT GLOBALIZATION

Sweatshop Watch's work began with an intended focus on organizing in California, but from the very beginning with the Thai case in El Monte in 1995, and then with the Saipan lawsuit, targeting multinational manufacturers and retailers for responsibility for sweatshops necessarily led to an international scope of work. However, some on Sweatshop Watch's board of directors (the "Board") were not convinced that we should think globally and also act globally. For example, while considering whether or not to be a plaintiff in a class-action suit on behalf of workers who were severely exploited in Saipan, the Board did not agree about whether or not to become involved in labor issues overseas. Some members of the Board argued that there are plenty of garment worker problems right here in California, and that Sweatshop Watch should concentrate its efforts on them. Others argued that garment worker issues were global de facto, and that Sweatshop Watch could not be limited to domestic work. In the end, because the Board operated largely by consensus, the majority acceded to the view that its work be focused primarily in California.27

A reflection of this position is illustrated in the decision at the Board's 2001 annual retreat to expand the work of the Garment Workers Center, a Los Angeles-based worker organization that it had founded. The Garment Workers Center had begun to take on cases of non-payment of wages and was mounting public campaigns against retailers, and the ambitious plan was to mount a strategically targeted campaign in Los Angeles that would have significant impact on the industry overall. Even though those who had insisted on a domestic focus had left the Board, global projects such as a plan to predict the effect of changes in trade laws on apparel employment in California continued to receive low priority.28

However, one year later at its 2002 annual retreat, the Board decided to shift priorities. The plan to mount a strategic campaign against a retailer-manufacturer had never materialized, due mainly to staff attention to some high-profile public campaigns. When the subject was raised, no one on the staff or the Board pressed for its

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1 See generally Gus Tyler, Look for the Union Label: A History of the National Ladies' Garment Workers' Union (M.E. Sharpe 1995).
27 Interview with Nikki Bas, Executive Director, Sweatshop Watch, in Oakland, Cal. (Sept. 15, 2003).
implementation. Instead, what most concerned the Board was a noticeable rise in unemployment among garment workers in Los Angeles that was attributed to the effects of the North American Free Trade Agreement (NAFTA). Whereas in Northern California the industry had lost more than 50% of its garment jobs within the first five years after the passage of NAFTA, employment levels in Los Angeles had held relatively steady. However, beginning in 2000, Los Angeles workers were reporting difficulties in finding work, and by 2002 the lack of work was alarming.

Not only was the Board concerned about NAFTA, but also about a potentially more far-reaching trade agreement, the Multi-Fiber Arrangement (MFA). The MFA is a worldwide trade agreement that since 1974 has provided quotas on import of foreign-made apparel, as a response to unions and businesses in developed countries who sought to protect their domestic jobs and businesses. The MFA is scheduled to be completely phased out by 2005, which will eliminate quotas and likely leading to tremendous shifts in production to low-wage countries. In Los Angeles, this would affect 150,000 workers who are primarily immigrants from Latin America and Asia—women who are not proficient in English or who lack other marketable skills. Some garment worker unions have approached Sweatshop Watch about joining their demand for an official extension of the MFA termination date; however, at the 2002 retreat the Board felt ill-prepared to make an immediate decision.

Given that its constituents face such a massive threat, the Board realized that globalization could no longer be given low priority, and at the 2002 Board retreat it reversed its earlier policy of focusing mostly on domestic issues and made plans to address global institutions and economic development issues as a higher priority. It planned a series of study sessions on international trade institutions, international finance issues, and social causes. It also planned to study sustainable economic development for immigrant communities, including job training for non-English-speaking workers. Which policies and directions the Board will establish is not known, but given the seriousness of the challenge, it is likely that there will be a stronger emphasis on linking with workers and allies in other countries against the institutions of global capital.

Indeed, the elimination of the MFA is just one example of the rulemaking for global capitalism that is taking place at breakneck speed, without opportunity for worker voice. Regional trade agreements such as NAFTA not only eliminate trade, NAFTA’s Chapter 11 gives corporate jehovah public services and eliminates were once considered sovereign domains.

For workers in the apparel industry, trade liberalization for fifty years, taking in the global economy is no longer; American unions and other right to lobby Congress for legislation limiting imports and insisting on labor agreements. Now, the situation has changed, such as the WTO are ushering out of the system into new citizen safeguards while protecting citizens’ groups have neither voice nor say.

For garment workers this represents management dispute. This dispute environmentalists, populists, and labor groups that now align against supranational globalization determining whether or not they will limit imports, and clean water to drink. No shop-floor disputes with their contracts and with multi-national retailers and institutions. Fighting global capitalism management dispute.

The challenge, then, is to focus leverage more power. In the 1990s the strength of the anti-sweatshop organizing. In this new era the key ways to use labor standards to support the near-universal voiding standards among apparel retailers and their allies in anti-globalization activity. But to get retailers and manufacturers to existing production sites when the MFA that provide for employment, train. Another example might be to get retailers already agreed to accountability for shops around the world to negotiate representing workers in contracting

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29 Interview with George Wedemeyer, Investigator, U.S. Department of Labor, in Oakland, Cal. (Apr. 18, 2001).


31 Interview with Nikki Bas, Executive Director, Sweatshop Watch, in Oakland, Cal. (Sept. 15, 2003).

32 Katie Quan, NAFTA Realities and Promise, Labor Research and Education, Berkeley Laborcenter.berkeley.edu/newsletter/spring
ination. Instead, what most concerned the Board was a rise in unemployment among garment workers in Los Angeles attributed to the effects of the North American Free Trade Agreement (NAFTA). Whereas in Northern California the industry had seen 50% of its garment jobs within the first five years after the of NAFTA, employment levels in Los Angeles had held steady. However, beginning in 2000, Los Angeles workers were reporting difficulties in finding work, and by 2002 the lack of work was more than a far-reaching trade agreement, the Multi-Fiber Agreement (MFA). The MFA is a worldwide trade agreement that has provided quotas for import of foreign-made apparel, as to unions and businesses in developed countries who sought their domestic jobs and businesses. The MFA is scheduled to be phased out by 2005, which will eliminate quotas and likely tremendous shifts in production to low-wage countries. In Los Angeles, this would affect 150,000 workers who are primarily immigrants in America and Asia—women who are not proficient in English and other marketable skills.

Some garment workers have called Sweat Shop Watch about joining their demand for an official notification of the MFA termination date; however, at the 2002 retreat the Board retreated from an ill-prepared decision that its constituents face such a massive threat, the Board that globalization could no longer be given low priority, and at Board retreat it reversed its earlier policy of focusing mostly on issues and made plans to address global institutions and development issues as a higher priority. It planned a series of meetings on international trade institutions, international finance and social causes. It also planned to study sustainable economic opportunities for immigrant communities, including job training for non-speaking workers.

Which policies and directions the Board will not be known, but given the seriousness of the challenge, it is towards there will be a stronger emphasis on linking with workers and other countries against the institutions of global capital. The elimination of the MFA is just one example of the ng for global capitalism that is taking place at breakneck speed, opportunity for worker voice. Regional trade agreements such as NAFTA not only eliminate trade barriers, but provisions such as NAFTA's Chapter 11 give corporate investors vastly increased power to take over public services and eliminate duly passed legal protections that were once considered sovereign domain.

For workers in the apparel industry, who have faced job loss due to trade liberalization for fifty years, being victims of corporate profit-taking in the global economy is not new. However, during earlier periods, American unions and other citizen groups at least have had the right to lobby Congress for legislation that limits corporate freedom by limiting imports and insisting on labor rights conditionality in trade agreements. Now, the situation has changed. Supranational institutions such as the WTO are ushering out the MFA and arbitrarily abolishing citizen safeguards while protecting corporate interests. Unions and citizens' groups have neither voice nor any role in the rulemaking.

For garment workers this represents yet one more level of labor-management dispute. This dispute is one where they and the environmentalists, populists, and democracy-loving people of the world align against supranational global economic institutions that are determining whether or not they will have jobs, the right to organize unions, and clean water to drink. Now they are not only are they facing shop-floor disputes with their contractor and manufacturer employers and with multi-national retailers, but they also face global trade institutions. Fighting global capital has become the ultimate labor-management dispute.

The challenge, then, is to focus on efforts that will strategically leverage more power. In the 1990s the key strategic goal was to leverage the strength of the anti-sweatshop movement to generate union organizing. In this new era the key strategic goals might be 1) to find ways to use labor standards to support unionization, and 2) to find ways to leverage the near-universal voluntary agreement to core labor standards among apparel retailers and manufacturers into gains for labor rights in anti-globalization activity. Examples of the latter goal might be to get retailers and manufacturers to agree voluntarily not to abandon existing production sites when the MFA phases out, and to adopt policies that provide for employment, training, and access to social services. Another example might be to get retailers and manufacturers who have already agreed to accountability for labor conditions in their contracting shops around the world to negotiate collective agreements with unions representing workers in contracting shops, and then negotiate contracts

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V. CONCLUSION

Globalization is not abstract and distant—it is real and it is here. Because most of its impact has been incremental, most people have not felt much discernible effect. However, when events like the phase-out of the MFA take place, the effects are likely to be widespread and devastating, affecting millions of workers around the world. It is a labor-management dispute of global proportions.

It is daunting to decide the best approach to respond to globalization. Historically, garment worker organizers have found tremendously creative ways of gaining power—through collective bargaining with joint employers, passing legislation that enabled them to organize, and building anti-sweatshop campaigns that leverage the right to organize. Today we are at another historic juncture, where all of the labor-management relations of the past are still present: two-tiered employer system and consumer support for workers versus multinational brands. Yet now there is a new level of labor-management relations: workers and the peoples of the world versus institutions of global capital.

Strategically, the challenge is to respond by leveraging power from previous gains. Just as some workers have used goods of conduct to organize unions and win collective bargaining agreements, so too must we think about how to use internationally-recognized core labor standards in global trade, investment and development. We can also think about how to use the manufacturer-retailer accountability to expand possibilities for global bargaining and demand job security in the face of free trade.

Organizationally, we have to be ready for the challenge of winning labor disputes of global proportions. This will mean a shift in perspective, priorities, and resources. Sweatshop Watch has begun that process—recognizing that it could not effectively address job loss in California’s apparel industry without re-assessing organizational priorities and expanding the scope of its work to include organizing around global issues like trade. It demonstrates responsiveness to its constituents who find it increasingly difficult to find jobs, a commitment to analyzing the problem, and a willingness to make a significant change in organizational priorities.