UC SANTA BARBARA



May 19, 2014 <u>Sonia Fernandez</u>

The Lost Dignity of Labor

Just a little over a year ago, the worst accident in the history of the garment industry occurred when the Rana Plaza industrial building collapsed. The eight-story building in Savar — a squalid industrial district of Dhaka, the capital of Bangladesh — fell during the morning rush, crushing workers whose hands put together the clothes of millions of people worldwide.

Subsequent investigations revealed a laundry list of hazardous practices leading up to the disaster: floors built beyond the structural capacity of the building to support them; factories established where only offices and shops were intended; and, most notably, management who effectively coerced garment workers to return to the building even after cracks had been discovered and the banks and shops located on the lower floors evacuated. The death toll climbed to more than 1,100 people, with another 2,500 injured.

For UC Santa Barbara professors <u>Richard Appelbaum</u> and <u>Nelson Lichtenstein</u>, the event was a chilling worst-case scenario in the realm of workers' rights. It was also a warning to be heeded in an increasingly globalized manufacturing industry, where accountability and responsibility for worker safety are becoming easier to ignore along the global supply chain.

"It wasn't like that disaster was a surprise to people, because there have been smaller disasters of this sort and various daily issues involving workers at these apparel plants have been going on for decades," said Lichtenstein, MacArthur Professor in History. The pair responded by putting together a workshop last year at the <u>Rockefeller Foundation's</u> Bellagio Center at Italy's Lake Como, pulling together brainpower from major labels like Nike and H&M, workers rights activists and NGOs, as well as academics.

This year, after receiving a highly competitive monthlong residency at the Bellagio Center, the professors plan to write a book on how to achieve workers' rights in today's global marketplace.

"The issue is: How do you make work humane and livable in these global supply chains in which some company in the U.S. or Europe subcontracts with these companies in Central America or Asia?" Lichtenstein said. "And when something happens or when the workers are being paid less, basically the company just says, 'Not our problem; we're just subcontracting.'"

One of the main factors behind situations like the one that occurred in Bangladesh is that manufacturers typically go for the cheapest labor to cut production costs, said Appelbaum, MacArthur Chair in Global and International Studies and Sociology.

"Because we're in a competitive environment, brands and retailers are always looking for factories that are cheapest, which means also no unions, no protections, low wages, so on," he said. Cheap factories, in turn, push workers beyond their normal limits in their effort to meet rising and rapidly changing demands, where a single email from the retailer can shift and intensify the workload.

"It's made it very difficult for workers to accomplish what they were able to in Europe and the United States in the 20th century, which was to organize and gain some degree of power," said Appelbaum, "because if workers in a factory in Bangladesh form a union, then the brand will just find another factory in Bangladesh, or Vietnam, or somewhere else."

In the case of Bangladesh, for the first time, about 150 brands and retailers — mostly European — signed an accord implementing standards of fire and building safety, said Appelbaum.

"It shows a degree of joint liability, which is key," he said. Other factories have yet to follow, and the issue isn't isolated to developing countries but can also be found in pockets in the United States. In their book, the professors intend to write about issues surrounding the fracture of company ownership, and thus, responsibility, that has made these global supply chains possible. They will also discuss the rise and eventual fragmentation of the big vertically integrated company of the last century — companies that owned their supply chains, and could be held accountable. The professors also intend to discuss, according to Appelbaum, what has become the rightward drift in American politics with its belief in the supremacy of the market and distrust of government regulation.

"The problem is that in the production of goods and services today, the people who actually do the work and are exposed to the risks and the hardships are not the people who design, market and profit from production," said Appelbaum. By describing the many aspects of this complex problem and how it came to be, they say, it would be possible to figure out a solution.

Appelbaum and Lichtenstein will be working on their book at the Bellagio Center from August 23 to September 23. The book will eventually become a part of their curricula.

The Rockefeller Foundation's Bellagio Center Residency program's mission is to expand opportunities and to strengthen resilience for poor or vulnerable people, in particular projects relevant to the Foundation's core issue areas: Advance Health, Revalue Ecosystems, Secure Livelihoods and Transform Cities.

About UC Santa Barbara

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