

Stop Trafficking !

Anti-Human Trafficking Newsletter



Awareness

Advocacy

Action

Co-Sponsored by:

- Sisters of the Divine Savior
- Capacitar International, Inc.

1 This issue highlights labor abuses in sweatshops and provides ways consumers can counter this form of trafficking.

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Sweatshops

Roughly half of all clothes sold in our stores are made in sweatshops - workplaces where young women and girls labor for poverty wages in conditions that are unsafe, degrading, and often abusive. Maine has lost 7,500 garment jobs over the last ten years to sweatshop factories paying less than 10% of Maine wages for the same work. Unwittingly, we all support the global sweatshop industry.

What is a sweatshop?

Picture a workplace with no windows, hidden behind concrete walls, topped by coiled barbed wire, and patrolled by guards armed with shotguns. Or picture a ramshackled building in a downtown garment district. Therein workers are usually young women – sometimes teenagers and younger – desperately poor and unaware of their rights under the law. They are forced to work long hours, under harsh conditions, for wages that do not permit them to feed, clothe, or shelter their families. They can be denied basic human freedoms like the right to join a union, attend religious services, seek medical treatment, quit or marry. If they complain, they are fired. If they organize to improve their conditions, they are fired and blacklisted from other employment.

It is not just the greed of the local factory owner that impoverishes garment workers. The enormous buying power of brand name

companies, often thousands of miles from the factory floor, allows them to dictate extremely low prices and breakneck delivery schedules to local producers. The terms of these contracts set the pace of production, the length of the working day, and the wages the workers must endure. ...

Workers' wages amount to as little as 1/2 of 1% of the consumer price. Raising wages would not significantly affect companies' profit margin, even if they did not pass on added costs to consumers. But suppose they did.

If a company doubled the wages and increased the price of a \$20 garment to \$20.20, would you be willing to pay the difference?



Sweatshops Produce Half of All Clothing Sold in the USA

Workers:

Teen-age girls and children work long hours under harsh conditions for poverty wages. Workers breathe toxic fumes, handle carcinogenic materials, and operate machines with no safety mechanisms. Women are fired if they become pregnant. Workers, who try to organize to improve conditions, are fired and blacklisted from other employment. Workers are told their health and safety, their voices and dignity, don't matter.

Corporations:

The rules of the global economy allow large corporations to operate in secrecy, free from public oversight, while exploiting the most vulnerable people around the globe. The largest corporations have grown wealthier and more powerful than many countries.

Consumers:

We, the consumers, hold the power to change how corporations behave. But we have to use that power by organizing and working in solidarity with sweatshop workers. (See pg.s 6-7 for actions.)



Awareness

What's Behind the Label?



Large corporations and politicians have played a significant role in creating global free trade rules that impoverish people in developing countries. Many large US-based corporations, having a strong voice in the *World Trade Organization* (WTO), exploit these same people in sweatshops that pretend to provide them with jobs and opportunity. Global trade policies have thus robbed poor people of all they had and then compensated them as slave laborers.

The 10 largest clothing retailers account for nearly 66% of all apparel sales in the U.S. This economic leverage enables them to establish contracts with local producers, thousands of miles away, which sets the pace of production, the length of the working day, and the wages of workers. The retailers often demand a guaranteed profit margin and insist on cash rebates from manufacturers if the guarantee is not met, thus determining the kind of conditions under which apparel is produced.

When an employer violates federal or state labor laws regarding child labor, a worker's minimum wage, overtime pay, occupational safety or health, a worker's compensation – that employer runs a sweatshop.

The *U.S. Department of Labor* estimates that more than half of the country's 22,000 sewing shops, and as much as 66% of garment factories in Los Angeles and New York, violate minimum wage and overtime laws.

"Made in the USA" is not necessarily a good trademark. According to the *U.S. Department of Labor*, workers on American Samoa *"were beaten...and provided food so inadequate that some were walking skeletons..."* while producing clothes for major U.S. retailers such as Wal-Mart, J.C. Penney, Sears, and Target.

The workers were young women *"guest workers"* from Vietnam, lured into accepting these jobs by the promise of high pay *"in America."* They were charged \$6,000 for a three-year contract, only to find themselves locked behind barbed wire, held under conditions of indentured servitude, forced to work 19 hours a day, seven days a week, beaten, sexually harassed, and cheated of hundreds of thousands of dollars owed to them.

Apparel is the most global of industries, employing over 23 million workers in 150 countries around the world. The research organization, *Behind the Label*, estimates that 80% of apparel workers, who produce for the U.S. market, toil under conditions that violate both local law and international labor standards. Unfortunately, the sweatshop crisis is worsening as countries around the world are forced to compete over who will accept the poorest wages and working conditions and the weakest labor, health and safety, and human rights standards. *The lowest bidder gets the jobs.*

Apparel workers in China earn approximately 23 cents an hour, far short of the 87 cents an hour that would allow workers to meet their

basic needs. In Haiti, apparel workers make 30 cents an hour while the non-poverty wage is 58 cents an hour. In El Salvador apparel workers make 59 cents an hour while the non-poverty wage is \$1.18 an hour. In Honduras, the wage is 43 cents an hour, and the non-poverty wage 79 cents an hour.

Overseas workers' wages amount to as little as 1/2 of 1% of the consumer price. Thus, in a *National Labor Committee* report, El Salvadorian workers earn 58 cents for every \$118 pair of Liz Claiborne slacks they sew. If the workers' wages were doubled and Liz Claiborne passed the added costs on to the consumer, that same pair of slacks would now cost \$118.58 rather than \$118.00. In 1997, *Global Exchange* conducted a report on Nike wages in China, Vietnam, and Indonesia. If Nike used 2% of its advertising budget it could raise 25,000 Vietnamese workers out of poverty by increasing their daily wages from \$1.60 to \$3.00 (*the living wage in Vietnam according to the Vietnam Labor Watch*). Clearly companies could afford to pay living wages to workers who make their products.

Consumers must inform themselves of the story *"behind the label"* and workers must struggle for the right to organize and bargain for workers' rights. Both groups need to pressure name-brand retailers to allow independent third-party inspections of factories that supply the manufactured goods.



Awareness

Facts

(Visit the PICA web site for additional facts and references.)

Global Inequality

Less than four percent of the combined wealth of the 225 richest individuals in the world would be sufficient to achieve and maintain access to basic education, basic and reproductive health care, adequate food, safe water, and sanitation for all people living on the planet (*United Nations Human Development Report 1998*).

Corporate Power

Of the 100 largest economies in the world, 51 are corporations; only 49 are countries (*based on a comparison of corporate sales and country gross domestic product*). (Sarah Anderson and John Cavanagh, "Top 200: The Rise of Corporate Global Power").

In 1983, Wal-Mart's sales were \$4.7 billion. In 1999, the retail giant had sales of \$166.8 billion, making it the second largest corporation in the world. Wal-Mart is wealthier than countries like Norway, Indonesia, South Africa, and Portugal (*Top 200*).

Apparel Workers

Workers typically receive less than 3 percent of the retail price of clothing made in a U.S. sweatshop, and as little as one-half of 1 percent of the retail price of clothing sewn overseas (*U.S. Department of Labor*).

In 1999, federal investigators reported that two-thirds of garment shops in New York City violated overtime or minimum wage laws. The survey showed no improvement since the last measurement in 1997.

In August 2000, the *U.S. Department of Labor* reported that only one-third of Southern California registered garment factories comply with federal minimum wage and overtime laws. (Visit the PICA web site to compare the base wages of apparel workers abroad vs. in USA.)

1999 CEO Salary & Stock Options — Major Apparel Companies

(AFL-CIO Executive Pay Watch)

Nike Inc.

Chairman, President, and CEO Philip Knight: \$3.5 million. (To earn the same amount) • A worker in Indonesia works 14,000 years.

Wal-Mart

CEO David D. Glass: \$12.2 million, and \$50 million unexercised stock options from previous years. (To earn the same amount) • A worker in China works 21,000 years.

J.C. Penney

Chairman and CEO James E. Oesterreicher: \$5.2 million. (To earn the same amount) • A worker in Nicaragua works 9,000 years. (•Based on calculations from a 48-hour work week.)

Testimony of Cynthia Phinney

(Excerpt)

From 1979 to 1990 I worked as a hand-sewer for L.L. Bean, making shoes. ...Hand-sewers (in Maine where she worked) at the time earned between \$7 and \$12 per hour plus benefits, working piece-rate, with most of us probably earning in the \$8-9 range, or around \$17,000 -18,000 per year. We were the best paid workers on the production floor, and our work - including benefits - probably accounted for \$4-6 of a pair of shoes which would sell for \$60-100 in the L.L. Bean catalog....

About 1988, L.L. Bean began "offshore sourcing" some of our work to Korea (and later to the Dominican Republic).

....Hand-sewers in the Dominican Republic worked so tightly packed that their hands nearly touched each other as they stitched. ...A man from the factory periodically visited the "off-shore" factories where the work was being done. He told one of my co-workers that he often had to take a day or two off when he returned from these trips because the conditions he saw sickened him.

Story of Zenayda Torres, Nicaragua (Excerpt)

For the last five years, I worked as a sewing operator in the Chentex Company, sewing "Sonoma" label jeans for Kohl's, "Arizona," "Route 66" and others. They fired me on May 26 of this year [2000], with all 11 union leaders and about 700 men and women workers, all because we had asked for an 8-cent wage increase. ...

The working conditions there were very hard. We worked from 7 am until 7 or 9 at night. Sometimes, when there was an urgent order, they made us work 24 hours straight. We worked weekends, often with no rest day. They treated us like animals, or as if we were a machine. They screamed at us, they called us crude, offensive names. Sometimes, they would hit a worker. ...



Advocacy

Clean Clothes Resource Center

is a ten-page document written in 2002 and used to certify to what degree garment production meets *Clean Clothes* standards. (www.pcusa.org/pcusa/wmd/sweatfree/certify.pdf)

Excerpts

Section 1 CLEAN CLOTHES CRITERIA

The *Clean Clothes Resource Center* provides research and organizing resources for individual consumers, businesses, organizations, and governments interested in learning about the working conditions in which the apparel, footwear, and textile products they buy are made. The goal of the Center is to create more *Clean Clothes* options for consumers and increase consumer demand to end sweatshops. The Center designates suppliers as **Green Light** (made with dignity) or **Yellow Light** (insufficient information) based on responses to the questions on the survey and other reliable sources if available.

The **Green Light** is awarded to suppliers who:

1. Provide answers to all required questions about working conditions and indicate that the production facility complies with applicable laws and international labor conventions;
2. Identify the production facility (Source of Products), and;
3. Provide evidence of openness and a worker voice at the production facility. The supplier must either:
 - a. allow independent monitoring, or;
 - b. indicate the presence of a worker-controlled association or union that represents workers' interests at the production facility, or;
 - c. adhere to a union neutrality pledge.

1. Compliance with Applicable Laws

Does the facility listed in the Source of Products section comply with applicable national and regional laws

and regulations regarding:

(yes no n/a)

- a. Child labor? b. Home-based work?
- c. Right to organize and collective bargaining?
- d. National or local registration?
- e. Wage payments (including minimum wages, pay schedule, deductions, overtime rates of pay, and record keeping)?
- f. Working hour limitations for a standard workweek and overtime?
- g. Non-wage benefits (including employer contribution to a social security or insurance plan, paid public holidays, vacation, and sick leave, and year-end Christmas bonuses)?
- h. Maternity leave?
- i. Health and safety?
- j. The environment, including limitations on pollution of land, water, and air?
- k. Building and fire codes?
- l. Discrimination in hiring, promotion and compensation?

2. Compliance with International Standards

The United Nation's *International Labor Organization* has identified the following eight ILO Conventions as fundamental to the rights of human beings at work, irrespective of countries' levels of development. *Does the facility listed in the Source of Products section comply with these conventions? (yes no)*

a. Convention No. 138: Minimum Age (1973)

The abolition of child labor. No person employed is younger than the age of completion of compulsory schooling.

b. Convention No. 182: Worst Forms of Child Labor (1999)

The abolition of all forms of child

slavery, debt bondage, serfdom and forced labor.

c. Convention No. 29: Forced Labor (1930) and

d. Convention No. 105: Abolition of Forced Labor (1957)

No forced labor in any form or for any reason.

e. Convention No. 87: Freedom of Association and Protection of the Right to Organize (1948)

Workers' right, freely exercised, to organize for furthering and defending their interests.

f. Convention No. 98: Right to Organize and Collective Bargaining (1949)

Workers' right to adequate protection against acts of anti-union discrimination.

g. Convention No. 100: Equal Remuneration (1951)

Equal remuneration for men and women workers for work of equal value.

h. Convention No. 111: Discrimination (Employment and Occupation) (1958)

No distinction, exclusion or preference made on the basis of race, color, sex, religion, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation.



Cleanclothes logo



Advocacy



Downloadable stickers from Oxfam.

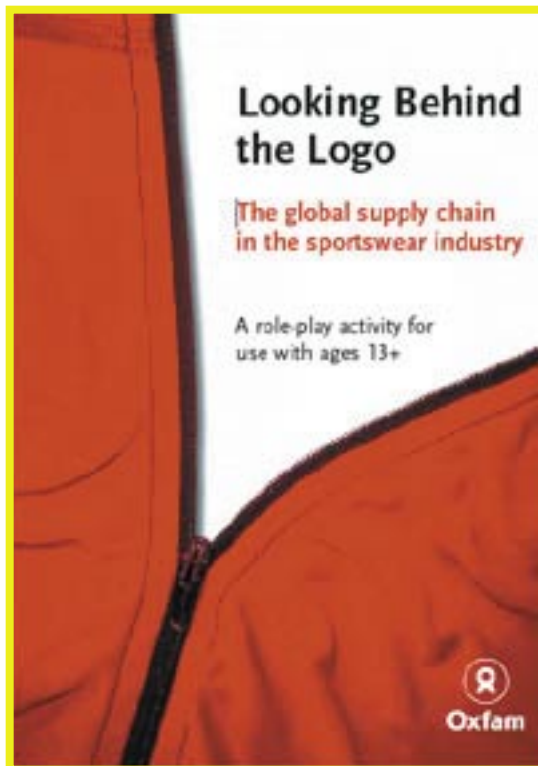
Olympics – are we playing fair? Looking Behind the Logo

Sportswear is a buyer's market. Whether we're top-class athletes or just shopping for clothes, we want the latest sportswear. We want these products to be cheap. We want them to be the latest fashions or team kit. And we want them now.

The sportswear industry is geared up to make maximum profits by giving us what we want, when we want it. But that often results in a very unfair deal for the workers in developing countries who make the sportswear. They often work for long hours for appalling pay and in terrible conditions.

Oxfam has produced a resource for teachers and youth group leaders to help young people learn about this unacceptable situation – its causes and what we can do to change it.

Looking Behind the Logo is a role-play activity suitable for anyone aged 13 or over. Linked to subjects in the national curricula of England, Scotland and Wales, it is also suitable for other off-timetable events, and for use with students and other adult groups.



Until the 2004 Athens Olympics, you may download this new teaching resource, a 24-page lesson plan *Looking Behind the Logo*

for FREE at:
www.oxfam.org.uk/coolplanet/teachers/olympics/index.htm
www.fairolympics.org/en/actnow/toolkit_o6.htm

Shoes from pg. 7

NoSweat Shoemakers: Summary of Wages & Benefits

(based on a 40 hour work week)
All *No Sweat* shoemakers are represented by independent Indonesian trade unions. The wage figures for the lowest-paid worker in the Jakarta factory is 785,000 rupiah a month with a holiday bonus, or about US \$90 (25% higher than the regional minimum wage). In addition, all workers receive a rice allowance, which is based upon family size. For a worker with five years seniority, the wage is at least 15% higher. If that worker has three children, the wage and benefit package is over US \$100. a month (40% higher than minimum wage). More than half of the workers in the factory have been there for over five years. All employees receive 100% health insurance, including full hospitalization. Their family members receive 80% coverage. A number of other contingent benefits (travel, maternity, retirement, burial, etc.), as well as non-cash compensation (rice allowance, shoes and clothing), are not factored into the dollar amount above.



Action

SweatFree Communities — A Network for Local Action Against Sweatshops

SweatFree Communities assists sweatshop workers globally in their struggles to improve working conditions and to form strong, independent unions through campaigns to convince school districts, cities, states, and other institutional purchasers to adopt “sweatfree” purchasing policies.

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Sweatshop Watch.Org

Founded in 1995, Sweatshop Watch is a coalition of over 30 labor, community, civil rights, immigrant rights, women’s, religious and student organizations, and many individuals, committed to eliminating the exploitation that occurs in sweatshops. Sweatshop Watch serves low-wage workers nationally and globally, with a focus on garment workers in California. We believe that workers should earn a living wage in a safe, decent work environment, and that those responsible for the exploitation of sweatshop workers must be held accountable. The workers who labor in sweatshops are our driving force. Our decisions, projects, and organizing efforts are informed by their voices, their needs, and their life experiences.

(<http://www.sweatshopwatch.org/>)

Peace through Interamerican Community Action

PICA is a non-profit, Bangor (Maine) based group, which has been active since 1984. Its program interests are economic justice and community building, locally and across borders. PICA’s history and experience make it uniquely suited to support a community-based campaign with a global focus.

PICA’s **Clean Clothes Campaign** is the first U.S. community-based campaign against sweatshops in the global clothing industry. The Campaign supports a simple principle:

*All clothes available on local store shelves
should be made according to
established international standards
of ethical production.*

It starts with the most basic form of social action — asking questions. *Where are the manufacturing facilities located? What are the working conditions? Can workers speak up without being fired?* Question by question we erode the walls of secrecy behind which corporations hide. Question by question we insist that corporations that do business in our community abide by our community values. It can start with you. Whether you are part of a small group of friends or an established organization, PICA hopes that its *Organizing Guide* (<http://www.pica.ws/cc/orgguide/index.html>) can help you take those first steps.

PICA has durable relationships with national and international human rights and labor rights organizations. These links enable the Bangor **Clean Clothes Campaign** to access and crosscheck credible information sources regarding sweatshop production and Clean Clothes.

(Ed. You may access the sweatshop information included in this issue and much more on their website.)

We Can Eliminate Sweatshops

U.S. shoppers buy 25% of the world’s manufactured garments. If just 2% of our country’s consumers bought only from non-sweatshop suppliers, producers would need to change their practices to stay competitive.

How we shop can create a new business ethic, one where garment companies protect their bottom line by providing living wages and humane working conditions.

Action

The **Clean Clothes Organizing Guide** (available as a .pdf file of 28 pages or in separate sections) is produced by *Peace through Interamerican Community Action (PICA)* and the *Unitarian Universalist Clean Clothes Project* of Bangor, Maine. Funding for the guide is generously provided by the Unitarian Universalist Funding Program.

(<http://www.pica.ws/cc/orgguide/index.html>)





Action

Buy No-Sweat Sneakers!

NoSweat Apparel, the pioneer fair trade fashion brand, is rolling out the world's most revolutionary sneaker at a cost of \$35 per pair.

The No Sweat sneaker sale went on-line at www.nosweatsneaker.com in May 2004.

It may resemble a Nike, but this sneaker comes with a unique, added feature. Each shoebox includes a detailed fact sheet telling the consumer exactly what wages and benefits the union workers, who produced the sneakers in Jakarta, Indonesia, are paid. "Now you can walk down the street without stepping on the worker who made your shoes," the fact sheet declares. Refer to pg. 6 for details.

NoSweat's co-founder, Jeff Ballinger, had discovered one excellent Indonesian union shop that produced shoes primarily for a local market.

Today that factory is the source for NoSweat's new sneaker. Ballinger challenged Nike to inform consumers about what they pay workers to manufacture Nike shoes. "All they need to do is put it in the shoebox," he said.

Operations manager, Anne O'Loughlin, after inspecting the Jakarta union shop in person, was quoted as saying, "It's not rocket science. ... You give everyone—workers, consumers and investors — a fair shake. Then you do it again the next day. Is there really any other sustainable business model?"

NoSweat believes their sneaker will become the model for ethical outsourcing in the shoe business and has challenged Nike and Reebok to imitate them. "If a little company like NoSweat can pay fairly and make a good profit, there's no reason why Nike and Reebok can't. We hope every sneaker company in the world will imitate this innovation. In fact, we dare them to." said NoSweat's Founder and CEO, Adam Neiman.



Stop Trafficking! is dedicated exclusively to fostering an exchange of information among religious congregations, their friends and collaborating organizations, working to eliminate all forms of trafficking of human beings.

Use the following web address to access back issues of **Stop Trafficking!**
<http://homepage.mac.com/srjeanschafer/sds/stoptraffic/index.html>

To contribute information, or make requests to be on the mailing list, please use this e-mail address:
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Informative Web Sites: (Each contains information related to human trafficking)

PICA

www.pica.ws/cc/index.html
www.pica.ws/cc/orgguide/

Sweatfree Communities
www.sweatfree.org

STITCH

Women behind the Labels: Worker Testimonies from Central America.
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www.nisgua.org/articles/new_from_stitch_and_the_maquilad.htm

Sweatshop Watch

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CleanClothes Connection
www.cleanclothesconnection.org/

Global Exchange

www.globalexchange.org/campaigns/sweatshops

Behind the Label

www.behindthelabel.org/headlines.php?headid=224

Source of .pdf file on Retail Index:
www.behindthelabel.org/pdf/Retailindus.pdf
(Ed. Last two sites seem inoperative at time of publication.)

New Toll-Free Hotline:
(Trafficking Information and Referral)
1-888-3737-888

Important Web-Site:
Office of Refugee Resettlement
www.acf.hhs.gov/trafficking