

The Watchdog is the Fox

The Truth About That "Sweat Free" Label

A little more than two years ago Bill Clinton and Nike CEO Phil Knight embraced each other in a Rose Garden ceremony, celebrating the creation of the Apparel Industry Partnership. Clinton hailed the partnership as "an unprecedented coming together" of industry chiefs, labor groups, human rights watchdogs and churches to deal with the issue of labor practices in overseas factories. The event received reverential press coverage.

Clinton and Knight swore that the new partnership would swiftly bring the sweatshop controversy to a close with a new program of rigorous monitoring of factory conditions and child labor practices. Companies abiding by a "code of conduct" would be rewarded with a "No Sweat" label that they could stamp on their products to pacify the concerns of their consumers, whose agitation over the issue had begun to dent the bottom line of companies such as Nike.

After two years of internal squabbles, defections and debate, the partnership's plan has finally been completed. The details were released on November 2, election eve, amid scant attention from the media. It turns out this was precisely the objective of Arnold and Porter, the DC lobby shop hired to prepare and distribute the report. There were several reasons for this stealth approach. First, the atmosphere of objectivity and bipartisanship heralded by Clinton had long since been shattered by the defections of labor and church groups, leaving the partnership dominated by sweatshop moguls. Second, the report, which calls for the creation of the Fair Labor Association, doesn't survive serious scrutiny.

The partnership chose to ignore the thorniest issue, namely the need for companies to pay factory workers a living wage. This decision prompted the labor rep on the panel, UNITE, and its largest church group, Interfaith Council on Corporate Responsibility, to quit the partnership in fury. "How can they say it's humane treatment to pay Indonesian workers ten cents an hour, when it takes at least twenty cents an hour in income just to pay for the basic necessities of life, food, shelter, clothing and medicine", says Medea Benjamin, director of the San Francisco-

based Global Exchange.

Similarly, the touchy subject of whether factory workers would have the right to organize was dealt with only in passing. According to the plan, members of the partnership have generously agreed to "not affirmatively seek the assistance of state authorities to prevent workers from exercising these rights." In other words, you can't be too loud in your request that the Indonesian military massacre your striking workers if you want that "No Sweat" label.

The companies themselves get off cheap. It will cost a maximum of \$100,000 to join the Fair Labor Association, roughly

Sweatshops will be given plenty of advance warning of visits by their own hand-picked inspectors.

what Nike pays Michael Jordan every day. Moreover, they get the Fair Labor Association to pony up the cost of the inspections of their factories. And how is the new Association going to be funded? Through government grants and contributions from private foundations.

Inspections of the factories don't look to be particularly onerous endeavors. For starters, only five per cent of the factories will be visited and, to help companies prepare for these inspections, they will be given plenty of advance warning. There will be no surprise visits. Nor will the inspectors be strangers. In most cases, the companies will be able to select their own. And, even more satisfying to corporate executives, the companies will be able to recommend which factories the inspectors will visit.

For years, groups such as Global Exchange have hammered away on the subject of disclosure, demanding that companies, such as Nike and Reebok, reveal the names and locations of their overseas factories. The human rights advocates lost on this issue as well. Indeed, most of the information generated by the partnership's plan will remain cloaked in secrecy. When the inspectors submit their report, it doesn't go to the partnership until after the company has had a chance to review it for

at least 60 days. Then, in order to protect corporate secrets, the public is provided only with a highly redacted version of the report. Then it seems that the public will hear only good news about the company. By contrast, if a factory is found not to be in compliance with the "code of conduct", the companies can rest assured that "the public will not be informed of the determination".

Even more generously, the partnership decided that a company can be granted the coveted "No Sweat" label for a particular brand, even if 95 percent of its other products are manufactured under the most cruel sweatshop conditions.

The Clinton administration, especially Labor Secretary Alexis Herman, pushed hard for the task force to finish its work before the election, hoping for a last minute ceremony reuniting the President with Phil Knight. But upon review the plan was considered so weak that it was decided to slip the agreement out on election eve when it stood a good chance of being ignored by the press, which, in fact, it was.

The final document was largely drafted by lawyers for Nike and by Michael Posner, director of the New York-based Lawyers' Committee on Human Rights. If this sounds like a struggle between natural adversaries, think again. An examination of the board and executive committee members of the Lawyers' Committee scarcely discloses it as a mighty foe of corporate power. Instead, the committee's board is freighted with representatives from the nation's biggest corporate law firms, including Patton, Boggs; Akin Gump; Skadden, Arp; Williams and Connolly; Arnold and Porter. Posner's group also hosts spots for some of the ugliest corporations on the block, including Lockheed Martin, GE, Philip Morris, Mitsubishi, Allied Signal, Morgan Stanley and Aetna Insurance, whose rep on the council is that violator of labor standards, Zoe Baird.

With sublime cheek, the Lawyer's Committee also invited onto its advisory council executives from several companies that employ sweatshop labor, including Reebok, The Gap, Liz Claiborne and the Walt Disney Company, which has profited off the services of Haitian workers laboring in conditions of near slavery.

(Mitch, continued from page 1)
with dangerous consequences.

At the time he was driven out by revolution, Anastasio Somoza, propped up for years by the United States, owned 20 per cent of Nicaragua's farm land. In El Salvador 2 per cent of the population held 60 per cent of the farm land. The Sandinistas who evicted Somoza promptly embarked on efforts to redistribute land to the peasants. Nearly a third of Nicaraguan farm land was handed to more than 120,000 families, which amounted to more than half the country's peasant population. Such efforts at redistribution were sometimes patchy, particularly in the north, and state farms and rich farmers were favored at the expense of the campesinos.

But despite such mistakes, their efforts to revive forests and to restore the integrity of the land won the Sandinistas international acclaim. Not for long. The United States put an end to all that, driving the Sandinistas into an increasingly desperate state of siege. In El Salvador and Honduras death squads cut down rural organizers.

Take one example of US-sponsored sabotage of efforts to mend the land. The US volunteer Ben Linder was murdered by Contras who had been urged by CIA man Dewey Clarridge "to kill Cubans". When he met his death, Linder was working on a small hydroelectric project at El Cua designed to give the campesinos the ability to generate power, thus not to be forced to cut down trees for fuel.

So, for years now, those worn hill-sides and floodplains through Central America have been awaiting Mitch. According to a US government study, over 4.5 million acres of degraded land currently under agricultural use in Central America are in need of immediate reforestation. Even in the 1980s storms were inflicting \$40 to \$50 million in damage each year in the region because of flooding and consequent damage to infrastructure. In the highland regions of El Salvador and Guatemala the land is in even sorer shape than in Honduras and Nicaragua before the onslaught of hurricane

"Structural adjustment" forced by the First World left Honduras and Nicaragua defenseless.

Mitch. The only way forward is for the peasants to be given good agricultural land and adequate financial resources. That's even less likely now than it was in 1954.

Humans caused the disaster just as humans made sure that the governments of Nicaragua and Honduras were incapable of responding to the catastrophe. Peter Rosset, of Food First and co-author of the newly revised World Hunger: Twelve Myths, stresses to us that "after a decade of 'structural adjustment' imposed by the World Bank, the IMF and USAID, these governments are hollow

shells, mutilated by enforced cutbacks. Comes a hurricane and how can you begin evacuation if there's no money for gasoline, no vehicles, skeleton staffs, no vaccines, not even the ability to stockpile drinking water? How can you battle epidemics when the ministries of health have been decimated? How can you rebuild when the ministries of works have been similarly cut back?"

So the Honduran government didn't put the country on alert. There was no effort to muster sandbags, plan evacuations, organize back-up power supplies. The government simply hoped the hurricane would go away. After structural adjustment, that's about all it could do. As Rosset puts it "It's not even a question, in Nicaragua, of Aleman being right or left. In fact, he's a rightwing fascist, but anyway his hands were already tied and his legs chopped off." Honduras has sustained \$1 billion worth of damage to basic infrastructure, and thus far as got \$16 million in aid.

A couple of years ago hurricane Lili struck Cuba. The government had evacuated thousands, stockpiled sandbags, positioned back-up generators, rallied medics. When Lili moved away, thousands of homes had been destroyed but less than half a dozen lives lost. Just recently the right-wing President Aleman of Nicaragua refused offers of help from Fidel Castro, making disparaging remarks about Cuba's political system, and saying, incredibly, that Nicaragua needed even greater disciplines of the free market to recover from the disaster. There's a bleak truth Aleman and many others should reflect upon: "natural" disasters are nature's judgment on what humans have wrought. ■

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Goodbye Newt! Welcome, Jesse Ventura