

on its governing board in order to establish itself as a genuinely independent monitoring organization.

Despite suffering from occasional internal struggles, USAS has been remarkably successful in its efforts. By January, 2003, 176 schools had enrolled in the FLA, and 112 had enrolled in the WRC. Many schools chose to enroll in both.

Moral Questions

For all the controversy that surrounds the issue of sweatshops, one thing is perfectly clear: conditions in sweatshops are usually horrible. There may be debate about *how* horrible conditions are: whether wages are enough to maintain an adequate diet, whether physical abuse takes place in a particular factory, whether manufacturers are living up to their contractual and legal agreements, and so on. But no matter how significant these details may be, they are dwarfed by the broader conclusion: by any first-world standard of decency, sweatshop conditions are atrocious.

But are first-world standards of decency the appropriate standard to apply to industries in third-world countries? Even if we agree that conditions in sweatshops are horrible, we still must answer two important questions in order to reach any settled moral conclusion. First, are companies who contract with sweatshop manufacturers doing anything *wrong*? And second, whether they are wrong or not, what should we *do* about the situation of sweatshops?

Let us begin by considering the first question. Certain individuals, especially economists, have defended sweatshops on the grounds that they currently constitute the best available alternative for people living in developing countries. The wages paid by Nike's firm in Jakarta, they point out, might seem low by U.S. standards, but they are

actually fairly high by the standards of the local economy. People freely choose to work at these factories because they can make more money there than they can anywhere else. If Nike were to close down the factory and begin producing exclusively in the United States, the situation of the workers it would have to lay off would not be improved – it would be worsened. They would either need to seek lower-paying employment elsewhere in the legitimate economy, or try to make money by illicit means, often by prostitution or theft.

This argument draws its support from the claim that individuals *choose* to work at sweatshops. If those individuals had a better alternative, they would have taken it. Of course, this argument only holds where workers are not physically coerced into working at a particular plant. Cases of sweatshops hiring armed guards to ensure that their workforce does not leave exist, but they are rare. For the rest, the argument runs, the fact that employees chose to work at sweatshops shows that they view sweatshops as the best employment available. Taking that option away by forcing sweatshops to shut down would end up harming precisely the people the anti-sweatshop activists are trying to help.

Not only would shutting down factories harm the individuals who would lose their jobs as a result, the argument continues, it would also slow down the development of the economy as a whole, and thus prevent the development of better options for future generations. Sweatshops, economists are quick to point out, tend not to dominate an economy for very long. Often, they are the first step in a long path of economic development, injecting capital and management training into an economy where it can serve as the basis for the creation of new domestic industries. In Korea and Taiwan, for instance, Nike is no longer able to maintain manufacturing operations because, as one

source reports, “workers in these quickly developing economies are no longer interested in working in low-paying shoe and textile factories.” Sweatshops, according to this argument, are a *symptom* of poverty, not a *cause* of poverty. But moreover, they are a *hopeful* symptom: for they signal the beginning of an economic development which will eventually bring that poverty to an end.

These arguments are powerful, and caution those opposed to sweatshops to think carefully about the results of the policy they advocate. But it is not clear that they are decisive. We began this section with two questions, and the sorts of arguments described above might give us reason to suppose that we have arrived at an answer to the first. If companies who contract with sweatshops thereby provide individuals in developing countries with better opportunities than they would otherwise have had, then maybe they are not acting wrongly, or at least, not as wrongly as some have supposed them to be.

But this still leaves us without an answer to the second question: what should we *do* about sweatshops? The arguments given above seem to leave this question largely unaddressed. After all, by and large, anti-sweatshop activists are not calling for U.S. companies to pull out of third-world countries altogether. They do not want sweatshops to be shut down, they want them to be *improved*. Students who agitate for code of conduct programs want U.S. companies to ensure that their subcontractors pay a living wage, that they provide safe and sanitary working conditions for employees, and that they respect workers’ basic human rights. Sophisticated anti-sweatshop activists recognize that companies are making employees better off by their providing individuals with jobs. They simply demand that companies ensure that those jobs be provided in a way which meets some basic ethical guidelines.

Still, the issue of what guidelines companies, consumers, or international organizations should impose on sweatshops is a complicated matter. Many of the proposals to regulate sweatshops suffer from the same sort of problem as proposals to abolish them. In 1992, for instance, the U.S. Congress considered a bill known as the Child Labor Deterrence Act, which sought to prohibit the importation of any product made in whole or in part by individuals under the age of 15 who are employed in industry or mining. Proposals such as this seem not to recognize that in a developing economy, child labor can play a vital role. For families living in such conditions, almost all income is directed toward the basic necessities of life: food, medicine, shelter, clothing. When parents grow too old or sick to work, children often become the main breadwinners of the family. An effective ban on products made by child labor would mean that these children would lose their jobs. Because developing countries generally have little in the way of social welfare programs for families to fall back on, the effect of this loss can be devastating.

In dealing with sweatshops, then, good intentions are simply not enough. Well-intentioned proposals to provide workers with a living wage, or health or maternity benefits, can raise amount of money companies are forced to spend on each worker, and in so doing create a pressure to lay off all but the most essential.

But these considerations do not settle the matter in favor of sweatshops; they simply caution that close empirical research is necessary before drawing any conclusion. Sweatshop critics Edna Bonacich and Richard Appelbaum are quick to respond to the above arguments, for instance, by pointing out that in the case of a typical \$100 dress sold and made in the United States, only 6% of the purchase price goes to the individual

who actually made the garment. 25% goes to profit and overhead for the manufacturer, 50% goes to the retailer, and the remaining is spent on raw materials. Using similar reasoning, the National Labor Committee pointed out to Disney Chairman Michael Eisner in 1996 that the effect of raising the pay of workers at the Classic Apparel facility in Haiti from their then-current 35 cent per hour wage to 58 cents an hour would be a mere 3 cent raise in price for an \$11.99 garment. And if certain economists are right, raising wages in many circumstances might actually *lower* costs, or at least have no negative effect. Workers who are not paid enough to provide for their nutritional needs might not be as productive as those who are able to afford a steady and reliable diet.

It is difficult, then, to come to any generally applicable conclusions about the wrongness of sweatshops or the desirability of any sort of regulatory or consumer-driven alternative. By way of general principle, we can only say that any reasonable policy will need to pay careful attention to the way in which alternative stances towards sweatshops actually affect the persons they are intended to help. Discovering what helps and what doesn't is less a matter of applying a pre-packaged ideology (free-market or anti-sweatshop) than it is of doing careful research into the unique local conditions of particular sweatshops and their political and economic contexts.

Chronology

- 1900** On June 3, garment workers from ILGWU go on strike for better working conditions.
- 1909** The Uprising of the 20,000 takes place from November 22, 1909, to February 15, 1910, led by ILGWU.