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How has the Empowerment of Honduran Workers been influenced by United Students Against Sweatshops?

Abstract

With globalization increasing the “Race to the Bottom” in many industries, there has also been a rise in activism to combat the abuses to workers’ rights associated with this trend. One of these initiatives, United Students Against Sweatshops, a democratic student-run labor activist organization, has had a significant impact within the realm of workers’ rights activism. In this paper, I look at what type of influence the group has had with its campaigns focusing on workers. In particular, I am analyzing the background, actions, and effects of the case of its campaign against the brand Russell Athletic and how it has influenced the level of empowerment of workers that work for the brand in its Honduran factories.

What is United Students Against Sweatshops?

The year of 1997 brought about the birth of United Students Against Sweatshops, a group that would alter the way in which student and worker power was perceived. It created a spike in efforts within the fight against corporate greed and exploitation in solidarity between the students and workers (Krupat, 2002: 112). By this time, globalization had already dramatically transformed the way in which a vast amount of goods were produced and consumed. During the 1990s, the common view of globalization was that big business investment and trade cross-nationally could only result in positive relationships in the

international sphere (Naím, 2009: 30). Despite what good may come from globalization, by 1997 it was clear that its effects were not always to the benefit of working peoples.

For several decades before the early 1970s, especially in the United States, production was mostly focused on the domestic market, rather than on the global market. In the United States in particular, it was the norm for long-term employees to have had relative job security, earned what economists and sociologists have called a “living wage”, and significant retirement resources. This “Golden Age of Capitalism” which lasted from 1945-1975, included an emphasis on centralized production with a uniform labor code and the idea that full employment led to ‘better’ consumers. During this time, many industries had assembly-line in-house style production (Bronstein, 2009).

As Gerry Gold and Paul Feldman (2007) explained in their book *A House of Cards*, a capitalist market economy based on raising productivity through capital investments requires continued growth to maintain and raise profits. With an economic system based on a finite domestic market, there will eventually be a point at which expansion has reached its limits and stagflation will ensue. This is what happened to nearly all Western industrial nations in the early 1970s which influenced the end of the Golden Age of Capitalism (Gold & Feldman, 2007).

With a gradual “hollowing-out” of the welfare state and a turn to neoliberal economic strategies, a huge dip in the level of regulation in many industries occurred which allowed for a boom in competitive pressures (Bronstein, 2009). Of course, the type of competition and the reactions that companies have to it differs by industry. In particular, this can depend on

whether a company is in a producer-driven or buyer-driven industry and if the products being produced require high-skilled or low-skilled labor (Sinaga, 2010).

An industry that is both buyer-driven and also does not require a high amount of skilled labor is the apparel industry. The majority of consumers in Europe and America do not make a living-wage. The result has been a huge market of buyers demanding that the cost of their clothing be as low of a cost to them as possible in order to fit into their tight budgets. The companies that control the production of clothing and will logically attempt to alter their prices to the demands of their buyer market, in the hopes of attaining higher profits (Sinaga, 2012).

When production does not require large numbers of high level of high-skilled labor and is characterized as labor-intensive, it is for companies in that industry to seize the highest level of control on set price standards in the industry. This means a company does not need to be as concerned about retaining highly-skilled or educated employees in order to keep the production of its products afloat. So what does this really mean for the apparel industry, an industry that inherently gives such little power to workers in the face of a newly deregulated, globalized economic system? The industry relocates its factories and productions sites to places with low-priced labor and relatively low regulation regimes in an effort to reach the lowest production costs. Ironically, this means that jobs in the United States where there is a higher level of regulation become outsourced. This creates an even greater demand for low-priced clothing, as more workers in the United States cannot afford more expensive clothing.

With deregulation of an industry comes the lack of enforced guidelines that companies must follow in regards to upholding workers' rights (Sinaga, 2012). There exists a variety of

definitions of what exactly workers' rights are, but for purposes here, I will stick with what this is meant by the International Labour Organization (ILO). The goal of upholding workers' rights, as stated by the ILO, is the promotion of "opportunities for women and men to obtain decent and productive work, in conditions of freedom, equity, security, and human dignity" (ILO, 1999: 3).

Within this context of workers' rights are also the aspects of protective rights and enabling rights. Protective rights include the right to a living-wage, freedom from discrimination in the workplace, having a safe working environment, freedom from forced labor, and the ability to choose whether or not to work overtime hours, along with many others. Enabling rights include having the freedom of association as well as the ability to unionize, collectively bargain, and to strike. What is essential to understand here is that without these enabling rights, there is no enforcement of the implementation of protective rights in the workplace (Mishra, 2012).

It is clear that there is a strong negative correlation between industry deregulation and existence of enabling rights. After 1975 the extreme deregulation of industries with globalized expansion and the new spatial mobility of capital occurred and the result was that many of the places producing apparel did not have strong enabling rights enacted, in fact often none at all. And since enabling rights are necessary for protective rights to be put into action, at this time the world began to experience a period of devastation for workers' rights in general (Bronstein, 2009).

Because the apparel industry was now globalized, large brands could now outsource the production of their goods to locations that were already impoverished, allowing for even greater ability to find the cheapest labor source (Strain, 2013). When organizers and student interns at the Union of Needletrades, Industrial and Technical Employees (UNITE) came together in 1997, the fate of workers in the apparel industry was dire. Individuals that were already living in poverty were now forced to also labor extensively under terrible conditions. They were no longer just workers, but rather sweatshop employees.

But what exactly is a sweatshop? The Merriam-Webster dictionary defines a sweatshop as “a shop or factory in which employees work for long hours at low wages and under unhealthy conditions” (Merriam-Webster, 2013). The United States Department of Labor’s definition of a sweatshop is “An employer that violates more than one federal or state labor law governing minimum wage and overtime, child labor, industrial homework, occupational safety and health, workers compensation or industry regulations.” When using either of these definitions, the majority of factories at which apparel was produced, usually for Western companies, were indeed sweatshops by 1997.

Some typical components of these modern-day sweatshops include forced labor, forced overtime hours, meager wages, unsafe working environments, child labor, and forced abortions (Taber, 2013). Therefore, when students in the United States became more aware of what was going on behind the scenes in the production of their clothing, they decided that they could not sit by idly as this occurred, and that they would use their special leverage as students to make

real change in the apparel industry. Hence, the student-run labor activist group United Students Against Sweatshops (USAS) was born in 1997 (Krupat, 2002: 113).

Why make Russell Athletic a USAS campaign?

Considering that it is currently almost impossible to find clothing that is not made in a sweatshop, why would USAS focus its efforts on combating Russell Athletic, a sports apparel brand that is not as well-known as its counterparts such as Nike or Adidas? There are many reasons, but perhaps one of the most important is that the situation with Russell deviated from the usual circumstance in apparel factories. Typically, one factory will be making products for multiple brands (Taber, 2013). However, in the country of Honduras, Russell Athletic had a vertically integrated production system. This means that as a rarity in the apparel industry, Russell Athletic actually was the only brand having products produced in its Honduran factories (Anner, 2011: 319).

Russell Athletic's vertically integrated Honduran factories allowed the activists of USAS to overcome one of the most typical hurdles anti-sweatshop activists encounter. Very often, brands simply state that they do not have any responsibility regarding what happens at their supplier factories. They push the idea that because they are not the only brand in their factories, there is no legitimacy in claiming that they have any sort of responsibility for what goes on in them. This includes the exploitation of the very workers making their products, from which they make enormous profits (Taber, 2013). The fact that USAS would not have to deal with this illegitimate claim with Russell Athletic allowed having a campaign against the brand a lot easier (Taber, 2013).

Furthermore, a point in this case that is just as important, if not more-so, is that many of the universities with active USAS chapters in 2009 had a contract with Russell Athletic. By this time, USAS understood its members had special leverage that outweighed that of the average consumer. Because universities depend on students to pay tuition to maintain their own budgets, students have a degree of power over university administrations. Since universities have contracts with large apparel brands to produce clothing with their university logo on it, students can demand their universities not have contracts with brands that exploit workers. With the Russell campaign, the “sandwich model”, that of students pushing from the top with workers pushing from the bottom to squeeze the brands in the middle to comply with workers’ rights was brand new. USAS decided to enter into a new realm of fighting for workers’ rights and used this model in the Russell Athletic campaign (Strain, 2013).

The case that USAS used as its central focal point for the Russell Athletic campaign was a blatant abuse against workers’ rights. One of Russell’s suppliers, the Jerzees de Honduras factory, closed in January 2009 with over 1,200 workers mostly making poverty wages prior losing their jobs. Russell Athletic had forced the factory to close due to its workers forming a union. As unions are essential to having the protective rights of workers implemented, having a campaign centered on stopping brutal anti-union tactics is very important to the labor movement in general. USAS recognized that campaigning around this issue was crucial to the labor movement and this particular situation allowed for them to win (Taber, 2013)

What was the process of USAS’s campaign tactics?

Of course, it would be great if brands would listen to demands made by labor activists about ceasing the abuse of workers. Unfortunately, this is not the common result of such an encounter. USAS engaged Russell Athletic after the student activists were asked by the Honduran workers to aid them in solidarity with a campaign to make the brand reopen the closed factory and allow unionization. Russell Athletic blatantly refused to take any step to remediate the situation. Because the company was not a more vulnerable extensively-known brand such as Nike, Russell Athletic did not believe a student activist group could cause them any harm.

However, the brand proved to be wrong. Over the next year or so, over 90 universities cut their contracts with Russell Athletic after strong direct action led by USAS and the coalitions they had built. This occurred following actions that caught the public eye such as mock funerals of students representing the death of workers' rights in Honduras, rallies, marches, and sit-ins at many universities. Members of USAS cold called some of the remaining schools to cut their contracts. This put extreme pressure on Russell Athletic with the loss of huge university contracts (Strain, 2013).

This would not have been possible if USAS had not influenced their universities to enact codes of conduct earlier in the group's record of fighting for workers' rights. These codes of conduct consisted of specific conditions that must be met by companies that the universities do business with. Technically, the universities should always be upholding their codes of conduct, but it was apparent that they were not doing so in this case. It would have been much harder for the student activists to have influenced their universities to cut their contracts with Russell

Athletic had there not have been codes of conduct already put in place the universities themselves specified they would adhere to (Strain, 2013).

USAS students also targeted retailers such as Sports Authority and JC Penney and brought great attention to the campaign following actions at the NCAA which used Spalding products, one of the subsidiary brands of Russell. Worker tours also had a very important effect on the success of the campaign. Large masses of people became more aware of the situation and felt personally connected to the cause after hearing from the Honduran workers first-hand at universities across the United States. Another aspect of campaign actions that were successful was the virtual targeting of Russell Athletic through social media websites such as Facebook (Strain, 2013).

What direct results came out of the USAS Russell Athletic campaign?

The USAS Russell Athletic campaign drew results that had never been seen previously. The efforts of workers fighting for their rights on the ground in Honduras and student activists in the United States created significant pressure. Russell Athletic was forced to comply with the requests of the workers and USAS and agreed to reopen the Honduran factory. The name of the factory was then rightfully changed to Jerzees Nuevo Día, meaning “new day”. The union workers were rehired and Russell Athletic also agreed to recognize their union, SITRAJERZEES. The union then negotiated a strong collective bargaining agreement that guarantees investment in better machinery, free transportation to and from work, free lunches, major wage increases, and many other factors that would dramatically change the lives of these workers (Strain, 2013).

Russell Athletic signed a breakthrough union neutrality act for the entirety of Honduras. This is extremely significant since Russell Athletic employs a large amount of Hondurans. It ensures that in all of Russell Athletic's Honduran factories workers can form unions and then collectively bargain. The union neutrality act was a colossal victory in the struggle to have workers' rights upheld in the global garment industry (Taber, 2013).

How has USAS impacted the empowerment of Honduran workers?

What were the extent and scale of the positive effects of the USAS Russell Athletic campaign? No activism campaign is ever perfect, so were there effects of the Russell campaign that could have actually negatively impacted the empowerment of Honduran workers? If so, what could have possibly been changed so that tactics based on the Russell Athletic campaign might be used in a future anti-sweatshop campaign, whether within or outside of USAS?

To answer these questions, it would be helpful to understand what worker empowerment is in the first place. According to classic worker empowerment approaches, there are two complementary perspectives on empowerment at work. These include the socio-structural conditions that create enablement such as power in decision-making as well as the psychological experience of one's empowerment at work (Spreitzer, 2007: 2). It is clear enabling rights such as the ability to unionize, collectively bargain, and strike are necessary to implement protective rights that increase the positive psychological experience of empowerment at work. For the purpose of this analysis I am going to define worker empowerment as the ability to collectively bargain. This is because to collectively bargain, workers must first be able to unionize. Workers then can strike to use leverage to uphold one's

rights and usually need to have collectively bargained for a contract they can strike over (Bronstein, 2009).

Research on the topic shows there have been several positive impacts on the empowerment of Honduran workers due to the work of USAS. First is that the workers from the particular factory that the Russell Athletic USAS campaign revolved around were eventually able to collectively bargain. Not only did USAS positively influence the empowerment of the 1,200 in this factory, but many other Honduran workers were most likely positively influenced to become empowered due to the campaign.

Second is the fact of greater awareness of workers' rights in Honduras. A large portion of Honduran workers do not have knowledge about freedom of association and the right to unionize and collectively bargain. The Russell Athletic agreement also initiated the creation of a bipartite oversight committee that continues to conduct training for workers about these issues (Strain, 2013). Enormous publicity to these rights was almost certainly brought about by the Russell campaign in Honduras, making it very likely that many Honduran individuals would have been educated about the right to collectively bargain. This likely would have had a positive impact on them actually doing so in the future.

Third, the union neutrality act for all of Honduras brought about by the Russell Athletic campaign was a great positive contribution to Honduran worker empowerment from USAS. This set the way for easier unionization and in turn also for collective bargaining for all other workers in the country. In fact, tangible results have already occurred due to this in that another union has formed at a Russell Athletic factory called Jerzees Buena Vista (Strain, 2013).

There were also many slightly more indirect positive influences on the empowerment of Honduran workers due to the actions of USAS. The Russell Athletic USAS campaign was considered the greatest anti-sweatshop movement success in the last two decades (Greenhouse, 2009). What is extremely important about the results of the campaign is that it set a precedent for the large apparel brands when one of their own, Russell Athletic, admitted it should allow its workers to unionize and collectively bargain. It is likely that these companies feel threatened by the power student activists have over their ability to abuse workers.

The activism resulted in significant strides towards the empowerment of all workers, especially those in the apparel industry, both within and outside the borders of Honduras. As a greater number of large companies admit that they should allow enabling rights for their workers, the trend will likely continue as the brands compete with one another for a better public image of their company, as seen through their stated commitments to ethical business. Therefore, after the right to unionize is upheld in more factories across the globe, these unions will most likely gradually gain the right to also collectively bargain and increase worker empowerment, including for workers in Honduras.

The campaign made the large apparel brands recognize that they have to adhere to the requests of their consumers and respect workers' rights. As the brands continue to take further ramifications to their treatment of workers by listening to labor rights activists, there will hopefully be a rise in the number of unions allowed in the places that produce products for these large companies which again, will allow for more collective bargaining to ensue. Hence, this would increase the empowerment of workers both worldwide and in Honduras.

The Russell Athletic USAS campaign also proved that a certain model can work in which students in the United States can have a very strong role in the implementation of workers' rights. The "sandwich model" of students and workers pushing on each end of the apparel industry spectrum to squeeze the brands into complying with their requests for higher labor standards was shown to actually work in the Russell Athletic campaign.

USAS also developed an escalation model for campaign tactics that proved to be successful. It began with fair consultation with a brand and then increased with intensity until the top of the escalation ended with extremely direct actions such as sit-ins at the students' universities. USAS has used this model to help win more incredible victories for workers' rights, including forcing Nike to pay \$1.54 million in severance to its employees in Honduras in 2010 (Greenhouse, 2010). In April 2013 Adidas agreed to bargain with the union of the PT Kizone factory in Indonesia where 2,700 workers were refused legally mandated severance pay for over two years by the brand. After the diligence of workers and USAS, the union managed to receive the compensation that was fought over during the campaign (Strain, 2013).

The success of the use of these particular strategies has led to other labor rights organizations incorporating them into their own campaigns. An example is the fight for workers' rights in the Foxconn factory that produces products for Apple and other powerful technology companies in China. Labor activists in the region have publicly referred to USAS's campaign strategies to organize a campaign to stop the abuses to workers' rights at Foxconn that have resulted in a huge number of worker suicides (Chan, 2013). It is clear that the USAS Russell Athletic campaign had a very strong positive impact on the empowerment of workers

worldwide by influencing the continuation of higher labor standards in the apparel industry and others. Again, these higher labor standards worldwide will also positively influence the empowerment of Honduran workers.

The USAS Russell Athletic campaign helped expose an important flaw in the way corporations uphold the rights of workers in their production facilities. The codes of conduct that USAS used as leverage to influence their universities to cut their contracts with Russell Athletic are very similar to Corporate Social Responsibility (CSR) initiatives that are often used by large corporations such as Russell Athletic. The university codes of conduct specify requirements for companies that are their business partners. Although the universities say that they will enforce this code of conduct at all times, the Russell Athletic case exposed the fact that violations of the codes of conduct can unfortunately slip through the cracks. The Russell Athletic made it clear that university codes of conduct need to be overseen by outside parties to ensure continuous enforcement. Student activists have a large role to play in this and can force their university administrations to enforce these codes of conduct through direct actions.

This situation is frighteningly similar to the failures of Corporate Social Responsibility. It is now common for large companies to state that they diligently uphold the well-being of their workers. The companies are influenced to do this because of their desire for a good public image to increase their profits and avoid potential profit losses that might occur due to exposure of their worker exploitation. It is now well-known that these CSR tactics do not work by themselves, as the companies continue to abuse workers and disregard their rights. It shows

that it is necessary to have unions in order to enforce the components of the CSR statements (Locke, 2007).

Because USAS exposed the failure of university codes of conduct being used alone without enforcement, it has also brought attention to the flaws of Corporate Social Responsibility initiatives. Doing created awareness of the problems of CSR programs. This provides less ability of companies to hide their abuses to workers under a veil of disillusionment to consumers. This indirectly positively impacts the empowerment of workers both Honduras and internationally.

Of course, as with any campaign initiative, there are aspects that could have been done better, or could have even possibly been eliminated entirely. For example, after the Russell Athletic campaign success, some USAS members thought it was necessary to reward the brand for making the correct choice in respecting workers' rights so many USAS chapters asked their universities to sign new contracts with the brand. Merit can definitely be seen in doing this, as it gives more incentive to companies to comply with the demands of anti-sweatshop campaigns but there has also been some controversy over whether these actions were actually more beneficial to workers or not.

One view is that it has had a positive impact on the empowerment of workers because more brands may comply with what anti-sweatshop campaigns ask of them since they believe that they will get a reward after doing so. However, another perspective regarding this situation is that USAS has rewarded a brand that has only taken steps towards enforcing workers' rights in Honduras, while it has many other factories around the world where workers continue to be

exploited, according to factory monitoring agencies. This could have a negative impact on the empowerment of workers both globally and in Honduras, as it may give an example to brands that they can easily take a small step towards enforcing workers' rights in one region but in the larger picture, they can continue doing what they wish and exploit workers elsewhere.

Also, the campaign brings to light the issue that there are also certain limitations to what USAS can do as an organization of student activists. It is obvious that the group had a huge impact on the results of the Russell Athletic campaign but it is very important to note that there were many other actors involved. These include the workers themselves, universities, retailers, the Honduran government, the brand, the factory owner, among others.

Conclusion

There is no doubt that the Russell Athletic USAS campaign had great positive impacts for Honduran workers. This case shows that victorious labor activist campaigns are complex in structure and tactics. Despite there always being a need for improvement with activist group strategies, it is my opinion that the actions taken by USAS in this campaign had a significant positive influence on the level of empowerment of Honduran workers. A crucial message here is that activists must continue to be willing to change and grow as both a group and as individuals. Most importantly, because all struggles for empowerment are interconnected, all groups aspiring for positive change in the world must unite in solidarity in order to eradicate exploitation.

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