

South Asia's women garment workers

Globalisation's race to the bottom

RON CHEPESIUK

Each day, 20-year old Farida leaves her home in the slums of Dhaka and walks for one hour to her job at the Dalia Garment Factory. Farida, who, like many garment workers interviewed for this article, didn't want her real or last name used for fear of losing her job, works 8 a.m. to 8 p.m. and sometimes as much as two hours more, often seven days a week. For her labour, the young worker earns the equivalent of about \$18 per month. At night, Farida must walk through the pitch black and dangerous streets of a city notorious for its crime rate.

For 32-year old Narayan, the walk to her job at the Krishna Garment Factory in Kathmandu, Nepal, is shorter than Farida's, but she complains of having to stand on her feet all day, 48 hours per week, and not getting paid on time. "A month or two sometimes will go by before I get paid," explained Narayan, who has worked at the factory for 14 years. "I want my employer to follow the law and pay me on time."

Meanwhile, 30-year old Bathra Kumari toils on the production line at Martin Imprix Factory in the Free Trade Zone on the outskirts of Colombo, Sri Lanka's capital. With overtime, Bathra can earn about \$28 per month. At night she walks 45 to 50 minutes to get to her boarding house where she shares a 10 by 12 feet room with three other women. There are three toilets for the thirty workers, a shortage of water and often no electricity, Bathra revealed.

These three workers are among the thousands of women working in South Asia's Ready Made Garment (RMG) industry. Their stories document a harsh reality -- the RMG industry is the quintessential poster example of globalisation's false promise of prosperity. The garment workers make the brand-name clothing and apparel that many of us buy, but compared to the profits reaped by the factory owners and buyers, the vast majority of them are barely scratching out a living, earning poverty level wages and working in substandard and unregulated conditions.

The World Bank defines extreme poverty as US \$1 a day, but my investigation found that few workers in South Asia's RMG industry are earning that amount. "The competition among factory workers within South Asia and among other garment-producing regions has created the proverbial race to the bottom whose effects are not hard to identify," explained Ashwini Sukthankar, Director of Research and Investigations for the Washington, DC based Workers' Rights Consortium. The labour organisation monitors labour standards at factories producing apparel bearing the names and logos of 112 colleges and universities in the

that they have a difficult time paying the minimum wage or overtime to workers.

"Most contractors are put in a take it or leave it position and must accept whatever low price the manufacturers give them or see the work placed in another garment factory either somewhere else in the country or abroad," explained Nikki Fortunato Bas, Co-Director of Sweatshop Watch. "The contractors must sweat their profits out of their workers, cut corners and operate unsafe workplaces." Sweatshop Watch is an Oakland, California based labour coalition committed to eliminating the exploitation in sweat shops in the U.S. and globally.

Working in the RMG industry, no doubt, has led to a radical change in the lives of thousands of poor women across the region. Many of the more than 30 women garment workers interviewed for this article said finding work in the garment factories has given them the opportunity to be independent, earn a steady income, get out of the house and become something other than a domestic helper.

In central Dhaka at the Women Workers' Hostel, which houses 300 women workers and is operated by Nari Uddog Kendra (NUK) or Centre for Women Initiatives, an organisation that works for the welfare of women garment workers,

an official with GEFONT.

The 40 percent rule exists in Sri Lanka as well. But consider the workers at the Jaqalanka Factory in the Katunayake Free Trade Zone, which produces apparel for VF Corporation, one of the US's largest garment companies. They sought a vote to determine if 40 percent of the union's membership wanted a union and could therefore be recognised as a collective bargaining agent. But they faced threats, intimidation and harassment from management in the time leading up to the ballot. Only 17 workers voted when the ballot was held last July 9.

Meanwhile, last July, five workers

Forty-five year old Shahnaz worked 24 years for a garment manufacturer in Dhaka until last spring when her employer closed its doors. She received no severance pay and was forced to move in with her family, struggling to survive and to find work. Shahnaz feels she is too old to find another job in the RMG industry and doubts she will find a job that pays as well -- about \$26 a month. In Bangladesh, like other South Asian countries, no government programmes are in place to re-train workers and to help them find work.

The MFA phase out will lead to major restructuring of the global garment industry, allowing garment retailers and manufacturers to operate in any country without restriction. South Asia garment workers will not be the only losers. In California, for instance, experts predict that half of state's garment workers will lose their jobs, leaving up to 350,000 immigrants unemployed.

Garment worker activists say the multinationals -- the GAPs, Wal-Mart, J.C. Penney's that buy the garments -- must assume responsibility to ensure labour conditions. After all, they have the most influence in the industry. We have talked with buyers who say they are eager to help, say labour activists, but they haven't followed through. "We haven't have any buyers come to us and say, 'how can we help you,'" explained Shenghi Lee, of the Dhaka-based International Labour Organisation.

Consumers must demand that the garments they buy are made in decent working conditions, the activists add. "With enough consumer pressure, the corporations may realise that labour conditions must have as much importance in their buying decisions as cost and quality," Fortunato Bas explained. "Consumers and activists in the U.S. must also support the continuing struggle of garment workers in the global south as they organise and demand accountability from the corporations."

South Carolina based journalist Ron Chesepiuk is a Visiting Professor of Journalism at Chittagong University, a Research Associate with the National Defence College in Dhaka and a former Fulbright scholar to Bangladesh.

In memoriam

Golam Mohiuddin

Portrait of a patriot

MOZAMMEL H. KHAN



Very recently, we lost a very dear friend, the students of BUET, an engrossing teacher, the Professors of BUET, a trusted colleague; Ranik and Arup, a loving father; Rasheda *Bhabi*, a devoted husband and most others, deprived forever of the service of a patriotic son. Dr. Golam Mohiuddin, Professor and Chairman of the Industrial and Production Engineering Department passed away on 18th April and was laid to rest at his family graveyard at Sreepur, Comilla. Mohiuddin fought a long and hard struggle against cancer. Even in his pain and suffering, he was able to give hope and love to people and would very often enquire about our other friends.

I knew Mohiuddin since 1967, from the beginning of our first year class at BUET. Both of us were the students of Mechanical Engineering Department. We were the active supporters of the opposing students groups, which in those golden days of student political activism created no dent in our friendship.

Both Mohiuddin and I were interviewed for jobs in Bangladesh Silo. The authorities in Silo wanted a long-term commitment from us, which I refused. However, Mohiuddin provided the commitment and dedicatedly served Silo for a number of years until he moved to a faculty position in BUET. No other extremely attractive opportunities in Bangladesh did entice Mohiuddin. In the mean time I left for the United States and lost direct contacts with him.

In my visit to Bangladesh in October of 1990, Mohiuddin invited me for a lunch to his house. I stayed with him for a few hours and all he talked about was our nation's shattered dream; the dream that once united all of us for the creation of a secular, democratic and prosperous Bangladesh. He was terribly disturbed by the emergence of influence and power of the anti-liberation and fundamentalist forces. I felt morally inferior to him since he never talked about his own future or frustration, if any, and did never talk about the possibility of exploring any opportunity outside our border. I bowed down to his patriotism that never ever took the back seat in favour of opting for more cozy life styles that many of our friends have adopted elsewhere.

Over the next few visits to Bangladesh I either met him or talked to him over the phone. He always encouraged me to use my pen to uphold the values and virtues of our great war of liberation. During my last visit to Bangladesh in August 2003, we talked to each other a number of times over the phone but could not meet since he was bound for a study trip to USA. In my last conversation with him he solicited my support as the President of more than a thousand strong Bangladeshi Engineers' community in Ontario, Canada if we could help the 'National Committee to Protect Oil-Gas-Power-Port', the national body of which he was the member-secretary.

Last February while he was undergoing treatment in Singapore, we sent an e-mail to our engineers in Canada informing that Mohiuddin was ill. We were simply wowed by the magnitude of responses with prayers and sympathy for him, from whoever knew him even a bit. I speak for all who knew Mohiuddin, that he will be remembered and cherished by friends. He will be truly missed by all who had the good fortune to have known him.

There are words and faces and places that never lose their hold upon the heart. They may be words that we seldom hear amid the whirl and competition of life, faces that we may never see on earth again, places that we are seldom permitted to revisit; but they were once the scenes, the associates, the joy of our life; they had a controlling influence in training our aspirations and in shaping our future, and they can never be wholly forgotten.

Dr. Mozammel H. Khan is the President of the Association of Bangladeshi Engineers of Ontario, Canada.

The pace of the race to the bottom in the RMG industry will quicken come beginning 2005 when the phase out of the Multi Fibre Agreement (MFA) comes into force. Nepal, Bangladesh and Sri Lanka will likely lose much of their guaranteed market access, which has helped sustain them in

U.S.

The RMG industry is vital to growth of the South Asian economies. Indeed, the industry is the biggest foreign exchange earner for most of the region's countries. In Bangladesh, for instance, the total RMG industry share is 76 percent, while for India and Sri Lanka, the figure is 45 and 54 percent respectively. "The garment sector is not only Bangladesh's biggest foreign exchange earner, it has played a key role in our development efforts," explained S.M. Nurul Hoque, Acting President of Bangladesh Garment Manufacturers and Exporters Association.

South Asia's RMG industry has attracted big-time buyers like GAP, J.C. Penney, Levi Strauss, Disney and Wal-Mart, among others, with promises of cheap labour and big tax breaks. These buyers are at the top of the RMG industry ladder. They place orders with brand name manufacturers, who, in turn, use contractors in the local country to assemble the garments. The contractors then recruit, hire and pay the workers, who occupy the bottom rung. The contractors' competitive bidding drive contract prices so low

Most of the workers who have made the RMG industry a success are women -- young women between age 20 and 29 -- who have left their villages in the region's rural areas in search of a better life or to get away from abusive environments. During the formative period of South Asia's garment industry, from 1980 to 1995, the share of its female employment rose from 17 to 69 percent in Bangladesh and from 23 to 49 percent in India. Even Nepal, which has a lower share of female employment compared to other countries in the region, saw a significant rise in the number of women working in the RMG industry.

Advocates for the region's garment workers say that the factory owners prefer to hire young women, believing that "can be "more easily manipulated or intimidated and will be less likely to fight for their rights." "By hiring mainly young, inexperienced women from the rural regions, factory owners have been able to keep the wages in the (RMG) industry at a ridiculously low level," charged Mojibur Rahman Pintu, joint secretary of Bangladesh's National Garment Workers Federation Central Committee.

several young workers talked about their new lives. Rosi, a 25-year old worker, proudly revealed that she sends half of her monthly income of 38 dollars to her family who live in the Comilla district, about a two-hour drive from Dhaka. Nishi, often must work 12 hours a day, six to seven days a week, but she said it's worth it because she is able bank half her salary.

"The money the women garment workers earn may seem like a small amount to us, but they come from such poor backgrounds that nobody in their families had seen the kind of money they're making," explained Mashuda Shefali, NUK's executive director.

It looks like the RMG industry has had a positive effect on women workers' working, but let's put the situation in economic perspective. Research by the New York based National Labour Committee revealed that in some Bangladesh garment factories workers have been earning the equivalent of 1.6 cents for each baseball cap they make. The hats clear customs at an estimated value of 1.23 cents and then sell for about \$20 each in the U.S. It's facts and figures like these that make it hard to understand why garment workers should be labouring for sub poverty level wages.

South Asia's garment workers have many other grievances besides wages: late payment, dangerous and unhealthy working conditions, forced overtime work, a lack of housing and transportation facilities, no job security or health benefits and no on-site medical services, for starters. In Bangladesh the lack of fire safety codes for the garment industry has led to tragedy. From 1990 to 2002, 252 garment workers died and several thousands more were injured in 54 fires that broke out in different garment factories.

"No standards exist in the garment industry; that's the problem" Pintu said. "Some workers will end up in working in a factory where pay and working conditions are relatively not bad. Others may get hired by factories that have unacceptable conditions in every way."

The irony is that the South Asian countries have plenty of laws on the books to protect the garment workers from the abuses. In Nepal, for instance, every worker is eligible to get an appointment letter when hired and to be a permanent worker after 240 days of regular work. But studies show that only five percent of the garment workers, most of them men, receive an appointment letter. In another study, only 27 out of 83 garment factories in Nepal issued appointment letters. "This has caused widespread job insecurity in the garment industry," Bishnu explained. "Workers are often dismissed from their job without prior notice."

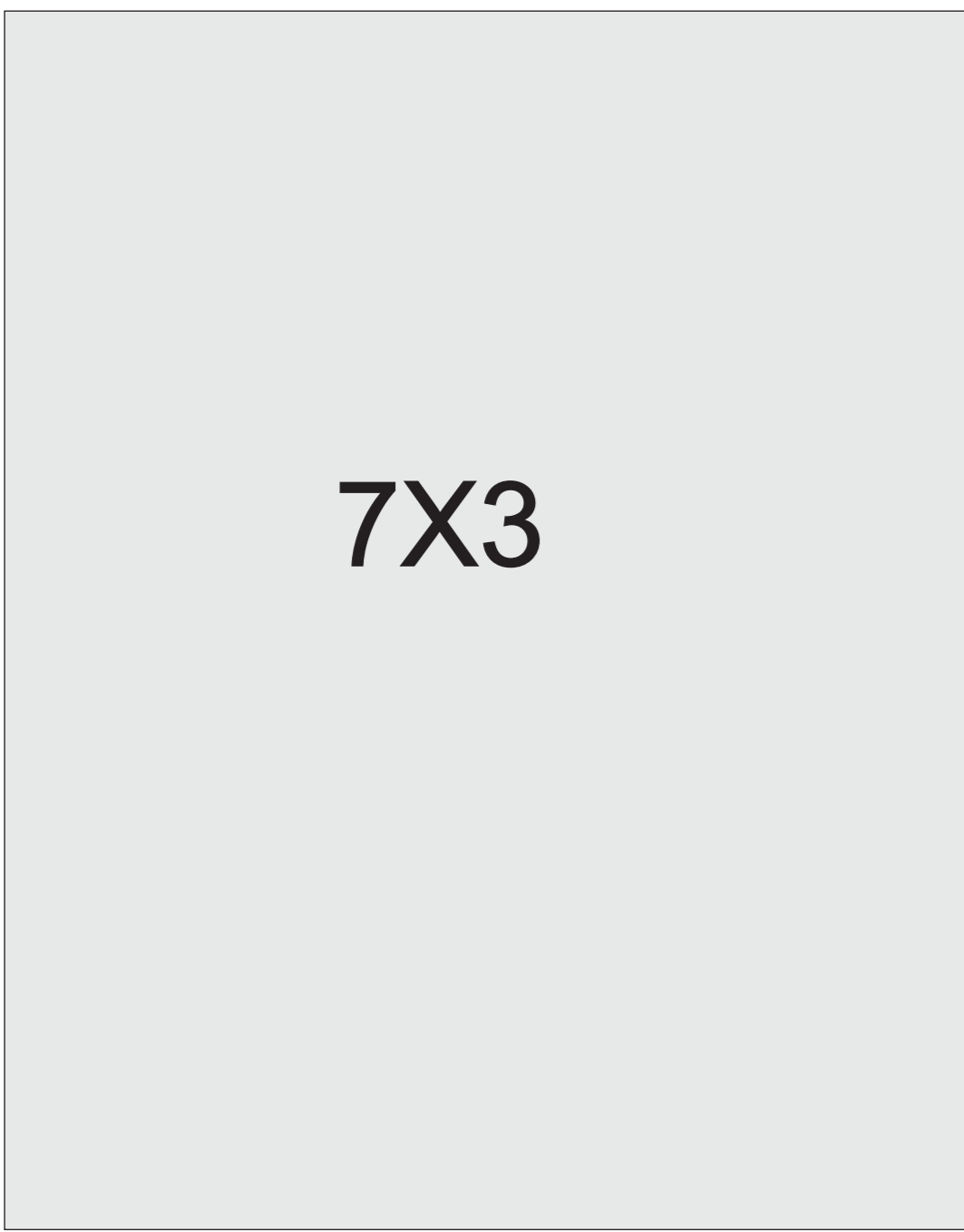
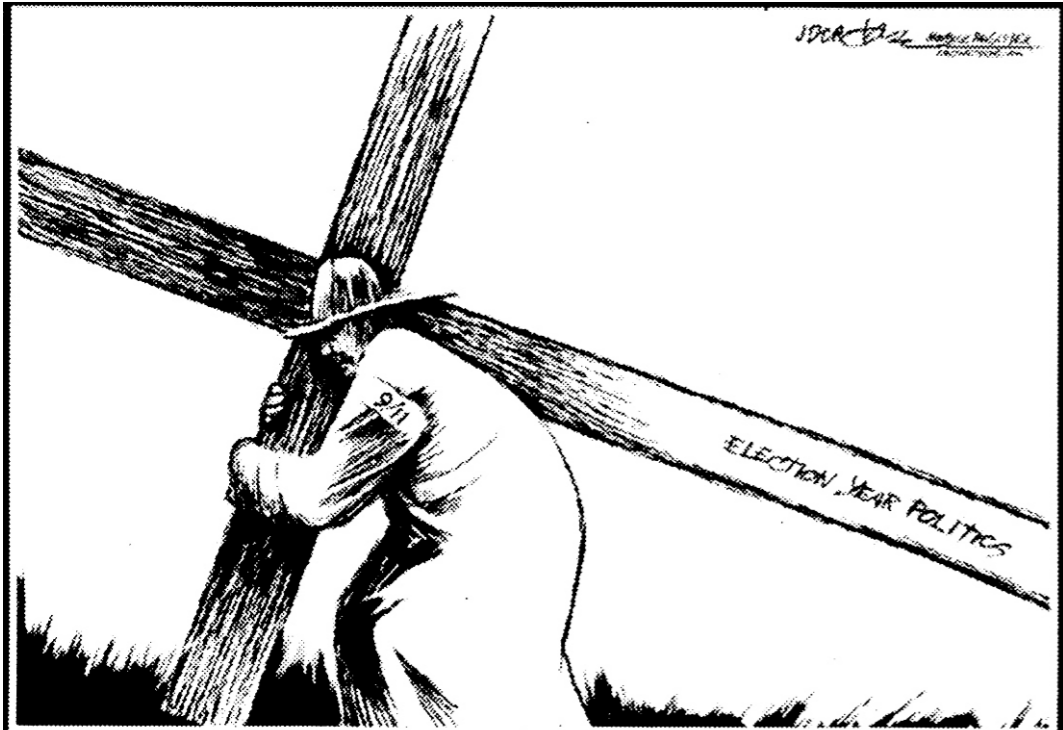
In Bangladesh workers will often get another type of letter when they first come to work. "The employers will give them a blank page with the date written in and the workers are asked to sign it," revealed Robert Wayss, Field Representative in Bangladesh for the American Centre for International Labour Solidarity. "The workers need the job and they usually sign without hesitation."

The garment factories have established codes of conduct, which roughly resemble each other and reflect international recognised labour standards. But garment worker activists complain that the RMG industry isn't serious about upholding their codes. "They are nothing more than public relations tools," Bishnu said. "They are not enforced or monitored effectively and lack public transparency."

South Asia's garment workers have struggled to form labour unions. Again, there are laws on the books to protect the worker's right to unionise and to bargain collectively, but they are not enforced. The region's governments are simply too nervous about upsetting the globalisation cart. In Nepal, where only 17 percent of the workers are unionised, the government made an amendment to the Industrial Disputes Act in December 1999 that requires unions to be organised in a workplace if 40 percent or more of the workers in the workplace belong to the union. But this has not led to the growth of unions, even though workers say they want them. "There is no safety net for Nepal's garment workers, but through collectively bargaining unions can help improve labour conditions," explained Indra Bilas,

from a factory on the outskirts of Dhaka were fired after management got wind of their efforts to form a union. The next day, the workers met with Robert Wayss to discuss how they could get their jobs back. "This is typical of the labour situation in Bangladesh," Wayss explained. "The five workers were part of a committee in the factory organised to form a union, and management found out about it. The workers are told that there is no more work for them. Sorry, says management, but we have to lay you off. It's illegal in Bangladesh to be fired for union organising activities, but the onus is on the workers to prove it." The workers are planning legal action, but in an interview with the author, they weren't optimistic about their case.

The pace of the race to the bottom in the RMG industry will quicken come beginning 2005 when the phase out of the Multi Fibre Agreement (MFA) comes into force. Nepal, Bangladesh and Sri Lanka will likely lose much of their guaranteed market access, which has helped sustain them in the highly competitive global RMG industry. "The women whose labour built this RMG industry will be the ones to pay the price for the change," Shefali said. NUK delivers basic health care services to workers in 100 garment factories in Dhaka. Five of those factories have fully closed, two more are partially closed, and 31,609 employees, of which 23,107 are women, are out of work.



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