# Addressing Corporate Conduct

## A Roundtable Exploring Initiatives at the Workplace, National, and Multilateral Levels

May 24 - May 25, 2000
YMCA International House, Hong Kong

Contents

## Introduction

According to the traditional tripartite scenario, governments establish and enforce national labor laws, companies build factories and make profits, and unions promote the rights of workers. The new global economy has altered this scenario. There are now global institutions that regulate – or attempt to regulate – trade, labor standards, and the macroeconomic policies of countries. Meanwhile, a range of non-governmental organizations (NGOs), and grassroots organizations have sprung up to address labor issues and corporate conduct, sometimes alongside unions, sometimes in conflict with them.

At the same time, the structure of global corporations has changed dramatically. Transnational corporations (TNCs), with sales of $4.8 trillion, have a greater share of world trade and now control roughly one-third of the productive assets in the world. Increasingly, these TNCs parcel out their production work – the actual creation of things – to independent contractors. The assembly line, which was once housed entirely in one building, has been globalized, with subcontractors in different countries adding different components before the final product is marketed by the parent company. In an attempt to attract links in this global chain of production, countries have created export-processing zones (EPZs) that are investment-friendly and many of which have low (or no) environmental and labor standards. The workers that are drawn to these zones are often "contingent:" short-term or part-time workers. The majority of this contingent workforce are women.

While globalization has undeniably created economic growth, this growth has not been equal. Competition has too often produced a "race to the bottom" in which countries, corporations, and subcontractors whittle away at social and environmental standards to attract contracts and foreign investment. This new globalized environment poses several challenges for those who are concerned with preserving, and indeed raising, these standards.

.

- How can multilateral institutions ensure a "level playing field" in the arena of trade and labor standards when the forces of globalization have only widened the "development gap" between the global haves and have-nots?

- How can governments in the developed world insist on better working conditions in the developing world without merely protecting jobs and industries back home? At the same time, how can the needs of workers in developed countries be addressed?

- How can unions, NGOs, and consumers demand that a transnational corporation adhere to labor standards when the bulk of its workers are not its workers, but instead are employed by subcontractors?

• How can legal protections be guaranteed when much of the production takes place in a legal vacuum?

• On whose behalf are international NGOs working: consumers in their own countries or workers in developing countries?

• How can unions defend the rights of workers in areas where organizing is either illegal or, because of the contingent nature of the workforce, very difficult? How can other organizations succeed where unions are ineffective?

A group of activists and academics interested in these questions gathered in Hong Kong in May 2000 to evaluate some of the latest approaches to improving labor standards and improving corporate conduct. The two-day Roundtable explored this question at several levels, from multilateral institutions such as the International Labor Organization (ILO) down to the factory floor.

Consensus on goals was not difficult. Roundtable participants all agreed that we should be working for the alleviation of poverty, the improvement of working conditions, the close coupling of economic and social development, and a closing of the "development gap" between rich and poor countries. But the difficulties lay in the details: how can the various actors work together equally and in an atmosphere of trust to achieve these goals? On whose behalf is each group working? How does an NGO from the US or the EU work effectively with NGOs in Asia?

A fundamental difference of opinion that emerged from the discussions concerned strategy, the best way of getting from here to there. Some participants favored focusing their efforts at one level to raise labor standards, for instance by organizing workers by factory or sector. Other participants advanced a strategy of interlocking relationships. According to such a scenario, the ILO promotes universal labor standards, national governments translate these standards into law, workers organize to defend their rights according to these standards and laws, NGOs put forward voluntary initiatives that support and complement the standards, and consumers use their purchasing power as leverage to encourage socially responsible corporations.

Each of the actors in this scenario, however, has potential weaknesses. The multilateral organizations establish standards that are frequently ignored. National governments pass laws that are not implemented at the factory level. Trade unions sometimes ignore the plight of contingent labor and do not expend much effort to organize in the export-processing zones. International NGOs and corporations jointly establish codes of conduct, but these sometimes amount to little more than public relations campaigns. Consumers often base their ethical purchases on minimal or incorrect information about the real working conditions in the factories.

Roundtable participants grappled with the challenge of identifying how to bring greater coherence to the workings of all these actors and simultaneously ensure greater implementation of the words on paper.

One overarching problem has been the line dividing the "developed" from the "developing" worlds. At the inter-governmental level, for instance in the World Trade Organization (WTO), developing countries have demanded access to northern markets while fearing opening their own markets too quickly to foreign control. Developing countries often view codes or clauses or legislation designed to improve labor and environmental standards as efforts by the developed world to protect their own industries and work forces.

The line of division between the "global north" and the "global south" runs through the non-governmental world as well. Some NGOs in the developed world have supported private voluntary initiatives (PVIs) as a method of improving corporate conduct. These initiatives, which are varied in scope, content and structure, have engendered some skepticism, particularly in the global south. Are these initiatives a substitute for labor law and for labor organizing? Are NGOs putting themselves forward as an alternative to unions, their work with corporations an alternative to traditional industrial relations? Some participants at the Roundtable also voiced criticism about the effectiveness of the PVIs, particularly codes of conduct, which were the focus of our discussion.. Are the codes simply promoting a "culture of minimalism" in which corporations make the most minor adjustments to meet standards? Do the codes apply equally through the whole supply chain to all the subcontractors? How effective are the monitoring systems? Who is allowed to be monitors and gain access to factories? As one participant asked, "If a manager breaks the code of conduct, who does the worker call? What use is the code if there is no accountability?"

As the Roundtable discussion progressed, it became clear that codes of conduct were not a panacea. Rather, they were useful in certain circumstances and in certain areas. They should not be put forward as a substitute for labor laws or labor organizing. Rather, they could be used in areas where labor laws are not being implemented and where trade unions are not working – for instance in export-processing zones and among contingent workers. Perhaps more importantly, a new kind of code of conduct is emerging that is as much a set of relationships as a list of standards. According to this kind of code, northern NGOs work in partnership with southern NGOs and unions in creating a space for worker empowerment – a multi-stakeholder approach. The goal of this process is to shift power from the north to the south, so that the local actors have ownership over the implementation and monitoring of the codes. Participants evaluated the Ethical Trade Initiative as an example of this new means of prompting change.

In this regard, the issue of China posed certain key challenges, given the lack of NGOs and the inability of workers to organize independent unions there. One intriguing suggestion was for outside organizations to join with Chinese workers in pressing for workers' health and safety committees at the factory level, which would combine monitoring of standards with worker education and empowerment.

Codes of conduct remain largely experimental. No one is certain how to make them sustainable financially. Or how workers will use the codes to empower themselves. The larger question – will corporations take the codes seriously – remains difficult to answer. As one participant put it, "Are Nike and McDonalds prepared to make less profit in order to improve workers' conditions?" Even if the large TNCs are willing to make less profit, are the smaller and more vulnerable subcontractors willing or able to follow suit? Participants agreed that codes of conduct can't solve all the problems of economic injustice. But they can provide a space, an opening, and an opportunity to improve the standard of living for many workers in the globalized economy.

Alongside the conversation on codes of conduct, Roundtable participants discussed the relationship between NGOs and unions. Unions and NGOs have frequently found themselves fighting on the same side to improve working conditions in the new globalized factories. In some cases, NGOs have been able to work in areas that unions have been unable or reluctant to address – contingent workers and women workers or on social issues such as sexual harassment that are not "workplace" issues. In some cases, this complementary work has gone smoothly. However, unions and NGOs have also faced certain "turf" issues and these disputes have also colored the way codes of conduct have been received in specific locales.

The discussion of the union-NGO relationship covered a number of issues. Workers in developing countries want to protect their own rights, and seek the best means to do so – sometimes through their own unions or grassroots organizations, sometimes through multilateral institutions such as the ILO, sometimes in concert with international unions or international NGOs. Participants noted that for most workers job preservation is a top priority, and the strategies of other actors, when not well-coordinated with the workers themselves, can jeopardize jobs. Meanwhile, in developed countries, unions are motivated to improve the condition of workers world wide, but also have legitimate concerns about risking the jobs of their own members.

Roundtable participants were in consensus about the need for more communication about what is actually taking place at the factory level. They also urged more coherence among multilateral organizations concerning labor standards. Some participants held up the ILO's definition of core labor standards as a model that other institutions should adopt. Another point of agreement concerned the importance of gender analysis. Given that the majority of workers in EPZs are women, it is critically important that all institutions – from individual unions to the WTO – recognize the specific needs and demands of women workers.

The workshop was a discussion rather than a set of presentations. There were lively disagreements on a range of issues. As a group we came to consensus on a few issues, outlined here and explained in more depth in the following report. But the disagreements were at least as interesting as the agreements, so they have been preserved in this report. Instead of identifying participants by name, this report will quote without attribution. Some confidential material has been left out.

## At the multilateral level

Whether to link trade to labor standards at a multilateral level is, in the words of one participant, "probably one of the largest standing debates in the trading system." For the last decade, the debate has centered around the "social clause" – the insertion of language into multilateral trade agreements that would commit signatories to certain minimum labor standards in the production of goods for export. Developing countries are concerned that a social clause, which would mandate certain minimum labor conditions and thus possibly raise the costs of production, could serve as a restraint on imports of the goods they make.. Indeed, one of the driving factors behind the social clause has been that some unions in developed countries are worried that the movement of factories to the global south means a loss of jobs in the north. However, this form of structural adjustment leads to job loss on both sides. Northern workers lose "low-end jobs," But, according to one participant, "when those jobs reappear in the South, the countries must sacrifice their own industries. That's why underemployment in the South persists."

The social clause debate is gradually changing. The International Confederation of Free Trade Unions (ICFTU), for instance, is calling instead for a set of global rules for the global economy. "The WTO is full of rules," said one participant. "But those rules are in favor of the movement of capital." Global rules that are more labor-friendly are needed.

The WTO, the successor to the General Agreement on Tariffs and Trade, is one arena where trade and labor standards can be linked. One participant described the WTO as "a very strange animal. It is less an organization than a conference. It is a caravan that moves around to discuss issues." It has no funds for technical cooperation and can hold very few seminars. Its arbitration role is very passive – it will not initiate a complaint but will only hear disputes brought to it by member states. Its ability to promote labor standards is "minimal." The WTO can create "a boxing ring that favors the stronger countries." Most disputes (85 percent) are arbitrated before reaching a WTO arbitration panel. The WTO does not enforce decisions – it is up to the individual governments to enforce the decision through retaliation. But member states can also ignore WTO rulings.

However, even given these caveats, the WTO is still perceived as very powerful. Decisions made at WTO conferences can have far-reaching implications. Some NGOs fear putting the issue of standards in the WTO at all. If the WTO is already too powerful and has gone too far in trade liberalization, why give it more power? Already, there are various sides lobbying for changes in the WTO, with developing and developed countries staking out different positions. "A middle position is emerging – to make the WTO more coherent with other multilateral institutions," according to one participant. For the WTO to look at linkage, it will need the consensus of all members. If there is consensus, the

WTO will establish a working group that will look at both trade liberalization and national legislation.

If not the WTO, what about the ILO as a place for this trade and labor discussion? One participant argued that a change in prevailing economic thinking favored the ILO's version of tripartitism (labor, employers, governments). Since the fall of the Berlin Wall, those advocating the global spread of the market have pushed hard for the position that social improvements follow automatically from economic development. Recent research shows, on the contrary, that national economic indicators improve at the same time that the gap widens between rich and poor. This is a trend in both the developing world and in the U.S. as well. There are grave concerns that the deterioration of social standards may derail overall economic development. It is this concern that is signaling a pendulum swing away from neo-liberalism, and the ILO is prepared to lead the way in forging a new consensus.

Until recently, it seemed that the ILO was lagging behind in the discussions on globalization. The United Nations Development Programme (UNDP) has produced more radical papers on globalization than the ILO. The 1999 UNDP report contained a broad critique of the WTO's brand of globalization and the inequality that it has spawned. In some cases, the ILO's tripartite structure has made agreement on key labor issues very difficult. For instance, on the issue of maternity leave, the ILO delegates could not come to consensus, so the ILO couldn't in the end take a position on this critical issue. Or take the case of home work – piecework done at home. Indian women unionists pushed this issue onto the ILO agenda with the support of the International Union of Foodworkers. The ILO came to consensus, but only two countries ratified the convention (Ireland, Denmark). In some cases, the agreements are "ahead of their time." The success of ILO conventions sometimes requires grassroots pressure on governments to ratify and enforce the standards.

The ILO is now "rejuvenated," according to another participant. It has conducted in-depth country studies on the impact of trade liberalization in Bangladesh, South Korea, Poland, and Mauritius among others. It has embarked on an examination of codes of conduct. Under the new leadership of Juan Somavia, the ILO would like to take the lead in three areas: generating new knowledge, developing new policies, and establishing a forum for achieving "coherence" among the various multilateral institutions looking at trade and labor standards. More critically, the ILO may increasingly hold other multilateral institutions accountable. The ILO can occupy this position because of its critical mediating role – suspicious of trade liberalization but ready to accept such policies if they adhere to core labor standards. For the ILO to play this role among multilateral institutions, however, it must first obtain observer status at and begin to collaborate with the WTO. The ILO director general is the only UN director general that is not allowed to speak at the WTO ministerials.

Another key recommendation was for NGOs to cooperate more with the ILO on trade and labor issues. The only NGOs to participate in trade and labor discussion on a regular basis at the ILO are the Geneva-based Terres des Hommes and the Quaker United Nations Office. "NGOs should get more involved in the ILO," one participant urged. "Trade unions are protective of their position in the ILO tripartite structure.. But the ILO is more than just industrial relations." Every year the ILO holds a conference at which 2500 delegates determine policy. This is an opportunity for NGOs to put issues on the agenda. One of the most effective openings for NGO involvement at the ILO is expert meetings on various topics. For example, on child labor issues, hundreds of NGOs have worked with the ILO. Participation of NGOs from developing countries could be particularly useful. The ILO also has a complaints procedure that NGOs, through unions, can use. However, trade unions are protective of their turf and "are wary of NGOs flooding the ILO complaints mechanisms."

NGOs would like to strengthen their relationship with the ILO, but often they can't get the information they need. Going through unions works only to the extent that unions share ILO information with the NGOs. The ILO has an excellent web page, but for NGOs focused on a narrow range of issues, frequent searching on the web page may be time consuming. NGOs want to be notified when specific issues that concern them are going to be up for discussion.

In addition to the WTO and ILO, other multilateral institutions now considering codes of social responsibility include the World Bank, the United Nations Commission on Sustainable Development, and the Organization of Economic Cooperation and Development.

There was little discussion of initiatives at the regional level. However, activists in the Americas are pushing to have environmental and labor standards included in a proposed hemispheric free trade agreement. Five citizen networks from four countries have outlined an alternative to the expansion of the North American Free Trade Agreement in a document entitled Alternatives for the Americas. The European Parliament, meanwhile, has recommended a model code of conduct for European business operating in developing countries.

## Labor standards

At the heart of the discussion of codes, whether at a multilateral or a factory level, are labor standards. The ILO has identified a set of five core labor standards (which are expressed in ILO conventions 29, 87, 98, 100, 105, 111, 138, 182). These cover the freedom of association, the right to collective bargaining, the elimination of all forms of forced or compulsory labor, the abolition of child labor, and the elimination of discrimination in hiring and occupation. Core labor standards are "enabling rights" – they provide workers with the language to help them negotiate with management. The ILO also provides technical assistance to countries and to enterprises so that they can gradually come into compliance with standards

Minimum wage and occupational health and safety are frequently considered key standards, but they do not form part of the ILO's "core labor standards." Codes of conduct have frequently focused on improving standards that do not fall within the core labor standards. For instance, according to an ILO study, occupational health and safety was the most frequently addressed issue (in 75 percent of codes reviewed), while freedom of association and collective bargaining were largely marginal (in 15 percent of codes addressed).

Which labor standards should activists specifically target? Some participants emphasized the importance of the political rights of workers. Only through union organizing can workers successfully press for, and maintain, improved working conditions. Others, concerned that barriers to organizing in certain areas were too high, wanted to ensure an improvement in working conditions first. Contingent workers, for instance, have difficulty organizing unions. And the world of contingent labor is expanding exponentially. The U.S. temp agency ManPower is now the largest employer in the world (with one million workers). In countries such as China, although the labor law guarantees freedom of association, China has not ratified the pertinent ILO convention. In reality, workers are not free to form independent unions.

Labor standards differ from sector to sector. In South Korea, working conditions have improved in export sectors while conditions in the non-trade-related sectors continue to be below international standards. Therefore, according to one participant, the introduction of core labor standards into the WTO will not be very effective, for they will not improve the more miserable conditions. Trade unions, empowered by national legislation, have a better chance of improving conditions in non-trade-related sectors. Another participant argued that even if higher labor standards applied to only 10-13 percent of workers in a developing country, the situation would be much worse without these standards. If implemented in the "commanding heights" of industry, these higher standards could pull up the rest of the economy.

In all cases, the primary concern should be what workers themselves want. "Some workers would rather have a job than labor rights," commented more than one participant. A young woman in a textile factory in Bangladesh, when asked whether she wanted a continuation of the Multi-Fiber Agreement, which would preserve the textile quota that guarantees her job, or the freedom of association, chose the former. Her family depends on her income. Creation of miserable jobs is not acceptable, but this is of course relative. "If people in the Third World prefer job availability to better working conditions and you don't acknowledge this, then you can be accused of imperialism," said one participant.

## .At the national level

National governments remain the main enforcer of labor standards. When the ILO establishes norms, each government makes the decision of whether or not to sign the convention, and how to enact policy within those guidelines. Many countries, however, have failed to ratify many of the ILO conventions. The United States, for instance, has a very low level of ratification.

Even when national governments enact labor laws, they often will not implement them. Chinese labor law, for instance, is "fantastic on paper," covering maternity leave and sickness benefits. But implementation of those laws varies widely across China. There are regulations at the province, county and city level as well as the national level. "Too many laws are the same as no laws." China has asked the ILO to help harmonize all these laws, since investors don't like such a complicated framework. Despite this appeal to the ILO, China prefers to discuss human rights and labor standards at the national level, for reasons of sovereignty.

Often, provincial and local laws must also be examined. In China, for instance, "local governments in some cities are more sincere in trying to implement the law. But in more rural areas local government officials want to get a piece of the pie they want the foreign direct investment and will violate labor intentionally" to keep corporations there. The local labor bureau works with the corporation to take advantage of the worker.

China is not alone in passing good legislation but failing to implement the laws. In Bangladesh, for instance, only some export-oriented factories observe the law. The domestic sector and subcontractors don't. "The Bangladeshi government knows this. But the power rests in the factory with the military people who are the managers. If a Labor Ministry official makes trouble, he's out of a job." Bangladesh has the most explicit and comprehensive of the bans on freedom of association in its EPZs (some countries such as Pakistan and Namibia maintain partial restrictions. In response to U.S. government pressure, the Bangladeshi government promised to allow freedom of association. Ten years passed without any change. U.S. trade unions urged the U.S. government to impose sanctions, which the U.S. government has done. One participant expected that Bangladesh would make promises but continue to delay implementation on the ground. Another rejected the intervention in Bangladeshi politics: "The impetus to change shouldn't come from the outside. Bangladesh was an agrarian society, with its own political system. First we forced them to become "democratized." Then we forced them to have EPZs. Now we want to force them to change the laws in their EPZs."

Which brings up the question of the U.S. role in linking trade and labor standards. Is the U.S. interested in safeguarding human rights and labor rights in other countries or simply protecting its own jobs? As one participant noted, the United States came to global prominence through economic policies that would today be struck down by the WTO as protectionist. And now the U.S. and other countries seem to want to close the door behind them and prevent other countries from using similar strategies to pull themselves into the league of developed nations. Meanwhile, the U.S. continues to abide by certain protectionist measures – by not sincerely implementing trade liberalization in the textile industry, by continuing to subsidize agriculture, and by taking bilateral approaches rather than submit to multilateral agreements. The Omnibus Trade Act – Super 301 – gives the U.S. president the ability to impose trade restrictions in cases in which U.S.

companies and products face trade barriers.. Other industrialized countries – Japan, Germany, France – are following the same pattern. This participants felt that by restricting their ability to overcome the development gap, the WTO was acting on behalf of industrialized countries to interfere in the sovereign decision-making powers of developing countries.

Participants were divided on the issue of sanctions, and whether or not they fulfilled their stated purpose. Some were concerned that the U.S. or European Union would impose sanctions on developing countries and use the WTO as the rationale. Such sanctions bypass people on the ground in the countries themselves: "It is not something that can be dictated from Geneva or Washington." Moreover, these sanctions will have a damaging effect on the poorest and most vulnerable.. "Weapons are needed – such as sanctions – but who wields them?" asked one participant. "If they are wielded by the US or Northern countries, they don't protect my brother."

Other participants were more concerned with raising labor standards by whatever means necessary. "I don't care whether the pressure comes from the ILO or the U.S. government – governments should be forced to enable organizing by workers." Another participant asked, "does a social code without sanctions have any meaning?"

## Export Processing Zones (EPZs)

Thirty million workers are employed in export processing zones in 85 countries. Women comprise 60-80 percent of the workforce, 90 percent in less-skilled sectors such as the garment industry. China is in a league of its own. There are 4,000 EPZs in China alone (2,000 of them viable) compared to 850 in other countries combined. Eighteen million Chinese work in the EPZs.

The firms working in the EPZs are often subcontractors to the larger transnationals. Nike, for instance, relies on the work of 500,000 workers worldwide. But none of these workers are, strictly speaking, employees of Nike. Nike handles the design and the marketing. The subcontractors do all the rest. This model is becoming standard for many other industries – chemicals, computers, even service industries such as airlines. Subcontractors gravitate toward EPZs because of tax incentives and lack of import/export duties.

EPZs are not just production sites. Some in China are as big as cities. They contain entertainment complexes and also attract "sex tourism." Some firms employ private armies to keep order. These security firms can be very restrictive, preventing workers from talking with one another.

The firms operating in these zones, for the most part, do not buy their raw materials from the local economy and instead import everything. Few such "backward linkages" are created, limiting growth in local prosperity The local firms can't compete in terms of price and quality. According to one study of an EPZ, local content after thirty years of operation remained only at 2 percent. In one case, a company even sent its workers' uniforms to another country for laundering because the local standards were not high enough to guarantee quality.

When operating in EPZs, firms can choose good or bad labor standards. The level of training required by the industry can have an influence on labor standards as well as on the company's interest in keeping workers happy in order to retain them. Intel, which sets up a new factory every 18 months at a cost of $1 billion, keeps its production line running 365 days a year, 24 hours a day at a "fault-free" level. To ensure such quality, it needs workers that are neither not subjected to sexual harassment. For reasons of profit, then, Intel will address the needs of its workers, who are mostly young women. Intel provides transportation to and from the plant, training, and child care. Intel will also pay a wage sufficient to dissuade the workers from leaving to work for IBM. Where there is a tight labor market, the employers will ask workers, "What else can we do for you?"

On the other side of the spectrum, in the textile industry, the owners are more likely to be indifferent. Although this is labor intensive work, it is usually less highly skilled, therefore there is no shortage of workers willing to take the jobs. Most EPZs are established in labor surplus areas. Additionally, they act as magnets for internal migration, particularly when there are few job opportunities elsewhere. But even in the textile industry there are good and bad employers. One Bangladeshi factory owner, for instance, is working with five NGOs to improve the conditions of the workers.

Some governments take a proactive approach to EPZs. Even when Singapore was a relatively undeveloped economy, for instance, it adopted a tripartite approach to investment. Because of this approach, Singapore turned away a blue-chip U.S. investor in the 1960s when it demanded a union-free workplace.

What determines corporate conduct in the EPZs, then, ranges from the nature of labor itself, the labor market, the sector of the industry, and the government approach. Also important is the role of the trade union and whether there are restrictions on union activities (there are very few zones in the world where trade unions are attempting to organize workers). Some codes of conduct are beginning to alter corporate behavior in EPZs. Finally, the origin of investment is important. U.S. and European companies are adopting codes of conduct. Japanese companies are not. There is more labor conflict associated with investments from East Asian countries.

Do transnational corporations often pick up and leave EPZs if labor costs rise or they have to abide by stricter environmental standards? If the factory costs are low, they will move. In Intel's case, each factory costs $1 billion so it is less likely to relocate. However, Intel did walk away from a factory in China because of a lack of skilled workers. A greater challenge, perhaps, is how developing countries fit into the new supply chain of subcontracting. Because the production task is subdivided, more countries can enter into any given production process. But their position in the supply chain is more insecure. They can get a contract for one order but there is no guarantee of a second contract. The contractor might demand quicker and cheaper output in subsequent deals. To meet the terms of the new contract, the subcontractor has to extract more labor from its workers. Instead of training their workers to improve productivity, the subcontractor will cut corners on workplace safety or make the labor force work longer hours.

Some initiatives designed to retain jobs can backfire. Take the case of union organizing. The Marcos government in the Philippines established an EPZ in Bataan during the martial law period of the 1970s. In 1982, there was a zone-wide strike – the problems had been repressed for so long that a walkout in one factory quickly spread to all the others. After the strike, foreign investment dropped to 1/3 its previous total. In Guatemala, U.S. NGOs and unions worked in solidarity with workers at the Van Heusen plant to do joint actions. Finally, Van Heusen recognized a union. But one year later, Van Heusen shut down the plant and farmed its work out to subcontractors.

The issue of skills is key. "Nobody is giving these workers the skills to bring back to their villages." After eight years in the garment industry, because of assembly line production, a worker can still be incapable of making a dress. At the same time, the workers are losing their traditional skills. EPZs are not contributing to building local sustainability, either through "backward linkages" or raising the skill level of the workers.

Enterprises in the EPZs largely operate in an administrative vacuum when it comes to labor standards. Some countries are reluctant to implement labor standards for fear of driving out foreign investors. Also challenging is to determine what national laws apply to these workplaces. A Korean company in Malaysia employs Philippine workers to produce goods for the U.S. market. Which laws apply to the labor force? It is a legal vacuum.

Conditions in EPZs are getting worse in some cases. In the 1970s, one participant pointed out, it was possible that workers received lunch, got uniforms, and stayed in company-sponsored dormitories. These days, the workers must buy their own lunches and uniforms. Horror stories are still common about working conditions. A textile worker in Sri Lanka suffered a terrible eye injury. When she screamed for help, no one responded until the management "told her to leave because she was disturbing the others."

Life in the EPZ is very different for women and men. Sexual harassment is a constant fear for women. "None of the policy makers are using a gender analysis," one participant pointed out. "The employer, the labor department, the trade union are applying policies in a gender-blind fashion."

## Codes of conduct and PVIs

Codes of conduct are an attempt to improve the labor standards in workplaces around the world, including export-processing zones. Codes have been around for many years, but most, like those urged by the European Clean Clothes Campaign, have become more visible in the last ten years. Codes have been set up by the corporations themselves, by trade associations, and by government initiative. Or they have been developed in conjunction with different actors such as NGOs and unions (the multi-stakeholder approach). The content of the various codes now in operation can differ widely. Together with other efforts such as social labeling and investor initiatives, codes of conduct are examples of private voluntary initiatives (PVIs) to be distinguished from strictly governmental, inter-governmental, or union activities.

Before evaluating the monitoring of codes or looking at specific codes in more detail, the participants wrestled first with a fundamental dilemma. Should advocates of better labor standards concentrate on pressuring corporations to adhere to a code of conduct or should more effort be placed in organizing workers so that they can advocate for better working conditions themselves? As one participant summed up the latter position, "Do you need codes of conduct in the United States? Is this the way to protect workers? No, you have the union." Another issue discussed was the relationship between codes of conduct and labor law. "If corporations ignore local labor law, why will they respect codes of conduct?" Several participants emphasized that "codes do not substitute for labor law." Most codes emphasize at the outset that they will comply with prevailing labor laws.

Many participants noted that codes of conduct prove most useful where union organizing is difficult or dangerous. In Guatemala, local civil society organizations have participated in monitoring and verifying a code of conduct promoted by Liz Claiborne in its clothing factories. . In Nicaragua, workers took the initiative to establish a code in an export-processing zone. "At different times, different strategies are needed," one participant concluded. Another noted that "in factories where codes are implemented, workers are better off."

Moreover, in some cases, the auditing process associated with the code can support union organizing. At the end of an audit of Levi Strauss in the Philippines, the monitors criticized the lack of freedom of association. Only 40 of the 400 workers were unionized. The rest were laid off every 6 months so that the company could avoid extending full benefits and protections. The auditors recommended that the company maintain only 20-25 percent contingent workforce, and increase the number of permanent workers. If the company follows this recommendation, the union will increase membership more than seven-fold.

Codes of conduct face numerous challenges. "Some companies think that complying with minimum labor standards is enough," said one participant. "Codes of conduct are engendering a culture of minimalism." Corporations will adhere to minimum wages and minimum occupational safety and health requirements, but only these minimums. In the case of the "freedom to organize," companies will skirt the question of union organizing by hiring a majority of contingent workers (as in the Philippines case above). On paper, the company respects the freedom to organize, but they have so structured their labor force that it is incapable of organizing a union (and if a worker has the temerity to start organizing, he or she will be dismissed).

Another challenge is to apply the code not only to the parent company but down through the supply chain to all the subcontractors. Even though labor conditions at the export site might be good, the subcontractors might not adhere to any codes. This is what one participant called “ethical trade by unethical sources.” The first problem, then, is to gather information about all the subcontractors. This is not always so easy. One Hong Kong organization received a call from US organizer in a sweatshop campaign who wanted to track down the factories that produce a sweatshirt made in China. But the Hong Kong group couldn’t identify the workplaces without access to the factory’s records. The second problem is that even when NGOs get the information, they don’t necessarily have the capacity to use that information effectively. In the U.S., the student movement has successfully received information about subcontractors from Nike. “But the students don’t have the capability of monitoring, so what does this information do for them?” A third problem is to apply a code in a worker-friendly fashion. Challenged to apply a code of conduct across its entire supply chain, the parent company might simply reject suppliers with substandard working conditions, which will ultimately hurt the workers in that factory. (Instead of sanctioning the firms that fall afoul of the codes, the ILO is providing technical assistance so that these subcontractors, many of them small and family-owned, can pass the next inspection; some PVIs are following a similar strategy.) Sanctions only come into play if the firm, after receiving technical assistance, persists in violating the codes. Finally, there is the problem of linking the players. If NGOs in the North have put themselves in a watchdog position to evaluate TNC’s adherence to codes of conduct, how can they communicate the information they have found to workers? If workers themselves discover code violations, who should they turn to – the NGOs, the local labor officials, the TNC complaint department?

Another challenge is the proliferation of codes. Which code will a subcontractor adopt? And what labor standards are the code promoting? For instance on the issue of child labor, there are different interpretations of the ILO convention. “There needs to be an international standard for codes of conduct,” urged one participant. “The ILO is an ideal body to do this.”

Most codes address both technical questions (specific safety regulations) and social issues (wages). The technical issues are comparatively easy to monitor. The social questions are difficult – what constitutes a living wage? How do you investigate gender discrimination? This is where cultural factors play a greater role. “Codes of conduct provides a space where we can all meet and share our skills,” according to one participant. Local NGOs and unions can work together to understand the specific cultural conditions at a given workplace. It is also a space where NGOs and unions can ensure that workers understand the code. “While we are trying to preach the good news, the workers don’t know anything about it,” said another participant. “We need to produce worker-friendly manuals, cartoons.” However, a third participant cautioned NGOs against adopting a paternalistic attitude toward workers. “It sounds like ‘these helpless people, they need us.’ Sometimes I want to ask, ‘Are you from animal rights organizations?’ After all, workers can help themselves.”

In some cases, attempts by outsiders to improve labor conditions have done fundamental harm because of a failure to understand local conditions. The Harkin Bill, a U.S. law designed to eliminate child labor, resulted in the firing of many children without the provision of alternatives (such as education or better employment opportunities for the adults in the family). The ILO has adopted a different approach. First, the ILO audits the firm to determine the number of child workers. Second, the ILO gets the children to school and replaces them with members of the same family. The third phase is to create better income-generating projects for the parents. In this way, the work has progressed from monitoring in the workplace to providing opportunities at the household level.

In the global north, most people come into contact with codes of conduct in stores. They either know of a firm by its socially responsible reputation or perhaps they see a label identifying a product as produced in a certified factory or farm. "The bottom line is the consumer," one participant concluded. "If the consumer is willing to pay a little more for quality products that are environmentally friendly, that are produced by socially responsible firms."

In the United States, students are pressuring colleges to stop purchasing clothes made in sweat-shop conditions. This campaign has helped to educate the U.S. public and has also had some impact at the factory level. When unions and students pulled out of the industry-sponsored Fair Labor Association, however, the issue of codes of conduct became even more contentious. The groups that pulled out felt that the FLA was simply a public relations attempt by the garment industry, with no commitment to improving working conditions.

. Shareholder initiatives in the North have been another strategy of influencing corporate conduct. In 1997, a group of shareholders managed to acquire 17 percent of Shell stock and forced the country to discuss environmental standards in its corporate holdings in Nigeria. Another northern strategy is socially responsible investment – screening investments in stock portfolios based on corporate conduct.

Codes are not a phenomenon just of European or US devising. Because of prospect of greater investment in the North from the South, the South Korean government is considering a law that would apply to North Korean workers in Southern-owned factories. Korean NGOs are pushing for a "package law" that would also cover South Korean workers in foreign-owned TNCs.

## Monitoring

Once a code of conduct is put into place, the next step is to ensure that the corporation adheres to the standards. This requires some form of auditing or monitoring. There are different types of monitors – internal, independent, multi-stake holder, government inspection, trade union-sponsored. TNCs sometimes undertake audits themselves or hire consulting firms to do a second-party audit. A third-party audit is conducted under the auspices of a neutral party. The results of these audits are confidential.

The Council on Economic Priorities Accreditation Agency, based in New York, established a code of conduct and monitoring system called Social Accountability 8000 (SA8000). With SA8000, the auditor is neutral, the results are confidential, and the demand remains relatively small (compared with the more well-established International Organization for Standardization (ISO) series). The auditors go through a formal training and return to the plant every six months. SA8000 focuses on technical issues – lighting , posting of signs – but also looks at social issues. For instance, the SA8000 monitor will check to see that there is a mechanism for handling workers' complaints, a worker representative elected by the workers. The monitor will ask workers who the representative is, whether they voted, if they know the functions of the representative, if they have access, brought forward cases, or received a response. Workers frequently bring complaints to the representative about meals or the quality of the uniforms, not serious issues such as wages. Most companies approach SA8000 because of pressure. Less than 10 percent act on own initiative.

Monitors in general face a number of challenges. Some companies are audited ten or twenty times and are still adept at "fudging." They have two sets of books – one for the auditor and one for themselves. Sometimes the management forges the workers' signatures on the set of pay stubs submitted to the auditor. Before the monitor comes, there is a half-day factory clean up. Workers wear their protective masks and gloves only when the monitors appear. Because of the prevalence of these tactics, auditors will sometimes develop a mentality of "presumption of guilt." When they interview workers, they use leading questions to verify their suspicions that the company has been cheating.

The smart auditor will employ methods to determine whether workers have in fact received the proper pay (for instance, by examining the production record and comparing it to the overtime pay listed or by going to the bank to verify the deposits). The auditor will inspect the purchase order of the PPE (Personal Protection Equipment) to make sure that the factory didn't force the workers to buy the equipment themselves. The auditor will compare signatures to make sure the company hasn't been forging. The auditor will cross-check to verify a worker's complaint, to make sure that it is not simply the working out of a grudge.

What if a worker wants to report a violation? Some who do are immediately fired. Monitors are supposed to check that there are anonymous means of conveying complaints – a locked complaint box, a local phone number to call, complaint forms with postage that can mailed to the appropriate party.

In China, there has been an increase in litigation and this presents a route available for workers and victims of industrial accidents. Workers' complaints are on the rise. "But it is difficult to find pro-labor, pro-NGO lawyers in China." Most lawyers are drawn to the corporate side, where they can more easily get paid for their efforts. The Chinese government's attitude toward litigation depends a great deal on where the site is located. Complaints against foreign companies operating in the EPZs, for instance, are not seen as a challenge to the government, whereas a complaint filed against a state-owned factory is. Also, it is very difficult for migrant workers to use the legal apparatus. They are blacklisted from work in the EPZs and have to return home.

Even the most savvy auditor is limited to a fixed number of visits each year. TNCs are often not willing to face the results of a third-party audit and will not renew the contract with the auditor if the results are not to their liking. They will simply employ another auditor in the hopes that the new outfit will be less observant. These are some of the reasons participants stressed the importance of local NGOs and other partners being involved in monitoring the code. Ideally, the workers themselves – since they know firsthand about conditions – should be intimately involved in the monitoring process.

In China's EPZs, monitoring is often restricted to basic issues. According to one participant, the questions asked are: is a minimum wage paid, is there a system to record overtime and is it paid fairly? Ninety percent of the workers come from outside the EPZ. They expect to work in the factories for only three to four years. They want to maximize their income and don't mind working overtime (one participant argued that management keeps wages low so that workers are forced to accept overtime). If they don't get the overtime, they'll often transfer to another company. Because of the short-term nature of this employment, certain issues such as pensions don't come up. Occupational illnesses, since they often appear only after a worker leaves a particular firm, also don't figure prominently on the auditor's agenda..

While the barriers to free association in the work place are many in China, they are not insurmountable. One participant noted that there have been several strikes in China over the past five years, indicating that organizing and protesting is taking place. Outsiders who want to affect workplace conditions in China should be aware of the actions that workers are accomplishing themselves.

Some participants voiced frustration at the inability of Asian NGOs to gain access to factories in China's EPZs. The Littlewoods case is an example. Representatives from the Ethical Trade Initiative (ETI) visited a Littlewoods facility in China but the Asian monitoring consortium Labor Rights in China (LARIC) was refused entry. According to LARIC, "we were probably too honest about what we wanted to do," which was worker education. Littlewoods expected a monitoring trip of one day, which wasn't enough time to do this kind of worker education.

## Case study: Ethical Trade Initiative

Participants examined one PVI in particular, the Ethical Trade Initiative. The purpose of this initiative is to "improve workers lives by getting UK companies to adhere to core labor standards." It is an example of a multi-stakeholder approach in which unions, NGOs, companies and governments participate.

The UK-based NGO, Christian Aid, became involved in the ETI as a result of a supermarket campaign that started in 1996. Christian Aid encouraged shoppers to bring their receipts to the managers of the ten top UK supermarkets (which control over 70% of all food sold in the retail sector). The customers demanded to know, "How are you improving labor standards" in the countries where you are importing your produce?

ETI is only two years old. The bulk of its financing comes from the UK government – $750,000 for three years. The rest of the money comes from membership dues, which NGOs and companies pay. Trade unions join for free. Companies have gotten involved in part because of consumer pressure, in part as a matter of corporate responsibility, and in part because participation might give them a market edge. Through ETI, NGOs and unions help companies develop a code of conduct and then they monitor the implementation. Retailers agree to work with existing suppliers (rather than abandon those that don't already comply with standards). ETI commits to work with the suppliers to improve conditions. So far, ETI is still in the pilot stage. It intends to evaluate the results of its four pilot projects -- horticulture in Zimbabwe, clothing in China, bananas in Costa Rica, and wine in South Africa – as a basis to expand ETI relationships.

The number of companies that want to join ETI is growing. But ETI is trying to expand responsibly, and therefore is expanding slowly. After all, they have only a certain capacity to monitor effectively. For instance, they recently rejected Nestles' request to join.

ETI is not a labeling enterprise. Consumers will not see a special ETI label on the produce they buy in supermarkets (such as RUGMARK or Responsible Care in the chemical industry). Companies can't use ETI for publicity in this way.

The challenge for ETI is to address the whole supply chain. The companies in ETI collectively work with 5 million factories and farms in 50 countries, an indication of the potential impact once ETI has passed the pilot stage and is implemented widely.

In the South Africa pilot, ETI initially encountered a good deal of mistrust from both South African unions and NGOs, which were under the impression that ETI was just a scheme for protecting jobs in the UK. After bringing in a wider network, that included unorganized workers, ETI set the stage for a shift in the relationship between groups working in Europe and in South Africa. The South African groups said, "If you're serious, then we'll oversee the ETI project here" and set up the Ethical Trading Forum (ETF) for this purpose. The unions and South African NGOs will help the supermarket monitors run their inspections. The ETF will apply what they've learned in the pilot to the whole sector, which will improve workers' lives in the long term, not just the short term. "This is local ownership," one participant maintained. "Without this shift of power to the South, codes of conduct will remain a Northern exercise." The end vision of the ETI is a structure that improves labor conditions for all workers in the South. It also facilitates

Northern and Southern NGOs and trade unions working together to help educate and empower workers with respect to their labor rights.

In Zimbabwe, too, ETI faced initial skepticism from local actors. ETI created a space in which many issues, previously untouched, came to public debate, such as the sexual abuse of women workers and the question of child labor. Communication between workers and management improved.

The discussion of ETI raised several concerns. What happens when a violation of the code comes to the attention of ETI? "We must raise this first with the company," was the response. "If the company doesn't do anything to address the problem, then it becomes a public issue. So far, we haven't done this. The majority of companies don't want bad publicity."

Can ETI be sustained over the long term based on the implicit sanctions of negative press reports and consumer responses? "ETI is not dependent on consumer action, although this was a force driving many companies to participate." NGOs are making a commitment that is more focused and sustained than the general public. NGOs can also sustain a campaign during a media lull in coverage. Who will pay for ETI on a sustained basis? Can the codes improve conditions for all workers, including contingent workers? Will ETI be successful? "This is an experiment," came the answer. "We are accountable to our Southern partners. Only they can tell us if we are successful."

China may well pose a different challenge to ETI, since it usually works with local NGOs and unions. Without Chinese NGOs, without the tripartite structure, ETI might not go forward with work in China. In light of the difficulties of union organizing in China, one participant made a suggestion: "Employers obviously can't establish a union. But why not establish a workers' health and safety committee?"

Another participant was pleased to see that among the priorities of ETI's wine project in South Africa was "to ensure participation of all, including the weakest stakeholders, and to ensure that codes reach all workers especially the most marginalized" and to "maximize worker representation and ownership of the process." This reflected a key consensus position between those supporting codes of conduct and those critical of them.

## Unions and NGOs

Unions and labor-related NGOs may have overlapping goals and constituencies. They often work together, but they often clash. "If an NGO tries to replace the union, for instance its role of collective bargaining, that makes the union nervous," one participant said. Another thought that "some NGOs imagine a third way to fix labor-management relations. But management represents the power of capital and unions represent the power of labor. What power do NGOs represent?"

In South Korea, the Korean Women Workers' Associations United (KWWAU) works with both the Federation of Korean Trade Unions or FKTU and the Korean Confederation of Trade Unions or KCTU. The FKTU was once the official union recognized by the state, a "company union." The KCTU, once outlawed, has been associated with the democratization struggles. "Today it is not so easy to distinguish between them.'" Relations with both are quite good. However, "if the project is not initiated by the union, then the union will participate, but it won't mobilize its members. Only one or two representatives will attend.".

On a positive note, the subway workers' union actively solicited the opinion of the KWWAU. The workers argued that they too were passengers, so they wanted to carry out a campaign to improve conditions for subway riders as well. This is a new idea in Korea, to think of union members as citizens as well, and therefore concerned with questions beyond the workplace. "For workers, the union is best when it deals with workers' rights and conditions. But if the union is only concerned with the workplace," linkage with NGOs is difficult.

In South Korea, unions represent less than 20 percent of the workforce. Women comprise only 5.7 percent of the union membership. Few women are in policy-making positions. On specifically women's issues, the unions sometimes turn "cool." KWWAU didn't get much union support in the campaign for a maternity protection law. Also, the KWWAU has been working on casual workers, 70 percent of whom are women. "The unions supported only with their mouths, not with actions. We got fed up. So we formed a women's trade union. We can work now without headaches!" It is not just the Korean trade unions that have been hesitant on these issues. The International Confederation of Free Trade Unions (ICFTU) has often not welcomed the contributions of women's NGOs.

In the Philippines, unions were more successful in addressing some of these issues. For instance, the two union confederations sent out women organizers to talk with the women workers and discovered that the workers' agenda was different from the traditional trade union agenda. The workers were concerned with such issues as credit and transportation. They were more likely to join the union after these needs were met. "Trade union membership should not be a condition for trade union assistance."

Participants identified other cases of positive union-NGO cooperation. In the United States, the current student movement addressing sweatshops was strengthened when the unions put money into a program called "union summer," which trained many young people in union organizing and labor issues. In 1999, three NGOs joined with the Hong Kong Confederation of Trade Unions to form Labor Rights in China or LARIC, a group that has analyzed codes of conduct. After the Kader factory fire in Bangkok in 1993, unions and NGOs campaigned together to declare May 10 National Health and Safety Day in Thailand.

Often, however, union/NGO relations can be one of non-recognition. In Nicaragua, women workers' organizations are organizing in the EPZs, where the unions are not operating. When a code of conduct monitor came to investigate working conditions at the factories, the monitor met with the Nicaraguan government and with union representatives, but didn't meet with the women workers' organizations. Similarly, after the 1993 Zhili fire in Shenzhen, an Italian union (CISL) visited Hong Kong but didn't meet with the NGO coalition working on compensation. Nor did the Italian union want to work with either Hong Kong or Italian NGOs. The Italian parent company Chicco has given humanitarian money but has rejected legal responsibility to compensate the victims directly. NGOs created Toy Coalition to fight for compensation, and several NGO activists have been arrested and beaten up for their efforts.

NGOs are often successful in organizing boycotts and campaigns. NGOs can work with companies in ways that unions can't. For example, an NGO can work with the company to develop a code of conduct, but if there's a violation, the NGO can bring the problem to the newspapers and resort to a more traditional pressure campaign. In the case of the Kader fire, which killed 188 workers in Bangkok in 1993, international pressure was successful in forcing the Hong Kong company to provide compensation. Six Thai workers, with the help of Hong Kong NGOs, spent seven days and nights protesting on the Star Ferry. The result was a compensation higher than the legal requirement. Similarly, in Korea, when Japanese companies closed plants, notified the workers with a fax, and didn't provide compensation, Korean workers coordinated with Japanese unions to ask for apology and compensation. The result of the six-month protest in Japan was an apology and two years salary. "After this, no Japanese company will leave Korea with just a fax!"

This kind of solidarity is necessary but not always sufficient. Despite a worldwide movement, however, adequate compensation has yet to be provided in the worst industrial catastrophe, the 1984 chemical spill in Bhopal that has led to thousands of deaths.

At the multilateral level, too, NGOs and unions have worked together on an issue-by-issue basis. On the Multilateral Agreement on Investment (MAI), the coalition nearly broke apart because NGOs wanted to reject the initiative outright while unions were not ready for such a position. The governments, in the end, kept the coalition together by rejecting MAI themselves. In the post-Seattle environment, some NGOs want to jettison the WTO while unions are focusing on changing specific agreements, such as the services agreement. In other words, unions are trying to get inside the WTO (although some trade union voices, too, favor total rejection).

## Conclusions

What makes a fair and effective code of conduct? The participants came to a rough consensus on the following elements:

1. Codes of conduct are not a substitute for labor law. They must comply with local law and should involve local labor authorities where possible.

2. Codes should create space to look at the labor situation, for workers to come together for dialogue, exchange, and organizing with a variety of social partners.

3. There should be a firm commitment to monitoring and auditing.

4. Codes should emphasize worker participation and worker education.

5. Codes should be modeled on the ILO's definitions of core labor standards.

Three other recommendations put forward at the end of the sessions were to:

- Clarify corporate liability under new international laws;
- Examine "what works" to build better codes;
- And educate the companies so that they realize that adherence to standards will increase expenses but increase productivity as well

Another part of the consensus was to share information, particularly between the different levels working on corporate conduct. Participants agreed to raise the question of differential access to factories with the parent corporations; to share information about monitoring experiences to the extent permitted by rules of confidentiality; to distribute information about the real working conditions in China; and to communicate among themselves by way of an email list.

The Roundtable organizers also discussed the possibility of holding a similar event, perhaps in South Korea with representatives from Korean-owned factories in China and representatives from TNCs operating in Korea.

## APPENDIX 1

### Evaluations

We received ten evaluation forms. People appreciated the opportunity to hear from a wide range of perspectives, and appreciated the level of honesty in the discussion. Some remarked on having learned a lot about codes of conduct in general, and the situation in China in particular. Some appreciated the technical knowledge provided by the participants from Geneva.

Many wished that there had been more people present – laborers from third world countries, representatives from other regions of the world, representatives from business or management. Some participants were disappointed that no concrete actions were developed during the roundtable, and felt the roundtable could have been directed toward this outcome.

In terms of future work, there is no common theme, although some suggestions speak of a broader, future discussion.

The European NGOs might have benefited to some exposure to Asian perspectives and the situation in China prior to the meeting; this is something that the QIARs would do differently next time. The DEP committee had recommended participation from the business community. We felt that, given our connections in the region, such inclusion was premature. A follow-up meeting in the ROK, including businesses, has been a proposed, and we are interested in pursuing this.

**APPENDIX 2**

## Participant List

**Angie BERRYMAN**
Coordinator, Economic Justice Concentration Network
American Friends Service Committee
1501 Cherry St.
Philadelphia, PA 19102, USA
tel: 215-241-7180 fax: 215-241-7177
aberryman@afsc.org
http://www.afsc.org

**CHA Mikyung (Seraphina)**
Korean House for International Solidarity
Jongno Koo Myungryun dong 8-29 3/F. 110-550
Seoul, Korea
tel: 82-2-3676-5808 fax: 82-2-3673-5627
khis21@nownuri.net
http://www.khis.or.kr

**CHAN Ka Wai**
Hong Kong Christian Industrial Committee
57 Peking Road, 7/F
Kowloon, Hong Kong
Tel: 852-2366-5860 Fax: 852-2724-5098
hkcic@hknet.com

**Aditi CHOWDHURY**
Asian Regional Exchange for New Alternatives
Flat 6, 13th Floor, Block A
Fuk Keung Industrial Building
66-68 Tong Mi Road
Kowloon, Hong Kong
tel: 852-2805-6193, 2805-6270 fax: 852-2504-2986

aditi@asianexchange.org, arena@asianexchange.org
http://www.asianexchange.org

**CO Ching-Po Kenneth**
Hong Kong Quakers, Monthly Meeting
GPO 5108 Hong Kong
tel: 852-2656-5656  Fax:  2656 5271
kennco@netteens.net

**John FEFFER**
East Asia Quaker International Affairs Program
American Friends Service Committee
4-8-19 Mita Minato-ku Tokyo 1080073
tel/fax: 81-3-3452-5715
eaqiar@aol.com  http://www.afsc.org

**Stephen FROST**
Research Coordinator
Asia Monitor Resource Center
444-446 Nathan Road, 8-B Kowloon, Hong Kong
tel: 852-2332-1346 fax: 852-2385-5319
sfrost@amrc.org.hk
http://home.pacific.net.hk/~amrc

**Brewster GRACE**
Quaker United Nations Office
13 Ave. de Mervelet
1289 Geneva, Switzerland
tel: 41-22-748-4800 fax: 41-22-748-4819
b.grace@mbox.unicc.org

**HAN Dong-fang**
China Labor Bulletin
tel: 852-2780-2187
fax: 852-2359-4324
clb@hkstar.com

**Sangem HSU**
Det Norske Veritas
House No. 9, 1591 Hong Qiao Road
Shanghai 200336
PR China
tel: 86-0-21-6278-8086
fax: 86-0-21-6278-8090
Sangem.Hsu@dnv.com

**LEE Chan-Keun**
University of Inchon
International Trade & Business Dept.
177 Dowha-dong, Nam-ku
Inchon, Korea
tel: 032-770-8527 fax: 032-770-8501
Handiphone: 017-213-8527

**Karin LEE**
East Asia Quaker International Affairs Program
American Friends Service Committee
4-8-19 Mita Minato-ku Tokyo 1080073
tel/fax: 81-3-3452-5715
eaqiar@aol.com http://www.afsc.org

**Apo LEONG**
Asia Monitor Resource Center
444-446 Nathan Road, 8-B Kowloon, Hong Kong
tel: 852-2332-1346 fax: 852-2385-5319
apo@amrc.org.hk
http://home.pacific.net.hk/~amrc

**Vivien LIU**
Asia Monitor Resource Center
444-446 Nathan Road, 8-B Kowloon, Hong Kong
tel: 852-2332-1346 fax: 852-2385-5319
vivien@amrc.org.hk
http://home.pacific.net.hk/~amrc

**Sharon MCCLENAGHAN**
Policy Advisor
Christian Aid
PO Box 100
London SE1 7RT
tel: +44-207-620-4444; +44-207-523-2109 (direct)
fax: 44-0207-620-0719
smcclen@christian-aid.org
http://www.christian-aid.org

**NAM Boo-Won**
Executive Secretary for Programs
Asia Alliance of YMCAs
23 Waterloo Road
Kowloon, Hong Kong

tel: 852-2780-8347 fax: 2385-4692
nbw@hk.super.net

**Rene OFRENEO**
School of Labor and Industrial Relations
University of Philippines
Bonifacio Hall (SOLAIR), E. Jacinto St.
Diliman, Quezon City 1101 Philippines
tel: 63-2-929-5211 fax: 63-2- 435-9098
ofreneo@info.com.ph

**Stephen PEPLOW**
2005 Hang Lung Centre
2 Paterson St., Causeway Bay, Hong Kong
tel/fax: 852-2833-0919
speplow@hotmail.com

**Daniel PETER on behalf of Tan Chi Kiong**
Ecumenical Coalition on Third World Tourism
Christian Conference of Asia
96, 2nd District, Pak Tin Village
Mei Tin Road, Shatin N.T.
Hong Kong SAR
tel: 852-2602-8347 fax: 852-2385-4692
contours@pacific.net.hk

**RHIE Chol Soon (Maria)**
Korean Women Workers Associations United
Rm. 1305-6 13th Fl., Korean Ecumenical Building, #136-56
Yonji-dong, Jongno-ku, Seoul # 110-470
South Korea
tel: 82-2-708-4826
fax: 82-2-708-4622
kwwa@chollian.net

**Robin ROBISON**
Quaker Peace and Service
Friends House
173 Euston Rd.
London NW1 232 United Kingdom
tel: +44-207-663 1039 fax: +44-207-1045
RobinR@Quaker.org.uk

**SHEK Ping Kwan**
Hong Kong Christian Industrial Committee

57 Peking Road, 7/F
Kowloon, Hong Kong
Tel: 852-2366-5860
Fax: 852-2724-5098
hkcic@hknet.com

**Auret VAN HEERDEN**
International Labor Organization
Infocus Programme on Boosting Employment Through Small Enterprise Development
CH-1211 Geneva 22
Switzerland
Tel: 41-22-7996156 Fax: 41-22-7997978
heerden@ilo.org

**WONG Ying Yu**
Organizing Secretary
Hong Kong Confederation of Trade Unions
19/F Wing Wong Commercial Bldg.
557-559 Nathan Rd., Kowloon, Hong Kong
tel: 852-2770-8668  fax: 2770-7388
yingyu@hkctu.org.hk
http://www.hkctu.org.hk

## APPENDIX 3

### Resources

These are some of the materials that were distributed to participants or were referred to during the course of the roundtable discussion.

<u>Articles</u>

Janelle Diller, “A social conscience in the global marketplace?  Labour dimensions of codes of conduct, social labelling and investor initiatives,” *International Labour Review*, vol. 138, (1999), no. 2

Brewster Grace, “WTO Trade & Labor Standards,” *Foreign Policy in Focus*, Vol. 5, no. 15 (April 2000)

Jill Murray, “Corporate Codes of Conduct and Labour Standards”

Alternatives for the Americas (http://www.web.net/comfront)

Codes of Conduct & WTO,” Dossier No. 2, Labour Rights in China, May 2000

"Overview of global developments and Office activities concerning codes of conduct, social labelling and other private sector initiatives addressing labour issues," Working Party on the Social Dimensions of the Liberalization of International Trade, GB.273/WP/SDL/1(Rev.1), 273rd Session, Geneva, November 1998 (http://www.ilo.org)

"Philippines Independent Evaluation Project for Levi Strauss & Co.'s Terms of Engagement," December 1999

Newsletters

*Asian Labour Update*, Asia Monitor Resource Center (http://home.pacific.net.hk/~amrc)

*Change*, Hong Kong Christian Industrial Committee (http://www.cic.org.hk)

*China Labour Bulletin* (http://www.china-labour.org.hk)