The Triangle Shirtwaist Factory fire that killed 146 workers in New York City more than 100 years ago probably is the worst single workplace tragedy in U.S. history. Workplace safety and health reforms followed the fire and eventually led to the signing of the Occupational Safety and Health Act and the creation of OSHA and MSHA. Unions gained strength and demanded safer working conditions for members. And now, modern building codes demand certain standards of construction, as well as sprinkler systems, warning systems, appropriate storage of flammable goods, an appropriate number of exits and the ability to access those exits.

But as U.S. corporations shifted the bulk of their manufacturing overseas, how responsible should they have been for contractors that set up shop in countries where production is the only concern? Should U.S. and European companies bear some responsibility for the welfare of their contractors’ employees?

The authors of the articles in this special section say that yes, the multinational companies doing business in countries like Bangladesh and Pakistan have a moral responsibility to improve the working conditions and safety of the people who manufacture their clothing and other products. After all, manufacturing in Bangladesh is big business: The ready-made garment (RMG) sector in Bangladesh exported goods worth more than $20 billion in the past year; nearly 12 percent more than a year earlier.

The companies themselves – Gap, Walmart, Disney and others – say they are taking steps to improve working conditions in Bangladesh and elsewhere.

**Gap Inc.**

In September, Gap Inc. released its sixth Social and Environmental Responsibility Report, highlighting what the company says is its “commitment to local communities and
efforts to improve social and environmental performance globally.”

The report, which covers fiscal years 2011-2012, details sustainability initiatives companywide and globally, as well as across the Gap, Banana Republic, Old Navy, Piperlime and Athleta brands.

“Our commitment to social and environmental responsibility remains a cornerstone of how we conduct and grow our business,” said Glenn Murphy, chairman and chief executive officer of Gap Inc. “While as a company we will never stop striving for improvement, our legacy of leadership in this work is extremely meaningful to me and to our employees.”

The company noted, “Recent tragedies in Bangladesh have underscored the imperative to improve working and safety conditions for garment workers. Although Gap Inc. did not have a business relationship with factories in Rana Plaza or with Tazreen, the company remains committed to supporting systemic and sustainable reform of the country’s rapidly growing garment industry.”

In October 2012, Gap launched a Building and Fire Safety Plan for the more than 70 Bangladesh facilities approved to manufacture Gap Inc. apparel and in July 2013, Gap Inc. became a founding member of the Alliance for Bangladesh Worker Safety. A cornerstone of the alliance is a shared responsibility between the Bangladeshi government, retailers and apparel companies, factory owners, non-governmental organizations, labor and civil society. Member companies commit to inspecting 100 percent of their approved sourcing factories within the first year, under a uniform fire and building safety code.

### Walmart

Walmart has issued Standards for Suppliers, which set forth its fundamental expectations of suppliers and their factories on the treatment of workers and impact on the environment. The standards also provide the framework for audits that measure how well suppliers are meeting those expectations.

“We also recognize the need for heightened attention to the unique safety problem in Bangladesh,” says Walmart on its web site. “We expect firm commitments from our suppliers to meet strict safety standards, to be open to rigorous audits and to put the welfare of employees first.”

In addition to the regular audits that Walmart conducts under its ethical sourcing program, the company recently announced that it will conduct more in-depth inspections in Bangladesh relating to electrical, fire and building safety. These facility audits are conducted by “accredited and internationally recognized auditing firms and are based upon the obligation in its standards to provide workers with a safe and healthy work environment.”

When independent audits have found serious or repeated violations of Walmart standards related to safety issues, social issues, unauthorized subcontracting or other requirements, the company red flags them.

Saying that, “Transparency helps all stakeholders to improve worker standards,” the company publishes a list of factories in Bangladesh that are not permitted to produce product for Walmart.

### Fragmentation of Efforts

Nearly three and half million Bangladesh garment workers will receive support to improve working conditions, strengthen labor inspections and upgrade building and fire safety at their workplaces through recently announced efforts of the government of Bangladesh and a range of national and international actors in the ready-made garment sector. The International Labour Organization (ILO), in partnership with the governments of the Netherlands, the United Kingdom and Canada, has launched a multi-year program that will focus on supporting the Bangladeshi National Action Plan for Fire and Building Safety developed in the wake of the Rana Plaza collapse. The plan calls for an assessment of all active export-oriented, RMG factories in Bangladesh to be completed by Dec. 31.

The program will start with a complete fire-safety and structural assessment of all active RMG factories and, where necessary, initiate remedial action. The Bangladeshi government is moving to significantly improve the capacity of its inspection system by equipping and training current and new members of the factory inspectorate and introducing oversight to address integrity and increase transparency. The program also calls for the training of workers, supervisors and managers in the RMG sector to improve their knowledge of workplace safety, including the prevention of violence.

This plan is one of several initiatives focused on the RMG sector in Bangladesh, including the Accord on Fire and Building Safety in Bangladesh, which was signed by more than 80 leading clothing brands and retailers, and the Alliance for Bangladesh Worker Safety, a binding five-year undertaking by North American apparel companies and retailers to improve safety in more than 500 factories.

“The rapid growth in Bangladesh’s garment industry has provided vital jobs to women and men and is helping to pull them and their families out of poverty. However, there is an urgent need for decisive and collaborative action to make decent work a reality. This program will improve conditions of work, especially safety, and help generate sustainable economic growth and investment,” said ILO Director-General Guy Ryder.

Ryder has stressed the importance of bringing the various initiatives together into a “single coherent endeavor,” in order to avoid a “fragmentation of efforts.”

The Netherlands, as the current co-chair of the donor coordination group in Bangladesh, strongly supports the adherence to international labor standards on workplace safety and protection of workers’ rights. This vision is supported by business in the Netherlands and promoted through the firms’ supply chains.

“Never in the history of the garment sector have we seen such an opportunity for improvement of labor conditions,” said Lilianne Ploumen, minister for foreign trade and development cooperation for the Netherlands. “With the signing of this agreement, the Netherlands with the ILO and our fellow donors will empower millions of workers in Bangladesh to live healthy and decent lives.”

As this article was going to press, large-scale worker protests calling for improved building and fire safety, better working conditions and higher minimum wages were ongoing in Bangladesh, resulting in work disruptions in hundreds of factories.
Rebeka: Survival from Death Trap

Repon Chowdhury and Taherul Islam of the Bangladesh Occupational Safety, Health and Environment Foundation (OSHE), shared this story from Rebeka, age 20, a survivor of the Rana Plaza building collapse of April 24.

By Repon Chowdhury and Taherul Islam

Rebeka was a sewing-machine operator for RMG Factory Ether Tex Ltd. on the sixth floor of the Rana Plaza building when it collapsed. She was rescued from the building two days later.

On April 24, the building collapsed when a generator was started. Rebeka remembers: “My mother and I were working. I was trying to finish my hour-based work that was from 8 a.m. to 9 a.m. After a while, my mother came to me and told me that she needed to go home for breakfast. Then I replied, ‘Please go alone. I need to finish two more pieces.’ Then my mother started to go home and I just started my work again after looking at the clock. All of a sudden, the whole building vibrated and collapsed.”

Immediately after the accident, Rebeka started to look for her mother but could not find her. She was pinned under a heavy weight. Seven members from Rebeka’s family worked there. Among them, four are missing, one died and two others – including Rebeka – are alive with traumatic, life-altering injuries.

“I was in the dark for 2 days and was not in a position to realize whether it was day or night,” Rebeka remembered. “The dead bodies of my colleagues were everywhere. I was very much thirsty. I could not stop bleeding. I passed two days without food and water until suddenly, I noticed that someone was shouting, ‘Anyone alive here?’”

“I immediately tried to draw his attention and shouted, ‘Yes, I am alive here.’ The rescuer came to me and asked about my condition. First thing, I requested a bottle of water, and the rescuer went back and brought some water for me. But there was no way to reach the water.

“After a while, that person created a path using a drill machine and gave me a water bottle and at that time, he started a rescue operation to save my life. I said, ‘My legs are under a big piece of broken building.’ Observing the situation, he said, ‘I have to cut off your legs to get you out of this trap. Do you agree?’

“At that time, I informed him of my husband’s cell number. He went back and contacted my husband. After some time, my husband and elder brother came. They all discussed and decided to pull me out from the debris without cutting my legs off. Then they started to rescue me using drill machine and rod cutter. Almost all tendons of my two legs

Rebeka was trapped for 2 days in the rubble at Rana Plaza.
CSR Audits Fail to Protect Workers and Threaten OSH Profession’s Integrity

The deaths of more than 1,200 workers in two incidents in Bangladesh are a red flag that corporate social responsibility audits touted by international clothing retailers are a failure.

By Garrett Brown, MPH, CIH

Fire-safety, building-integrity and worker-health and -safety audits conducted by international clothing retailers of garment factories in Bangladesh – and elsewhere – have been a spectacular failure resulting in the deaths of hundreds of poorly paid women garment workers.

These audits – whether done in-house or by third-party monitors under the international brands’ “corporate social responsibility” (CSR) programs – also threaten the integrity and reputation of the occupational health and safety profession as it is being drawn into certifying factory death-traps as being “compliant” with national and international standards.

The workplaces at both recent Bangladeshi disaster incidents – Rana Plaza, where 1,129 workers died in the building collapse in April and Tazreen Fashion, where 112 workers burned to death last November – repeatedly had “passed” audits by the brands and third-party monitors.

CSR auditing – which now is involving more and more OHS professionals and consulting firms – has become a global $80 billion dollar business in its own right. To maximize profits, the CSR monitor-
ing firms depend on low-paid, lightly trained inspectors who spend short amounts of time in the facilities, ticking off items on a standardized checklist, so that they rapidly can move on to the next plant and increase the auditors’ accounts-payable invoices. Often, the CSR consultants themselves subcontract out the audits to local companies, many without qualified inspectors but with ties to local manufacturers.

The international brands need positive reports of conditions; the finding of a few minor problems, or notification of bigger problems that now have been resolved. The for-profit consulting companies providing these CSR audits have every incentive – if they want to keep their clients in a very competitive market – to provide monitoring reports that meet their clients’ needs.

Audits or Revenue Generation?

Some CSR firms have discovered the real money is in charging to train other inspectors, who will conduct the actual on-site visits. Social Accountability International (SAI) developed its own CSR code – SA 8000 – and makes its money training employees of other companies to certify their clients’ plants as “compliant with SA 8000.”

In August 2012, the Italian firm RINA Group, using its SAI-trained auditors, gave the Ali Enterprises garment plant in Karachi, Pakistan, a clean bill of health and an SA 8000 certification. Three weeks later, 258 workers were killed in a fire in which workers were trapped behind locked doors and barred windows after damaged electrical systems ignited improperly stored flammable materials in the “SA 8000-certified” factory.

A similar incident happened with Occupational Health and Safety Management System 18000 (OHSMS 18000) certifications issued by for-profit, third-party auditors. In March 2012, the Fair Labor Association (FLA) conducted inspections of three Chinese factories operated by Apple-supplier Foxconn. The FLA inspectors noted that the Fuyi Tai Hua factory in Shenzhen had received an OHSMS 18000 certification – reportedly awarded by consulting firm SGS – despite having a management-only health and safety committee that never met, conducted no inspections, investigated only a handful of accidents, included no worker participation and had no lockout/tagout program or adequate hazard-communication program in highly mechanized factory using numerous hazardous chemicals.

Undermining all of the global retailers’ CSR programs is a supply chain business model that places absolute priority on the brands’ “iron triangle” of the lowest price/the highest quality/the fastest delivery from contractors. At the same time, contractors are provided with ever-shrinking, razor-thin profit margins by the brands, and government regulations are made meaningless by corruption and lack of resources. Garment workers are so desperate for work that they cannot refuse any job, no matter how dangerous.

Moreover, the people with the greatest knowledge of the daily hazards on the job and the greatest stake in safe conditions who could make a real difference if provided with training and the authority and opportunity to act – the factories’ workers – have been excluded from any meaningful roles in ongoing plant health and safety programs.

Until the inherent contradictions of the current global supply chain model are recognized and eliminated – and until informed and genuinely empowered workers are at the center of plant-floor safety and health programs – workers will continue to die completely preventable deaths unprotected by public-relations exercises in CSR codes, audits and promises.

Garrett Brown, MPH, CIH, conducts workplace health and safety inspections for the state of California. The views expressed here are his own and not in any way those of the state of California.
A NEW CONTRACT FOR THE GLOBAL APPAREL INDUSTRY

Reshma Begum was the last person pulled alive from the Rana Plaza wreckage, an amazing 17 days after the building collapsed, killing 1,129 and injuring more than 2,500 of her co-workers. From her hospital bed, Reshma vowed never to step foot inside an apparel factory again.

By Dara O’Rourke

Back on April 24th, Reshma Begum had little choice but to enter an unsafe factory. She, like 3 million other Bangladeshis, had entered into contracts that offered them meager wages – albeit better than other options – but with huge risks and clear penalties for stopping work.

Even as workers noticed cracks emerge and grow larger by the day, even after inspectors visited the factory and raised concerns, even after the bank on the first floor sent its employees home out of fear for their lives, still, workers felt obligated to go back into Rana Plaza’s eight floors of factories.

The managers almost didn’t need to threaten the workers. The workers at Rana Plaza were living paycheck to paycheck, and they knew they could be fired for not returning to work. The factory managers were under equally intense pressure. They knew their contracts with U.S. and European apparel brands and retailers stipulated that if they missed a delivery deadline, the factory would be forced to keep those garments, forbidden from selling them to anyone else, and bear all costs of the production. This literally could drive them into bankruptcy.

Rana Plaza’s collapse was shocking and horrific. But it was not surprising. The tragedy was a clear symptom of the global apparel industry – and the outsourcing of responsibility for labor and environmental conditions in the factories that produce the goods we consume in the United States and Europe. The dry legalese of delivery times, pricing and penalties embedded in apparel contracts played a critical role in motivating factory managers to cut corners on safety, and pushing workers to return to a dangerous factory.

Clearly there is much blame to go around for the tragedy at Rana Plaza: irresponsible factory managers; overworked and under-resourced building inspectors; a highly conflicted (and sometimes corrupt) Bangladeshi government. But blame also squarely rests with brands and retailers from the United States and Europe.
Fast Fashion
An innocuous-sounding trend called “fast fashion” is one of the root causes of tragedies like Rana Plaza. The entire apparel industry – including inspectors and monitoring firms – has been pushed to speed up production, increase style changes and decrease costs. This pressure to simultaneously lower costs while increasing speed and delivery times drives factory managers to force workers into long hours at low pay. It also drives apparel manufacturers to seek out countries such as Bangladesh that are willing to meet these demands.

Bangladesh has virtually no cotton, polyester or other raw materials for apparel. The country has poor infrastructure, convoluted customs and slow transportation in and out of its ports. But what Bangladesh does have is cheap labor: $37 per month, which is half the average wages in Cambodia and one-fifth the wages in China.

These wages have powered Bangladesh to $20 billion per year in apparel exports, turning it into the No. 2 exporter of garments in the world, behind only China. Seventy-eight percent of these exports go to Europe and the United States.

The reputation of Bangladesh as one of the cheapest countries in the world to produce apparel is now matched by its reputation for disregarding labor, environmental and building safety regulations to meet supply chain demands.

Corporate initiatives to monitor and police these factories have failed to alter this reputation. Demanding that factories follow labor and environmental codes while pushing down prices and delivery times primarily has created incentives for factories to hide problems rather than solve them. Corporate social responsibility and monitoring systems have, at best, helped identify symptoms of problems. But they clearly have not gotten to the root causes of these tragedies. Companies have learned how to pass audits, while continuing to fail their workers.

Bangladesh Building and Fire Safety Accord
European brands and retailers responded to the Rana Plaza tragedy by signing onto the Bangladesh Building and Fire Safety Accord. The accord is the first binding agreement of its kind in Bangladesh; essentially a new type of contract requiring:

- Independent safety inspections with public reports;
- Mandatory repairs and renovations;
- An obligation on brands and retailers to pay the costs of building repairs;
- A commitment to terminating factories that don’t improve; and,
- A real role for workers, including the governance of the accord.

The accord does not address all of the deeper systemic issues that continue to drive poor and unsafe working conditions in the apparel industry. But it is a first step in the right direction to bringing factories producing goods for Western markets up to the most basic standards of safe and humane working conditions.

U.S. brands and retailers refused to sign the accord, asserting that the legal commitments embedded in the accord – exactly what is needed – would cost too much and expose them to too great of legal liabilities. Instead, U.S. firms launched a voluntary initiative of their own, dubbed the Bangladesh Worker Safety Initiative, which loosely commits U.S. brands and retailers to: work with the Bangladeshi government to develop factory-assessment protocols; inspect all of the factories they use; pay for training of managers and workers; create a loan fund for factories to borrow money to make improvements; and make their inspections transparent.

The most obvious limitation of the U.S.-led initiative is that it is non-binding. It lacks even the most basic power of the contracts these brands sign everyday with factories. U.S. brands and retailers can quit at almost any time with little penalty. These companies largely will control the monitoring procedures. And the program requires Bangladeshi factories – which are under intense price pressures already – to pay for all repairs and improvements out of loans that must be repaid.

The deeper critique of the initiative is that it fails to address the root causes of problems in these factories. U.S. brands and retailers must move from checklist audits of these factories, or even standardized safety assessments, to a new kind of contractual agreement that commits to “responsible sourcing.” Companies need to adjust contracts to guarantee that they pay the real costs of production – including the costs of providing safe and healthy work environments. They must adjust pricing and delivery-time requirements so that they can guarantee their garments are produced within legal wage and overtime limits. And they must adjust contracts to allow for flexibility in delivery if there is a serious problem in a supply chain or factory.

U.S. brands and retailers also need to advance fuller transparency that drives real changes in their supply chains.

Clearly there is much blame to go around for the tragedy at Rana Plaza ... But blame also squarely rests with brands and retailers from the United States and Europe.

They actually must incentivize workers and managers to uncover problems and share that information. This quite literally is the opposite of the current environment.

Brands and retailers need to focus on preventing hazards and problems, not just recording them. Monitoring must become a form of collaborative problem-solving that seeks out root causes of problems, with full worker participation, and then commits to solving them.

Brands and retailers are the lynchpins of the global apparel system. And it is time for them to restructure their business processes and their contracts to source from countries like Bangladesh, while committing to providing safe, healthy and dignified jobs.

Dara O’Rourke is an associate professor at the University of California-Berkeley and the co-founder of GoodGuide. He studies the environmental, social and health impacts of global production systems and new strategies of governance, and currently is conducting research on a number of global supply chains – from resource extraction, to manufacturing, to use and disposal.
THE CATASTROPHIC FAILURE OF THE APPAREL INDUSTRY’S FACTORY-INSPECTION REGIMES AND THE BIRTH OF A NEW MODEL

What lessons about the industry inspection programs can we draw from Bangladesh’s season of horror? What explains their abject failure to provide basic protections for the lives and safety of workers?

By Scott Nova

In the last three years, more than 1,300 apparel workers have died in Bangladesh in six separate mass-fatality disasters. Thousands have been injured. All of these workers died in factories producing for major Western apparel brands and retailers, including Gap, Walmart, VF Corp. (owner of Nautica, Wrangler, Timberlan, Jansport and other brands), JC Penney and numerous others. All of these companies have claimed for years that they have robust inspection systems in place to police their contract factories and protect the rights and safety of workers.

Have these programs failed because apparel corporations were unaware of the dangers in Bangladesh? Clearly not; apparel brands and retailers have been aware of the risks facing apparel workers in Bangladesh, both from fires and building collapses, for many years. In 2005 and 2006, for example, two building collapses and four fires took the lives of more than 200 workers, including an infamous building collapse at a factory called Spectrum Sweater in which 64 died. At the time, the depth of the problem was widely acknowledged by brands and retailers, factory owners and the Bangladesh government, and vigorous reforms were promised.

Have these programs failed because brands and retailers don’t understand what steps are necessary to make factories in Bangladesh safe? The answer, obviously, is no. Since the aftermath of the Triangle Shirtwaist fire, the fundamentals of fire and building safety in an industrial setting have been well understood by the apparel industry.

Are these programs failing because of subcontracting of orders, with Bangladeshi suppliers evading the brands’ inspection efforts by sending part of their work out to unauthorized factories?
that escape scrutiny? This explanation is a popular one with apparel brands and retailers, since it allows them to deny direct responsibility, but the facts show otherwise. With one exception, every one of the factory buildings in which workers have died in fires and collapses in Bangladesh since 2010 had been repeatedly inspected by industry monitors. These were not subcontract factories flying beneath the industry’s radar.

Is the failure of industry inspection programs to protect workers from fires and building collapses the product of an earnest effort marred by poor execution? There certainly are plenty of incompetent factory auditors; however, this explanation fails because these auditors, incompetent or otherwise, were never even asked to look at the most important safety issues. It has become clear in the wake of the Tazreen Fashions fire in November 2012 and this April’s Rana Plaza building collapse that standard industry inspections do not include any review of the structural integrity of factory buildings nor any assessment of whether buildings have properly designed fire exits, despite the fact that lack of emergency egress and structural failures are by far the two largest causal factors in apparel worker deaths.

Unfortunately, the only plausible explanation is the most disturbing one: The inspection programs failed because they were geared much more toward protecting the image and reputation of the brands and retailers than the safety of workers. As long as the safety crisis in Bangladesh did not generate highly extended and highly damaging media coverage – and it did not, until recently – most brands and retailers were content to utilize inspection regimes that, while ineffective at their official task, offered the following attractive features:

- They did not cost much, because fire-safety responsibilities were left in the hands of generalist auditors, carrying out inspections covering dozens of labor issues, rather than tasked to qualified fire-safety experts conducting comprehensive (and much more expensive) fire-safety inspections. Nor was there any role for structural engineers and their expensive techniques and equipment.
- They did not conflict with the brands’ and retailers’ overarching imperative of keeping production costs to a bare minimum – because the inspectors never raised any concerns about how pressure on factories to slash production costs encourages cutting corners on safety and because, with structural issues such as proper exit stairs ignored as a matter of policy, brands and retailers were never called on by the inspectors to help factories pay for the costly renovations necessary to make buildings safe.
- They did not cause embarrassment – because even when the inspectors found problems – like missing fire extinguishers or blocked exits – the reports were controlled by the brands and retailers and never revealed to the public.

The credibility of these longstanding industry inspection schemes collapsed on April 24, 2013, buried with a thousand workers in the rubble of Rana Plaza.

Many brands and retailers, to their credit, have responded by embracing a fundamentally new approach: the Accord on Fire and Building Safety in Bangladesh. The accord is a labor-management agreement under which companies have made a binding commitment to allow thorough, independent fire- and building-safety inspections by qualified experts, with public reports, and to help pay for the building repairs, renovations and retrofitting necessary to transform death traps in Bangladesh into safe factories.

Unfortunately, some major industry players in the United States, such as Walmart and Gap, are clinging to the past. They refuse to sign the accord and have instead offered in response to Tazreen and Rana Plaza a dressed-up version of the same audit schemes that failed to prevent those disasters.

There are more than 2 million workers in factories covered by the accord and, if the agreement is implemented effectively, the risks to their lives and safety soon will diminish. Sadly, there are hundreds of thousands of workers producing for Walmart, Gap, VF Corp. and other buyers that continue to prioritize cheap clothes over the protection of human life.

Scott Nova is executive director of the Worker Rights Consortium (WRC). WRC is an independent labor-rights monitoring organization that conducts investigations of working conditions in factories around the globe.