Many workers in Bangladesh haven't seen the improvements in working conditions that they were promised. For one of them, any changes will be too late.

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April 24, 2015  By Joseph Allchin

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DHAKA, Bangladesh—On the list of tragedies that have befallen industry in Bangladesh over the past two years, the death of Anwar Hossain scarcely registers. International observers, diplomats, local NGOs, factory owners, the multinational corporations that hire them to produce clothing for stores from New York to Milan—hardly anyone remembers the fire at Mega Yarn Dyeing Mills Ltd. that began in the early morning hours of Sept. 28, 2014. Yet the death in that fire of the machine operator Hossain, who was 26, offers a window into a seldom-viewed segment of fashion’s supply chain.

Two years ago today, in one of the worst industrial disasters in history, the Rana Plaza factory here collapsed, killing more than 1,100 and injuring 2,500 others. The horrific event occurred just five months after a major factory fire, in another clothing factory in Bangladesh, killed 117 and injured more than 200. (See “This Girl Walked Through Fire So We Can Get Jeans for $9,” my account for TakePart of how one teenage worker escaped.) Following Rana Plaza, many U.S. and European brands sourcing from factories in Bangladesh pledged to ensure factory safety: Two groups would oversee regular inspections of adherence to basic safety standards, and any problems would be quickly remedied. The Accord on Bangladesh Fire and Building Safety, conceived after a 2005 factory collapse, drew new members into its fold, and the Alliance for Bangladesh Worker Safety was formed. In its founding document, the alliance promised “rapid implementation that is results-focused.”

But on Sept. 28, such commitments went up in smoke at Mega Yarn. The inspection regimes, for a variety of reasons both local and international, seem not to have had the desired effect.

Two centuries ago, Bangladesh was the global leader in textiles, producing a dazzling array of dyed-and-printed fabric that was sought after across the oceans then and hangs in museums today. But with the nation at 144 of 187 on the U.N. Development Programme’s Human Development Index, its government faces pressure to deliver economic growth and for nearly two decades has been
promoting the nation as a place where clothing brands could come to find cheap labor. Today it’s the world’s second-largest producer of ready-made garments. (What China is to electronics, in other words, Bangladesh is to clothes.) Clothing that’s designed in Europe or the U.S. is assembled from mostly imported cloth into many of the items found on the racks at H&M and Zara.

But rapid growth of the industry did not come with labor protections prevalent in the countries those brands were abandoning. Indeed, the lack of enforced safety standards was one reason the garment factories here have been able to operate so cheaply. Verisk Maplecroft, which consults with multinational corporations on supply-chain risks, recently calculated that Bangladesh is among the least expensive three countries for offshoring. “While the cost competitiveness…is extremely attractive,” it reported, “it may be offset by the risks posed by poor working conditions.”
The Rana Plaza factory building after it collapsed on April 24, 2013. More than
1,100 fashion industry workers were killed, and more than 2,500 others were injured. (Photo: Getty Images)

Despite evidence that conditions in the factories were dangerous—Rana Plaza wasn’t the first in Bangladesh to collapse, and Tazreen wasn’t the first fatal fire—little was done to improve matters until after the disasters at Tazreen, where clothes for the U.S. Marines and Walmart were made, and Rana Plaza, home to four local companies also making clothes for Western brands.

The accord, prompted by that 2005 collapse, didn’t draw much enthusiasm in its first several years of existence. But after Rana Plaza’s shoddy concrete pillars gave way beneath the floors and factory equipment that had been illegally added to the building, several major European brands, including most that sourced from Rana Plaza, joined the union-designed pact. The accord shoulders its members with some liability: Parties are compelled to pay for inspections to ensure that the local businesses they contract with don’t force employees to work in unsafe conditions. They also must ensure that problems found in factories are fixed. Companies that do not abide can be sued.
A Brief History of Sweatshops

1911 More than 140 garment workers, mostly young women, die in the Triangle Shirtwaist Factory fire in New York City. Many were locked inside so they couldn’t take unauthorized breaks.

1992 Harper’s publishes the pay stub of an Indonesian worker making Air Jordans. It shows that it would take 44,492 years for her to earn what Nike was paying Michael Jordan annually in endorsement fees.

1995 Police raid an underground sweatshop in El Monte, California, freeing more than 70 undocumented immigrants from Thailand who were working in virtual slavery.

1996 Congress hears testimony that child laborers in Honduras are making clothing for J. Crew, Eddie Bauer, and a Kathie Lee Gifford-branded line for Walmart.

2000 A Chinese reporter infiltrates factories to find children as young as 14 working 16-hour days making toys for McDonald’s Happy Meals—earning per day about as much as a Happy Meal costs in the U.S.

2000 The Pentagon is discovered to be contracting with a sweatshop in Honduras accused of firing 150 union supporters when they complained about working conditions, including monitored bathroom breaks, low pay, and abusive supervisors.

2006 The Daily Mail reports that the more than 200,000 workers making iPods in Shenzhen, China sleep in the factory and are forced to work more than 60 hours a week. In 2010, thirteen workers making products for Apple at the Foxconn factory kill themselves in a six-month period.

2007 Children as young as 10 endure beatings during long shifts in a filthy Dhali sweatshop manufacturing for Gap Kids. The Observer reports Gap blamed an unauthorized subcontractor and vows to tighten its oversight of suppliers.
Other retailers, including Walmart, Gap, and Sears, formed the Alliance for Bangladesh Worker Safety. It was criticized for carrying no legal liability, but members defended it, saying that joining the other group would, in the words of Jay Jorgensen, executive vice president and global chief ethics and compliance officer for Wal-Mart Stores Inc., “subject us to virtually unlimited liability and litigation.” Gap Inc. similarly “express[ed] concerns about the working document’s vague language regarding legal and financial liability that could potentially lead to unlimited exposure for our company,” the company writes on its website. In the end, the accountability standards of the final alliance document would have less teeth than accord’s, which is legally binding.

Both organizations would now rely on third-party contractors to inspect the factories where member brands' products were made. This new process, the companies hoped, would ensure the factories they hired maintained basic standards such as unblocked fire exits and accordance with building codes.

The chair of the alliance, Ellen Tauscher, former U.S. representative from California, noted in a statement a year after it launched, “This private sector–led initiative—which is dedicated to inspecting factories for…safety; providing worker safety training; ensuring that safety concerns are remediated in a timely fashion; and support for worker empowerment initiatives and the democratic election of worker health and safety committees—is making great progress.”

There is precedent for believing the steps taken by multinationals operating in Bangladesh would be effectual. After Harper’s magazine published the pay stub of a worker at an Indonesian factory making shoes for Nike, in 1992, the company struggled with how to respond to the media firestorm, but eventually CEO Phil Knight vowed to improve pay and raise the minimum age of workers in overseas factories Nike contracted with. A string of sweatshop scandals followed Nike’s—Walmart was among those implicated—and other companies pledged increased oversight of wages and working conditions. These were the growing pains of globalization. Revelations since, despite the tight focus of international media and the proliferation of cell phone video cameras across the developing world, have been few.

Except in Bangladesh.

On Nov. 15, 2013, Mega Yarn Dyeing Mills, where Anwar Hossain worked, was inspected on behalf of the alliance by CCRD, a third-party verification company based in Texas.

CCRD found few fire precautions evident in the building. It reported, among other
things, that “storage areas and hazardous areas are open to rest of building,” putting workers in range of flammable materials and increasing the risk of fire spreading rapidly. Elevator shafts were open to the floor. Inspectors recommended that factory owners needed to “protect all egress stairs with a shaft enclosure including 2-hour fire-rated construction.” Other recommendations included installation of fire doors. The report suggested that some of these fire safety modifications were “High” priority.

Garment factories in Bangladesh often produce clothes for several brands. So on Aug. 28, 2014, the other pact, the accord, sent inspectors from another Western verification company, Hughes Associates, to poke around Hossain’s workplace.

Hughes’ report was not dissimilar to CCRD’s. It found storage areas not separated by fire-rated constructions. Some construction work was underway, but fire safety precautions were still minimal: No automatic sprinkler systems were present, elevator shafts were unsealed, and so on.

In other words, in the nine months since the prior inspection of Mega Yarn, the alliance had apparently done little to make the facility fire safe.

Exactly a month after Hughes’ inspection, the failure to address CCRD’s “High”-priority issues at Mega Yarn became critical. In the early hours of Sept. 28, a fire ignited in a third-floor storage area of one of the buildings. Heat and smoke quickly spread through unprotected stairwells and vertical openings. Improperly maintained stairwells filling with smoke hindered evacuation, and warning was delayed because of antiquated, localized fire alarms. According to workers present that morning, the lights went out, and the approximately 300 employees in the nine-story building at the time fled in panic.
The alliance quickly went into damage-control mode. On Oct. 2, it put out a statement asserting, “Several essential fire safety improvements were made following the [Nov. 15, 2013, CCRD] inspection, including the installation of fire doors, a central fire alarm, strategically located hydrants, and hand railings on all staircases to assist with safe evacuation.”

Yet this was not evident in the Hughes Associates report, which was made available to TakePart. It noted, “The fire alarm system is antiquated, not a listed system, and does not provide alarm and notification features consistent with acceptable standards…. Single station smoke alarms…located in various places throughout the factory…are not tied into the fire alarm system. In the event they detect smoke, they will provide a local alert sound.”

Brad Loewen, the accord’s chief inspector, said by email that Hughes’ “findings were quite standard [for factories in Bangladesh] and are very similar to what is in the alliance report: Lack of certified fire doors, lack of an automatic fire alarm system, lack of a sprinkler system.”
A portion of the statement the Alliance for Bangladesh Worker Safety issued four days after a fire killed a worker in a factory it had inspected 10 months prior. The statement was later removed from the alliance’s website and replaced with a different statement, which did not include the claims about fire safety measures having been implemented since the inspection. (Source: bangladeshworkersafety.org)

A few weeks after stating that it had responded to CCRD’s findings, the alliance removed its Oct. 2 statement (seen at right) from its website, replacing it, without explanation, with a new statement. Backing off significantly from what the alliance claimed on Oct. 2, it noted, “The alliance conducted initial and follow-up inspections at the Mega Yarn factory in 2013, noting several necessary fire safety improvements in the factory’s Corrective Action Plan. The implementation of these improvements was in process.”

Even this, however, is in doubt. The construction Hughes reported on was at a
different building, not the one where the fire broke out. The only time the corrective action plan—the to-do list that follows a compliance inspection and is supposed to lead to fixing the problems described in the inspector’s report—that the alliance insisted was in process could have been instated, therefore, would be the 30 days between Hughes’ visit and the fire.

I began sending questions to alliance senior adviser Ian Spaulding, asking about these apparent discrepancies, on Feb. 1. He declined to comment on the record, so on Feb. 8, I telephoned the factory’s compliance officer, Mohammad Sohel Rana (no relation to the owner of Rana Plaza). He stated that the factory had only received the corrective action plan on Feb. 4. In other words, the alliance provided Rana with instructions on how to upgrade the factory after being contacted by TakePart. That would have made it difficult for it to meet the Dec. 31, 2014 deadline, established by CCRD’s report, for fixing the problems.

<table>
<thead>
<tr>
<th>Date of Report Submission</th>
<th>Suggested Plan of Action</th>
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<tbody>
<tr>
<td>Description</td>
<td></td>
</tr>
<tr>
<td>An unlisted manual fire alarm system is installed.</td>
<td>Install a fire alarm system per NFPA 72. Include pull stations at all entrances to exit stairs, and at ground floor exits. Install strobes and horns for complete notification on all floors. Install automatic smoke detection devices throughout all factory areas. If automatic sprinkler protection is installed and is arranged to activate the alarm notification, smoke detectors are not required.</td>
</tr>
<tr>
<td>No fire pump was installed.</td>
<td>Install a listed, approved fire pump to supply the demand of sprinkler and standpipe system, per NFPA 20.</td>
</tr>
<tr>
<td>Exit stairs in the factory building are open to all levels, with no fire rated separation. The West Stair of the Cone Dyeing Building has direct access to a chemical storage room.</td>
<td>Protect all egress stairs with a shaft enclosure including 2-hour fire-rated construction. Install fire doors. Relocate access to storage rooms from stairs</td>
</tr>
<tr>
<td>No sprinkler system was installed.</td>
<td>Install automatic sprinkler protection throughout the Jacquard Building, Cone Dyeing Building, Cone Dyeing Shed, and Old Jacquard Building.</td>
</tr>
<tr>
<td>Wall penetrations are not protected with firestop systems.</td>
<td>Install listed firestop systems at every penetration through fire rated walls and assemblies.</td>
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In November 2013, the Mega Yarn Dyeing Mills factory in Gazipur, Bangladesh,
was inspected for adherence to fire safety standards established by a group of overseas clothing retailers that contracted with the factory. Ten months later, a worker there, Anwar Hossain, would die in a fire. The inspection report set a deadline of Dec. 31, 2014, for necessary repairs to be completed. But as this document shows, the factory did not receive the order to complete the repairs until more than a month after the deadline—and four months after the death of Hossain. (Source: bangladeshworkersafety.org)

Just after I attempted to contact Spaulding, the alliance posted on its website the report of the factory inspection and the CAP. It lists “Date of Report Submission” as “3-Feb-15,” close to what Rana had told me (see illustration).

Shortly after I spoke to Rana, I received an emailed statement from alliance spokesperson Guillermo Meneses. He wrote, “After the [Oct. 2] statement was released, we learned that several repairs we reported to be complete were still in progress.” He also stated that the November 2013 inspection had occurred “before the alliance safety standard was finalized.” Yet the Initial Fire Assessment, dated Nov. 15, 2013, and published on the alliance website, describes it as an “onsite assessment commissioned by the alliance.” Now Meneses was seeking to distance his organization from CCRD’s findings.

Moreover, the alliance’s Members Agreement states, “By Sept. 10, 2013, the alliance will recommend a common and comprehensive standard to be adopted by alliance Members, to be known as the alliance Fire and Building Safety Standards, for assessing fire and building safety in new and existing Factories.” So either the standard was two months late, by virtue of not being in place on Nov. 15, as Meneses was claiming, or it was in place on Nov. 15 and Meneses’ statement was inaccurate.

To Richard Appelbaum, MacArthur Chair in Global and International Studies and Sociology at the University of California, Santa Barbara, who has published extensively on globalization, the explanation for the alliance’s apparent foot-dragging with respect to Mega Yarn is clear.

“If it is unenforceable, [the alliance inspection regime] won’t work,” he wrote in an email. Some companies, he continued, had avoided joining the accord because “the possibility of actually being sued for not complying with an agreement, which is a key aspect of the accord, was a clear deterrent.”

Another explanation—and this would apply to members of the accord as well—could be that the inspections were the easy part. Some observers are concerned that accord members will find ways to avoid paying for improvements to property they don’t own. Sarah Labowitz, codirector of the NYU Stern Center for Business and Human Rights, and Dorothée Baumann-Pauly, the center’s research director,
wrote in a 2014 report that “the lack of a clear and coordinated system for financing remediation is a deficiency of both [the accord and the alliance]. Neither initiative imposes a firm obligation on brands to fund repair of safety deficiencies uncovered by their audits.”

One former accord supplier, Rezwan Selim of Softex Fashion, told me he doubts companies will voluntarily start funding safety upgrades given that, as he put it, “brands will change supplier for ten cents.” Nevertheless, construction is visibly underway at many factories around Dhaka, the capital, and Gazipur, where Mega Yarn is located and another hub of garment manufacturing.

In mid-April, I drove to Gazipur to meet workers from Mega Yarn Dyeing Mills for myself. Speaking on condition of anonymity for fear of retribution, and only under cover of darkness a safe distance from the factory, the employees told me what it’s like to work there. One remembered Hossain as a shy young man. The only fire doors that have changed, in as long as any of them could remember, were the ones damaged in the fire that killed him. So they continued to wait for action on the corrective plan. None of them could tell me for which overseas company they were sewing and dyeing fabric.

But Masihata Group, the Bangladeshi company that owns the Mega Yarn factory, is proud of its clients, and on its website suggests that it produces for Gap. This could not be independently verified, and numerous requests for confirmation from Gap Inc. and the alliance did not generate a response.

At press time, Mega Yarn still appeared on the alliance’s list of contracted factories.