

# Why anti-sweatshop campaigners should be pro-logo

Steve Hilton, *Good Business*

If you are an intelligent, thoughtful person who cares about the developing world, there are two possible opinions for you to hold about brands and sweatshops.

The first was best articulated by the Harvard economist Jeffrey Sachs, well known in activist circles for his work with Bono on the Jubilee 2000 Drop the Debt campaign. In the *New York Times* in June 1997 Sachs wrote: 'my concern is not that there are too many sweatshops but that there are too few... those are precisely the jobs that were the stepping stones for Singapore and Hong Kong and those are the jobs that have to come to Africa to get them out of back-breaking rural poverty. In other words, sweatshops and all they represent are a positive symbol of economic development, part of the reason that lives are getting better in those countries which have welcomed Nike, Reebok, Adidas and all the other alleged globalisation 'exploiters'.

We may feel guilty about less well-paid people in factories on the other side of the globe producing consumer products on our behalf, but the truth is that working for a multinational corporation will almost certainly provide better pay and conditions than any other type of work that's available. It's frequently the only way that women can escape the second-class citizen status that is their lot in many traditional rural areas, and it creates not just jobs but a lasting legacy of new skills and technological expertise that is the foundation for future prosperity, leading to better education provision, higher standards of public health and longer life expectancy.

If you take this robust view of the benefits of globalisation, you will resist the simplistic bans, boycotts and bellyaching that so disfigures much discussion of this issue. You will resist them because you know that by trying to close down sweatshops and 'eliminate' child labour (the vast majority of which occurs in the rural agricultural sector, incidentally), you will probably be throwing

young women – and yes, girls – into poverty, oppression, the sex trade or all three. Instead, you will want to keep the sweatshops in business and help them to improve working conditions – not by sticking a 'Code of Practice' on the factory wall as a sop to ignorant and prejudiced international opinion, but by spending time and effort training factory owners so they realise that better working conditions may cost more in the short term but that they deliver long-term business benefits through higher quality, less wastage and so on. As Baron Mitri, a leading Indian campaigner and writer has put it: 'Clearly, a focus on particular export sectors may lead to an effective political campaign, but does very little to address the real issue... Good intentions are never a sufficient condition for improving social and economic realities. It will be a tragedy if, as a result of well-meaning but hurried policies aimed at prohibiting child labour, children are further victimised because the policies fail to take into account context-specific situations of the developing countries:

Remember, too, that the sweatshop argument is often used by rich countries to protect their own workers at the cost of jobs in the developing world. This point has not escaped people in those countries: 'the question is why industrialised countries are suddenly bothering about Third World workers now that we have shown we can compete with them', mused Youssef Boutros-Ghali, Egyptian trade minister in 1998. The Seattle world trade talks broke down not because poor countries thought the rich were doing too little to improve social conditions in their countries, but because they were trying to do too much. The claims of well-meaning people in rich countries to want to 'protect' low-earning people in poor countries are often highly dubious, and frequently lurch into selfishness and hypocrisy.

But if this line of argument is too rich a sauce for your liberal sensibilities, try the second sensible

opinion that you might hold about brands and sweatshops. The next time someone throws the Naomi Klein book at you, respond by saying: 'no logo, no knowledge of what's going on in the developing world'. Global brands make the connection on a mass scale between consumer choices 'here' and economic and social realities 'there'. Brands are a battering ram for positive social change. In part, positive social change is a natural process that goes hand in hand with economic development, in the same way that social conditions in the rich West have improved since the Victorian era. But in the developing world today it's happening more quickly than it otherwise would, specifically because of corporations' need to protect brand value by meeting consumers' expectations.

So, whichever way you look at it, brands are not the enemy of those wanting to make the world a better place, but their greatest ally.

## Swedish Competition Authority reports

The Swedish Competition Authority (KKV) in December published the results of its inquiry into competition in grocery retailing. Noting the increase in retail concentration, significant centralisation of retailers' decision-making and the growth of own label, KKV concluded that choice of products in store, the ability of smaller suppliers to keep their products on shelf and the ability of new suppliers to enter the market were at risk.

## New marketing code announced

On 4th March, the Committee of Advertising Practice released its new Code of Practice combining three previously separate codes covering advertising, sales promotion and direct marketing into one unified code. The new Code reflects recent changes in UK and European law and previous decisions of the Advertising Standards Authority. More details can be found at [www.cap.org.uk](http://www.cap.org.uk).