

# Book Review: Labor Standards in International Supply Chains: Aligning Rights and Incentives by Daniel Berliner, Anne Regan Greenleaf, Milli Lake, Margaret Levi, and Jennifer Noveck

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**Berliner, Daniel, Anne Regan Greenleaf, Milli Lake, Margaret Levi, and Jennifer Noveck. *Labor Standards in International Supply Chains: Aligning Rights and Incentives*. Northampton: Edward Elgar, 2015. xii + 205 pages. Hardcover, \$115.00.**

Through technological advancement, laymen have garnered a heightened awareness of human rights violations and the lack of enforcement of labor standards in global supply chains. However, one of the greatest difficulties that government agencies, as well as the concerned public, have confronted is a consistent method of enforcing labor standards nationally and through international law.

Political scientists Daniel Berliner, Ann Regan Greenleaf, Milli Lake, Margaret Levi, and Jennifer Noveck begin their analysis of inadequate working conditions and workers' rights by introducing the first modern labor catastrophe—the 1921 Triangle Shirtwaist Company fire which occurred in New York. This labor tragedy brought widespread attention as seamstresses were trapped in close quarters, with no fire alarm, and no means of escape except by jumping from the high elevation to their inevitable deaths. The authors argue that this pivotal event forced the American government to address poor labor standards by enacting legislation to protect workers.

Berliner et al. discuss various 'clusters' of actors [including laborers, government agencies, the public, non-governmental organizations (NGO's), and businesses] as well as circumstances in which workers' rights are *protected* in developed nations and *established* in emerging countries. This text focuses on four major countries in its statistical analyses of factors that either determine or correlate with the effectiveness of enforcement of labor protections. The countries included are the United States, Honduras, Bangladesh, and China. The authors discover that developed nations had a higher rate of enacted labor laws, yet found such enactment did not correlate to enforcement. Less developed countries either did not have labor laws to protect workers or enforcement of the existing laws was extremely lax. Factors which attributed to the lack of workers' rights included local law enforcement corruption as well as the mobility of temporary, subcontracted warehouses which did not provide incentive for corporations of the international supply chain to enforce such protections at their own expense. In the text, Berliner et al. also outline the origins of cohesive enforcement of international labor law through the International Labor Organization. As with any other United Nations body, its ability to enforce labor protections vests only with nation-states which ratified mechanisms it issued, and with the use of other international bodies with regional jurisdiction to enforce labor laws such as the European Regional Court and the Inter-American Regional Court.

The authors analyze four U.S.-based companies: Levi Strauss, Nike, Apple, and Alta

Garcia (a Knights Apparel subsidiary). From the negative end of the spectrum, Levi Strauss' enforcement of labor rights occurred primarily due to consumer awareness and pressure of such violations. In order to achieve financial strides, most American corporations reduce costs by outsourcing the manufacture of goods and products. However, U.S.-based corporations acknowledge brand reputation with consumers also affects profits and, in the instance of Levi Strauss, heavily influenced its decision to establish corporate governance standards to address labor rights violations in supply chain agreements. In stark contrast, Alta Garcia's labor standards were initially motivated by the company's Chief Executive Officer's intent to provide fair labor standards when it constructed a new factory abroad. Thus, safety protocols and assured living wages for its workers were put into place due to internal standards rather than external pressure.

Berliner et al. also discuss Honduras, a poverty-stricken, drug-plagued nation in which factory labor is the primary source of income for the population. Here, American consumers, workers, and campaigns were critical in achieving fair wages and improved work conditions. The authors specify that American consumers (laymen and universities that bought branded apparel) had a large market share and therefore were successful with their protests concerning working conditions. Thus, consumer leverage provided an amenable result which benefited Honduran laborers.

In addition, Berliner et al. examine Bangladesh, another impoverished nation which gained a reputation for manufacturing a vast amount of goods with cheap labor. A pivotal moment in labor standards occurred when suppliers and corporations failed to provide adequate working conditions resulting in mass devastation. In 2013, Rana Plaza, a structurally unsound manufacturing warehouse, collapsed killing thousands of workers. Moral public outrage, rather than corporate responsibility was the catalyst to address the issue of Bangladeshi workers' rights. The authors mention two major counter-measures resulting from the tragedy, one referred to as The Alliance and the other as The Accord, in which major retailers were to participate. The Alliance was merely a voluntary gesture, geared to influence but not to control corporate responsibility, and The Accord—although continually challenged—held retailers and manufacturers legally responsible for violations of labor standards in supply chains.

Thereafter, Berliner et al. analyze the labor market history of China including the development of mega suppliers and the history of workers categorized as urban, rural or migrant which determines what social benefits and workers' rights employees are afforded. Retailers such as Nike and Walmart, which source their apparel from mega suppliers, are dependent on mega supplier monopolies that offer cheap labor and rapid production. Thus, corporations have

less incentive to impose acceptable labor standards throughout supply chains at the national and local levels.

In conclusion, Berliner et al.'s *Labor Standards in International Supply Chains: Aligning Rights and Incentives* seamlessly cross-references clusters of stakeholders and their role in redressing egregious violations of workers' rights, from workers' and the public's protests and appeals (locally and internationally), to NGO sympathizers and consumers who use financial influence and bargaining power to protest and influence corporate behavior in the manufacturers' supply chain. Thus, time, economics, and political will, are all vital to influence corporate behavior and for these changes to remain and improve for all employees within global supply chains.

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