



Wages And Social Responsibility

The industry is in for a rough ride. Terms such as “green” and “socially responsible” are subject to many interpretations. If you read the press releases, you may think the focus will be on reducing packaging waste, solar energy or biodiesel in trucks. Yet part of sustainability and social responsibility is certain to be interpreted to include improving wages and working conditions for farm workers.

Efforts are apace to help domestic farm workers. McDonald's, for example, recently agreed to pay an additional penny a pound for Florida round tomatoes used in its U.S. restaurants, with the extra money going to farm workers. This follows the Florida Fruit and Vegetable Association's 2005 Socially Accountable Farm Employers (SAFE) Program, which provides an external verification that workers are being treated in accordance with the law.

According to McDonald's website:

In 2006, we and our suppliers instituted industry-leading grower standards that go beyond the SAFE standards... Florida tomato growers that supply the McDonald's System must hire workers as employees, rather than day laborers, provide them with opportunities to raise issues and offer suggestions, and ensure they have access to safe, affordable housing (where available) and local health screening and counseling services.

More and more attention will be paid to the condition of farm workers, and growers kid themselves if they think a high hourly wage will insulate them from criticism. Attention will focus on the annual income and living conditions of U.S. farm workers. Yet, this is nothing compared to what will happen as advocacy groups start paying close attention to the work and living conditions of farm workers in developing countries.

We have all read news reports skewering Kathie Lee Gifford for lending her name to products produced in “sweatshops.” Here is how Human Rights For Workers, a self-proclaimed advocacy group, described the situation:

Take products bearing the Kathie Lee Gifford label and the multinational chain that sells them, Wal-Mart. Two years ago, after a National Labor Committee investigation exposed the exploitation of teen-age girls in a Honduran sweatshop making Kathie Lee pants, Ms. Gifford... became an active leader in setting up the Apparel Industry Partnership, a White House task force dedicated to eliminating sweatshop abuses not only in Honduras but elsewhere.

Now comes the revelation that handbags with the Kathie Lee label, sold by Wal-Mart, are made in three factories [in China] where conditions were among the worst among the 21 factories investigated for the National Labor Committee report. Through interviews away from the factory compound, a team of researchers from Hong Kong learned of conditions such as:

- *Pay as low as 12¢ an hour... sometimes withheld for months.*
- *Forced overtime, adding up to 84-hour workweeks, sometimes without the legally required overtime premium.*
- *Absence of benefits, even legally required ones.*
- *Housing in cramped quarters, 10 to 12 workers to a room.*
- *Stiff fines for breaking rules (e.g., loss of a day's pay for taking two evening hours to visit friends on a national holiday).*

Wal-Mart phased out the Kathie Lee Gifford line soon after.

Now, think about this: Every time a “sweatshop” opens, hundreds or thousands of people apply for jobs principally because factory work is so much more desirable than working in the fields!

As more produce is imported from more countries, advocacy groups will turn to Wal-Mart, McDonald's, other buyers plus branded

produce companies to demand better treatment for farm workers outside the United States.

The industry is vulnerable and will be challenged on worker rights. In some Third World agricultural industries, children and adults routinely toil in heat from dawn to dusk, seven days a week, with inadequate and unclean food and drink, inadequate shelter and medical care for subsistence wages. Injuries are common.

The offenses that created uproar and cries of sweatshops for Kathy Lee Gifford, Nike and Wal-Mart pale in comparison to the everyday conditions of many Third World produce workers.

It takes only one press conference with a few little girls saying they pick a brand's or store's produce for 18 hours a day at 5¢ a box

and their sister went to the hospital from heat exhaustion, their brother lost a leg in a tractor accident, etc.

Unfortunately, preventing children from working in impoverished countries will not mean they will be nurtured or schools will be built. It means they will have no means of subsistence and might turn to prostitution, robbery or work worse than agriculture.

If we require agricultural employers to provide each worker health insurance and a nice house with plumbing and air conditioning and if we demand nobody work more than 40 hours a week, the result is unlikely to be prosperity in these poor countries.

Most likely, companies would no longer produce in the most disadvantaged countries, as they would have no competitive edge to offer, so these countries would get even poorer and their people more desperate.

When people start talking about “social responsibility” and “sustainability,” they are often talking about policies that make Westerners feel good about themselves by seeming to demand high standards and fair treatment. The actual consequences are rarely so satisfactory. The social issue is distorted but it is a guaranteed crisis for the industry one day — and soon.

pb

The industry is vulnerable and should expect to be challenged in the area of worker rights.