

MADE IN LESOTHO:
EXAMINING VARIATION IN WORKERS' PERCEPTIONS OF COMPLIANCE
WITH LABOUR STANDARDS IN LESOTHO'S CLOTHING INDUSTRY

A Dissertation
Presented to the Faculty of the Graduate School
of Cornell University
In Partial Fulfillment of the Requirements for the Degree of
Doctor of Philosophy

by
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January 2014

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Cornell University 2014

In this dissertation, I conduct a comparison of workers' perceptions of labour standards compliance in two global value chains in Lesotho's clothing industry, and show how ownership nationality and end market influence workers' perceptions of compliance. I show, first, how the two global value chains emerged in Lesotho. Here, I emphasize the different owners' experiences with unions as well as the role of end-user market. Second, I show that this will influence their attitudes towards compliance, arguing that attention to working conditions will be greater in firms where the owners are more accustomed to rigid labour regulations and exposure to unions. Third, based on feedback to a workers questionnaire and focus groups conducted with workers, I show how perceptions of compliance vary within each value chain as well as across. To compare, I use a compliance framework that captures violations of international core labour standards as well as basic working conditions. The findings indicate that specific issues vary between the two value chains but that supervisor relations is a common concern underscoring many of the issues raised by workers. Drawing on focus group discussions and one-on-one interviews with line supervisors, I develop a theoretical model to explain the relationship between owners, supervisors, and workers' perceptions of compliance. This dissertation contributes to theoretical debates on the role of foreign management in global value chains, and inserts worker voice directly in to the process of monitoring and evaluating labour standards.

BIOGRAPHICAL SKETCH

Kelly Pike was born in 1980 in Ottawa, Canada. After completing her BSc at the ILR School at Cornell in 2003, she worked in Washington DC at the Food and Allied Service Trades, and then at the American Federation of Teachers. She returned to the ILR School in 2007, received her MS in 2009, and continued in to the PhD program in the department of labor relations, law and history. Kelly spent 2010-2012 as a visiting scholar at the University of Cape Town, South Africa, where she was based while conducting fieldwork in Lesotho. During the last two years of her PhD, Kelly also worked as a consultant for the International Labour Organization (Better Work) and with the World Bank (Poverty Reduction and Equity).

ACKNOWLEDGMENTS

First and foremost, I want to acknowledge the workers who participated in this research. I want to thank them for taking time to meet with me, and for trusting me, opening up about difficult circumstances at work and at home. Their stories and their warmth changed me in a way I hadn't quite anticipated, and I hope that this is just the beginning of a long journey for all of us – one that results in many more visits, conversations, laughter, and improvements in quality of life and work.

But of course this work would not be possible without the backing of a strong support system. For this I would first of like to thank Professor Lipsky for his wholehearted encouragement in my moments of ambitious adventure-planning, his lack of visible panic in my moments of crisis, and for his generous support at every step of this process, before it even began. I am eternally grateful that he took that initial chance on me, and that he gave me the reins so early on.

I also want to acknowledge Missy Harrington, who somehow has not lost the sense of personal connection with students despite decades of dealing with the logistical demands of thousands of us barrelling in and out of her office and her inbox. I appreciated that you were always there to provide support.

I would also like to thank Alex Colvin who played an active role as I explored and executed different research ideas. Alex was especially helpful before and during fieldwork, and I really appreciated that I could always turn to him for advice on the nuts and bolts as well as the big picture. His comments were always practical and concise, which helped me to focus in those times that I really needed to rein things in.

My deepest gratitude also goes to Peter Katzenstein for keeping me on my toes, opening my eyes to new research methods, challenging me to think more strategically

about my work, and encouraging me to produce the strongest possible dissertation that I could.

I also want to thank Lance Compa for his very presence and expertise, for supporting my focus on Better Work, and for encouraging me to be courageous in developing my own theories.

Very little of this would have been possible without the assistance of the union leaders and organizers in Lesotho who met with me on so many occasions, and who were largely responsible for arranging the focus group discussions. In particular I want to acknowledge Rethabile, Solong, Sam, Stephen, Joseph, Daniel, Shaw, Nt'sene, and Mats'epo. And Ithabeleng Duma, for translating so many focus groups and conversations. Also to the others in Lesotho who met with me, hosted me, opened up their offices to me, provided me with documents not available online, and told me stories not available in print. In particular, thanks to Donna Bawden, Makhetha Nt'eso, M'e Malebanye, and with respect to the late N'tate Lethobane. I also very much appreciate the on-the-ground assistance I received from the Better Work Lesotho office, including Kristina, Mammopa, Molefi, Nthabeleng, Moipone, Lirontso, Molapo, and Thabang. Also to the friends who provided glimpses of the underbelly and alternative worlds of Lesotho – thank you Lebo, Refiloe, Leelee, and Zerb.

Furthermore, I am grateful to Shane Godfrey for hosting me at the University of Cape Town and for being such an interesting and enjoyable colleague to collaborate with. I would also like to acknowledge Arianna Rossi at Better Work Global for her guidance and support throughout and beyond my doctoral work. On that note, though the fieldwork for this dissertation was sponsored in part by the Institute of Development and Labour Law at UCT, Capturing the Gains in Manchester, and Better Work in Geneva, the views represented are solely my own.

I would also like to thank our friends at our home in Cape Town, and our friends at our home in Ithaca, as well as my charming PhD cohort. You were all so supportive in more ways than you may ever know.

Supriya, you were there with me every step of the way. To every Maseru border-crossing, to the pot-holed adventure to Semonkong, to every conversation about theoretical implications, to every child we met, every high and low, every sunset, and most importantly to the glorious discovery of South African red wine, I thank you.

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LIST OF ABBREVIATIONS

AGOA	African Growth and Opportunities Act
ALAFA	Apparel Lesotho Alliance to Fight Aids
BFC	Better Factories Cambodia
BW	Better Work
BWL	Better Work Lesotho
CB	Collective Bargaining
CSR	Corporate Social Responsibility
DDPR	Directorate for Dispute Prevention and Resolution
FAWU	Factory and Allied Workers Union
FLA	Fair Labor Association
FOA	Freedom Of Association
GDP	Gross Domestic Product
GWUSA	Garment Workers' Union of South Africa
GVC	Global Value Chain
HR	Human Resources
IFC	International Finance Corporation
ILO	International Labour Organization
ITGLWF	International Textile, Garment and Leather Workers Federation
LECAWU	Lesotho Clothing and Allied Workers Union
LENTSOE	Lentsoe la Sechaba (Voice of the Nation)
LNDC	Lesotho National Development Corporation
LTEA	Lesotho Textile Exporters Association
MFA	Multi Fibre Arrangement
MNC	Multinational Corporation

MOU	Memorandum Of Understanding
NAALC	North American on Labour Cooperation
NAFTA	North American Free Trade Agreement
NEDLAC	National Economic Development and Labour Council
NGO	Non Governmental Organization
NUTEX	National Union of Textile Workers
OSH	Occupational Safety and Health
PICC	Performance Improvement Consultative Committee
PPE	Personal Protective Equipment
SA-SA	South Africa to South Africa
SACU	South African Customs Union
T-USA	Taiwan to United State of America
TNC	Transnational Corporation
UN	United Nations
UNICEF	United Nations Children's Fund
UNITE	United Textile Employees
USD	United States Dollars
WTA	Witswaterstrand Tailors Association

CHAPTER 1

MADE IN LESOTHO

Shocking headlines about conditions in clothing factories around the world capture our attention. They remind us of the millions who work in harsh conditions to send us our favourite jeans, and make us pause to look at the label on a t-shirt before we buy it. Where was this made? A Bangladesh factory collapse kills over 1,100 workers;¹ Guangdong factory fire kills 14;² Indian ‘slave’ children found making low-cost clothes destined for Gap;³ Jean factory toxic waste plagues Lesotho;⁴ Gap and Levi Strauss are poisoning African children.⁵

We read the headlines, are horrified, perhaps even avoid buying any clothes made in China or Bangladesh for a few months...weeks...that one time we went shopping with a socially conscious friend. The international spotlight is on that country, a few factories get their 15 minutes of fame, the brands respond with action plans to investigate, and then we’re on to the next atrocity. It’s patchwork at best. The spotlight fades and workers carry on in the dark.

The apparel sector has been a springboard for industrial development in many countries. The sector, however, has also been notorious for poor working conditions and rampant exploitation of the mainly female workforce (see for example, Caraway,

¹ <http://www.labourbehindthelabel.org/urgent-actions/item/1140-bangladesh-building-collapse-kills-over-80-workers-primark-and-mango-labels-found>

² <http://www.theguardian.com/world/2012/dec/05/guangdong-factory-fire-kills-14>

³ <http://www.theguardian.com/world/2007/oct/28/ethicalbusiness.retail>

⁴ <http://www.cbsnews.com/news/jean-factory-toxic-waste-plagues-lesotho/>

⁵ <http://www.businessinsider.com/gap-shirts-and-levi-jeans-arent-sexy-in-lesotho-2009-8>

2007; Yimprasert & Hveen, 2005). Furthermore, the globalization of the apparel industry has made it more difficult to follow the actions of both retailers and manufacturers operating supplier factories around the world (Gereffi et al., 2005; Locke et al., 2009).

In Lesotho's clothing industry, for example, Taiwanese and South African owners source materials from Asia and other parts of Africa, then assemble in Lesotho and export to the US and South Africa, respectively (Morris et al., 2011). Mapping the value chain is critical for improving labour standards throughout the production process but also extremely difficult, and certainly beyond the scope of my dissertation. Rather, I focus on operations within Lesotho, including factory owner nationalities and their export markets. Specifically, my dissertation is guided by the research question, 'Do different global value chains explain variation in workers' perceptions of compliance with labour standards?'

I chose the case study of Lesotho in part because the make-up of its clothing industry, with the two value chains, was a natural laboratory for examining variation in workers' perspectives. Furthermore, an International Labour Organization (ILO) initiative that had proven successful in other countries⁶ at improving labour standards compliance was being introduced in Lesotho's clothing industry.⁷ Conducting fieldwork around the time of the launch of the programme would give me an opportunity to paint a picture of conditions before the programme had time to take

⁶ The initiative is known as Better Factories Cambodia (BFC), which started in 2000. Information on BFC can be found at www.betterfactories.org

⁷ The press release announcing the official launch of Better Work Lesotho can be found at <http://betterwork.org/global/?p=1025>

effect. This springboard for future research on the impact of the programme was another important draw for focusing on Lesotho's clothing workers.

Conceptualizing the Evolution of Labour Standards Enforcement

Institutions of governance exist at several levels – in the factory, on a national level, and on a global scale. They also exist in several forms – for instance national law and collective bargaining agreements (i.e. hard regulation) and consumer pressure and voluntary codes of conduct (i.e. soft regulation). Both aim to promote fair working conditions, though only the former has any teeth in terms of enforceability (see, for example, Schaffer & Pollack, 2010).

However, even the enforcement systems of hard regulation (e.g. national law) have proved inadequate to the task of ensuring compliance with legislated standards. Additionally, trade unions in the sector in developing countries are not always strong, and are often undermined either by their governments, their employers, or even themselves. In some cases, unions dedicate more time and resources competing against other unions for membership, rather than putting workers and their working conditions at the centre of the effort.

We have yet to witness any one initiative prove to be the poster child for achieving decent work for all. Unions allow workers to thrive in some countries, while in other countries union members are at risk of being mistreated. National minimum standards in some countries entitle workers to a decent wage, but in other countries either do not specify a minimum wage or do not have the necessary mechanisms to enforce payment of these wages. Consumer campaigns and exposés are good at

putting short-term pressure on companies to adhere to codes of conduct but are not sustainable. Then there are programmes such as the ILO's Better Work, which engages stakeholders in social dialogue and focuses on training and education, but is only in place in a handful of countries.

Over time we have seen attempts to regulate labour, and to fill the gaps where previous efforts fell short. Linking this with the concept of a 'global governance deficit' (Gereffi & Mayer, 2004), I conceptualize the evolution of labour standards enforcement as three tiers or levels of protections offered to workers.

i. National law

A primary level of labour standards enforcement is mandated by the state in the establishment of labour codes and its associated provisions for basic rights and conditions of work including minimum wages, working hours, collective bargaining, freedom of association, etc. These codes can also make provisions for the establishment of labour courts and arbitration councils, through which workers have the opportunity to file grievances and exercise their voice, whether individually or collectively (see, for example, Shea et al., 2010; Van Noord et al., 2011). These regulations have been put in place to humanize working conditions and prevent exploitation of the labour force. However, their potency has been diluted by multiple issues embedded within the political economy of developing countries that have become the production houses of global capitalism.

Enforcement of labour laws in developing countries suffers from infrequent and inadequate inspections of working conditions, corruption, large backlogs in labour

courts and issues of access to arbitration procedures.⁸ The march of globalization that has taken the production chain to developing countries has increasingly challenged the endurance of government systems intended to regulate employers and protect workers. The difficulty with which these protections have been able to transcend national borders has been a matter of concern for workers and their advocates – practitioners, academics, activists, and others.

Recent work has conceptualized this governance issue as a ‘global governance deficit’ (Gereffi & Mayer, 2004; Mayer & Pickles, 2010). On one hand, the home country (e.g. headquarters of a US multinational) is unable to govern or closely monitor the conditions of work in its supplier countries. This is an issue made even more challenging by the increasingly complex structure of global value chains (Gereffi et al., 2005). In order to be more efficient, supplier factories subcontract segments of their production either to other local factories or overseas. This poses an issue for monitoring down the supply chain, as it is difficult to identify from where the different components are being sourced. On the other hand, the host country (i.e. the country where production is occurring) also experiences a deficit issue in terms of potentially weak systems for enforcing local law. Assuming there is a core of protections available to workers in some form of labour law or code, those laws need to be enforced, and developing countries may not have the kind of financial stability needed to support these efforts. Additionally, there is some evidence of corrupt behaviour that

⁸ See, for example, issues with Labour Court backlogs in South Africa at <http://www.iol.co.za/news/south-africa/labour-court-struggles-under-huge-backlog-1.81495#.UqSjdBbfCMM> and in India at <http://www.dawn.com/news/301478/labour-courts-face-backlog>

infiltrates these monitoring and enforcement practices, which may be more common in developing countries where wages are lower and poverty higher.

Building on earlier theories of the opposing ‘double movement’ dynamic between markets and governance, while markets seek to dis-embed themselves from social control, states and societies are continually seeking to re-embed them in structures of governance (Gereffi & Mayer, 2006; Polanyi, 1944). Emerging from these ideas has been a debate on how the rules of the game have been shifting during this era of industrial globalization and what new rules should be put in place to address the new configuration.

ii. International labour standards

Aimed at addressing this issue, a second tier of labour standards enforcement has emerged in the form of transnational laws such as the ILO’s core labour standards. These create universal minimum standards of working conditions that include: the abolition of child labour; freedom from discrimination in the workplace; elimination of forced labour; freedom of association; and the right to collective bargaining (1998 ILO Declaration on Fundamental Principles and Rights at Work).

However, the ILO model has been met with criticism due to its ‘lack of teeth’ and the ambiguity of its application to different global contexts. Although ratified in most member states, the ILO core labour standards remain open to disagreements about appropriate methods of implementation, the interpretation of what constitutes compliance in different countries, and reliance on formal labour organizations in informal labour economies of developing countries (Sabel et al., 2000). Some argue

that international human rights treaties are most effective in stable democracies, which means they fail to protect the states most in need of reform, or the people who need them most (Hafner-Burton & Tsutsui, 2007). Lesotho, for example, has been a member of the ILO since 1966 and has ratified 23 conventions, including the four international core labour standards.⁹ However, the mechanisms for enforcing compliance with these labour standards are weak, under-utilized, or non-existent.

iii. Codes of conduct

A third form of labour standards regulation involves the use of public pressure and advocacy to encourage the “voluntary” adoption of codes of conduct by multinational companies that bolster national and transnational labour rights enforcement. Pressure to comply with codes can come in the form of consumer campaigns, student activism, or efforts by groups such as the Fair Labor Association (FLA) to bring together these different interest groups in addressing labour standards compliance.

Furthermore, John Ruggie, United Nations (UN) Special Representative on business and human rights, was instrumental in establishing standards for the human rights conduct of multinationals, as well as in establishing a framework for implementing those standards. The UN Guiding Principles on Business and Human Rights address human rights issues linked to business activity (Ruggie, 2008, 2011). In addition to the corporation’s responsibility to respect human rights, the Guiding

⁹ A list of all ILO conventions ratified by Lesotho is available at https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11200:0::NO::P11200_COUNTRY_ID:103188

Principles stress the importance of the state's duty to protect human rights, as well as access to remedy for victims of human rights abuse in business-related activity.¹⁰ This important development has grown out of Ruggie's earlier research on minimum standards related to human rights and transnationals, as well as a body of research on corporate codes of conduct that took stride in the 1990s.

In the early 1990s, human rights activists started making connections between the rise of transnational corporate giants and the shoulders they were standing on to get there. Research revealed a string of human rights abuses in supplier factories around the world. The companies, up against the wall with public pressure, declining sales and brand reputation at risk, began developing corporate social responsibility (CSR) strategies (Sage, 1999). This trend continued through the end of the decade and into the next, with more and more companies adopting corporate codes of conduct. In addition to internal audits, some of these companies, such as Nike and Reebok, have also partnered with international and local non-government organizations (NGOs), such as the FLA mentioned above, to set standards for independent auditing of workplace practices (Sabel et al., 2000).

Since then, a sweep of research has addressed issues surrounding the implementation of codes of conduct and whether or not monitoring improves labour standards (Elliott & Freeman, 2003; Esbenshade, 2004; Jenkins et al., 2002; Locke et al., 2007; Mamic, 2004; Yimprasert & Candland, 1999). However, much of the literature on labour standards and codes of conduct focuses on the auditing procedure

¹⁰ The full report "[Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework](http://www.business-humanrights.org/SpecialRepPortal/Home/Protect-Respect-Remedy-Framework)" is available at <http://www.business-humanrights.org/SpecialRepPortal/Home/Protect-Respect-Remedy-Framework>

itself. It examines the efficiency of monitoring (e.g. how factories are assessed against compliance measures), the ethics of monitoring (e.g. employers coaching employees on what to say), and the process of implementation (e.g. from management's perspective). Furthermore, it is presented from the perspective of managers who are the key informants to the studies that have been conducted, rather than from the perspective of the workers.

Locke et al. (2009) argued that the failure to demonstrate improvements in labour conditions is explained by the very assumptions underlying our approach to monitoring which draw from command and control strategies rather than ones based on joint problem solving, information exchange, and the diffusion of best practices (Locke et al., 2009). This segues in to the newest frontier of labour standards enforcement – the multi-stakeholder initiative.

Multi-Stakeholder Initiatives And Labour Standards Enforcement

A relatively new initiative in the arena of labour standards enforcement drew my attention to Lesotho. What initiated as Better Factories in Cambodia in 2000 (a joint endeavour of the International Labour Organization and International Finance Corporation), later expanded under the name of Better Work in an additional six countries including Lesotho. The success of Better Factories Cambodia largely derived from the fact that demonstrating improved compliance with labour standards was tied to increased duty free exports to the US. Not only did workers benefit from improved standards but employers had a trade incentive along with a boost in reputation for promoting fair labour. Better Work takes a more comprehensive and systematic

approach to monitoring labour standards than do traditional audits. Better Work also places a heavy emphasis on training and education to improve areas where there is non-compliance, rather than punitive measures such as pulling orders. And it has been shown to work.

At the time I conducted fieldwork (October 2010 – July 2012), Better Work Lesotho was in the initial stages of implementation, and at a rather slow rollout pace. As such, I did not attempt to analyse the impact of the programme on workers' perceptions of labour standards compliance. Rather, I collected and analysed detailed information from workers about their conditions at the outset of the programme, to paint a picture of the key issues, where they perceive changes can be made, and what factors are potentially influencing these perceptions. The findings of my dissertation will be used as a baseline against which I will compare the findings of follow-up research scheduled for September 2013, almost three years since the first few factories subscribed to Better Work Lesotho. This should allow enough time to begin to see results in terms of the impact of the programme over time.

The Worker Stakeholder

To ensure the provision of fair working conditions and prevent breaches of worker rights, the enforcement of labour standards proceeds through both proactive (e.g. national and transnational labour laws, codes of conduct and third party monitoring) and reactive (e.g. labour standards advocacy) measures. While numerous researchers have studied the efficacy of these systems in regulating labour standards, workers' perceptions of working conditions have remained understudied. Rather,

research on the implementation and monitoring of codes has been conducted and assessed largely through the lens of management (Barenberg, 2009; Locke et al., 2009). Workers, the supposed benefactors of improved labour standards, have either been left off the agenda or placed in intimidating circumstances when it comes to having a say (Barrientos & Smith, 2007).

Workers need to be involved, to be active in workers' organizations, to have decision-making power vested in them, and for their voices to be elevated. The ethics of employee interviews in the monitoring process is highly questionable. They are threatened, in both direct and subtle ways, regarding the reporting of actual conditions on the floor. In some cases, national, political and social barriers prevent access to fair grievance procedures and other dispute resolution mechanisms. Recently, some scholars have advocated for international and national institutions to build capacities for local enforcement of labour rights (Barenberg, 2009). At a more micro level, others have begun to analyze management systems; specifically in the approach they take to improving labour standards, to explain uneven improvements in working conditions (Locke et al., 2009).

My dissertation speaks to this important development in the field of international labour standards by taking a worker-oriented perspective in thinking not only about the efficacy of monitoring but the specific workplace issues that either foster or suppress compliance with workplace laws and codes of conduct. In doing so, my dissertation examines the key research question: What explains variation in workers' perceptions of labour standards compliance?

I document workers' perceptions about working conditions and identify the principal factors that influence these perceptions in the context of clothing factory workers in Lesotho. As a corollary, my dissertation harnesses workers' perceptions on measures that could serve to create better work, and uses these to inform suggestions for changes to labour standards monitoring and evaluation practices. Ultimately, this body of work aims to turn attention to the worker as a primary source of information about working conditions and how to make their work better.

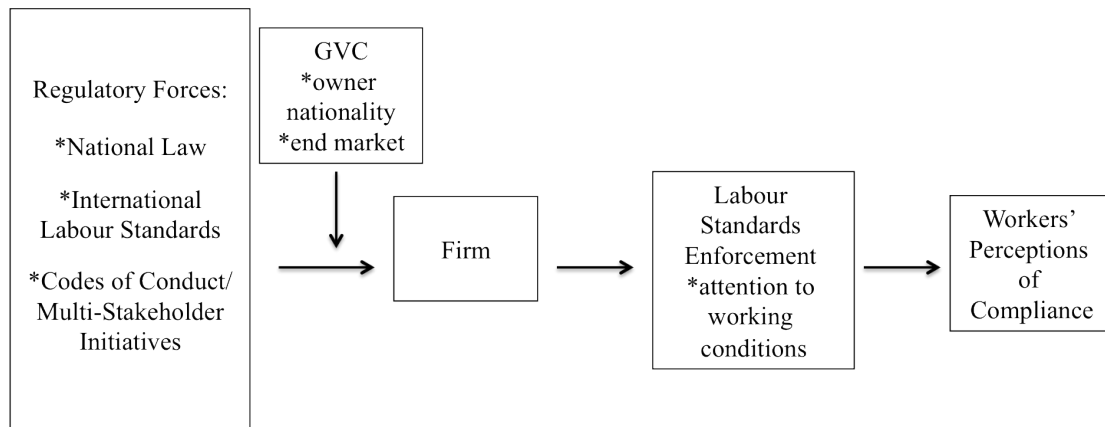
In Chapter 2, I discuss how decisions made by factory owners in different value chains are influenced differently by their experiences with the three levels of protection. This sets the stage for the case study of Lesotho, where I make propositions about how the existence of two distinct value chains in Lesotho explains variation in workers' perceptions of labour standards compliance. Chapter 3 provides a brief history of how trade and tribulations shaped the institutional structure of labour relations and law in Lesotho's clothing industry, and describes the setting of my fieldwork. Chapter 4 describes the methods used, and Chapter 5 analyses the findings from feedback with workers. In Chapter 6 I develop a theory about a missing link in our understanding of how foreign management in global value chains influences workers' experiences. In the concluding chapter, the propositions developed in Chapter 2 are directly addressed, with suggestions for future research.

CHAPTER 2

EMERGING VALUE CHAINS & WORKERS' PERCEPTIONS OF COMPLIANCE

In Chapter 1, I briefly discussed the different layers of protection that have evolved for workers in developing countries over the years. These layers – national law; international labour standards; codes of conduct and multi-stakeholder initiatives – are regulatory forces acting on firms and influencing their behaviour. Figure 1 is a conceptual model of the relationship between these regulatory forces and workers' perceptions of labour standards compliance. The relationship is moderated by firms' attention towards working conditions, which I argue will vary according to the global value chain in which they are located.

Figure 1 Relationship between labour standards regulation and workers' perceptions of compliance



In Lesotho, approximately half of the factories supply to the U.S., and the other half to South Africa. Furthermore, the factories supplying to the U.S. are Taiwanese-owned, and those supplying to South Africa are South African-owned. Analytically,

owner nationality and end market are considered to be operating together, drawing on Morris et al.'s (2011) conceptualization of two distinct global value chains in Lesotho. Participating workers are classified as belonging to one of the two. That is, either: (1) The Taiwan-USA global value chain, or (2) The South Africa – South Africa global value chain. Throughout my dissertation, these are abbreviated to T-USA and SA-SA.

I signalled in Chapter 1 that end market matters, especially insofar as big US brands dramatically rely on their reputations to remain competitive. They are under more pressure to protect their reputations and are therefore likely to exert more pressure on their supplier firms to comply with their codes of conduct. Relevant for risk of exposure, one might expect that conditions will be better in factories supplying to the U.S. This chapter develops propositions about how workers' perceptions of compliance will vary between the two value chains, based on hypotheses about the degree to which firms participating in the two different value chains are likely to comply with labour standards. These hypotheses are informed by an examination of: (1) the literature on labour standards enforcement; (2) the reasons behind the emergence of each value chain; and (3) the experiences of the different foreign owners with trade unions.

The conceptual topography of the chapter locates workers at the centre of the discussion, and then maps out the different layers of protections that have been available to them, as efforts to improve labour standards enforcement have evolved. This includes national law, international labour standards, codes of conduct, and multi-stakeholder initiatives. Within the discussion on codes of conduct, I will demonstrate that the literature has well documented what works and what doesn't but

that worker voice has largely been absent. I then go in to more detailed discussion of the independent variable – global value chain structure – in order to formulate hypotheses about how workers’ perceptions of compliance will vary between the two. To do this, I discuss each value chain separately, including why and how they emerged, and some of the potential dynamics between the different configurations of owner nationality and end market. Finally, I discuss how experiences with unions also influence the degree of attention given to working conditions and labour standards compliance.

1. The Evolution of Labour Standards Enforcement

Labour standards and national law: the protective shield

International labour standards are a response to the needs and challenges faced by workers in a globalizing economy who are otherwise insufficiently served by the protections offered through their employers, unions, and governments (Baccaro, 2001; Cohen & Sabel, 2006; Elliott & Freeman, 2003; Gereffi & Mayer, 2004). Establishing minimum conditions at both the international and national levels allows workers access to regulatory protections they may not otherwise be privy to. This can be the case in developing countries with weak labour legislation, or even in countries where there is strong legislation but where enforcement is an issue.

Gross contended that the right of people to participate in the decisions that affect their lives is one of the most fundamental principles of democracy and is indeed a fundamental human right. Furthermore, workers should not be helplessly subject to

the arbitrary exercise of power by others. In one excerpt he writes, “The fundamental purpose of labour policy is not efficiency or productivity, but to find a moral basis for achieving human dignity, human solidarity and self-sufficiency, and justice for all people at workplaces and in the larger communities affected by what goes on at those workplaces” (Gross, 2002).

Research has approached the issue of labour standards enforcement from multiple dimensions. One of the earliest institutions of enforcement is national government. In 1937 in the US, the Supreme Court decision to uphold the Wagner Act gave workers legal backing in their right to collectively bargain, and entitlement to freedom of association.¹¹ The Act established one of the most democratic procedures in US labour history for worker participation in setting wages, hours, and other conditions of work (Gross, 2002). Government regulation of labour relations and labour standards represented a change in public policy that sought to promote social justice for workers but this was later undermined by the provision of Taft-Hartley (1947) to grant employers the right to resist and obstruct unionization.¹²

On the other side of the globe, the South African Labour Relations Act established in 1995 provides a framework for employees and employers to engage in collective bargaining, joint decision-making and dispute resolution (Bhorat, 2009). It also gives effect to the obligations imposed by the ILO (Venter et al., 2009), which means that it entails rules governing freedom of association and collective bargaining,

¹¹ See, for example, “Wagner Act Held Constitutional” available at <http://www.nlr.gov/who-we-are/our-history/1937-act-held-constitutional>

¹² See, for example, “The Taft-Hartley Act: Why the American Labor Movement Called it a ‘Slave Labor Bill’” available at <http://www.owcinfo.org/campaign/ILWU/Slave%20Labor%20Act.htm>

the right to fair labour practices, and the right to strike or lock-out (SAGI, 2009). The main objective of the establishment of robust labour legislation in South Africa was to ‘advance economic development, social justice, labour peace and democratization of the workplace.’¹³

Both examples illustrate the regulatory role that governments play in establishing institutions of protection for workers. Monitoring and enforcing compliance with legislated standards is another role that governments play, through activities such as labour inspections. In addition to the role that governments must play, there is also a large responsibility taken on by transnational organizations to protect vulnerable workers.

International labour standards: the cushion behind the shield

The ILO has established the declaration on fundamental principles and rights at work.¹⁴ These include freedom of association and the effective recognition of the right to collectively bargain; elimination of all forms of forced or compulsory labour; effective abolition of child labour; and elimination of discrimination in respect of employment and occupation. When individual countries make a commitment to ratify these core principles and other ILO conventions, they are committing themselves to abolishing worst conditions and pushing an agenda of decent work. Decent work represents an effort at mediating tensions inside the ILO between global capital, member states, trade unions, and NGOs. Furthermore, the ILO is credited for

¹³ This is the language used in the Labour Relations Act, available at <http://www.labour.gov.za/DOL/legislation>

¹⁴ Full information on the ILO Declaration on Fundamental Principles and Rights at Work is available on the ILO website at <http://www.ilo.org/declaration/lang--en/index.htm>

establishing the Social Declaration as well as devoting attention to improving the conditions of marginalized workers (Vosko, 2002).

Ten years on, the Decent Work agenda is alive and manifested in different initiatives, including the Better Work programme (described below), which is built on a platform of improving both compliance and competitiveness. The ILO has supervisory bodies and procedures to monitor the application of these standards, and continues to support efforts to make sure that these approaches are both comprehensive in nature, that they have consequences, and that they have remedial effects on conditions of work.

The issue of consequence, or enforcement, is an important dimension of my dissertation. In the case of Lesotho, enforcement is assessed through workers' perceptions of compliance and what is being done to make their work better. But the issue of enforcement is a much broader issue that applies in any national or regulatory setting, beginning with the core question of what barriers to enforcement exist.

Bernstein et al. argue that enforcement remains a weak link in the regulation of employment standards (Bernstein et al., 2006). A 2008 report by the Department for Business Enterprise and Regulatory Reform identified four key enforcement issues: (1) low awareness of rights and how to enforce them amongst vulnerable workers; (2) vulnerable worker reluctance to report problems or, in some cases, lack of knowledge of how to do so; (3) a confusing enforcement picture with different government agencies enforcing different rights; and (4) the low profile of some of the enforcement bodies (DBERR, 2008).

Globally, awareness of labour rights and how to enforce them for vulnerable workers is increasing. Though the latter point remains a challenge, there have been strides in the methods used for ensuring that workers farthest down the supply chain can be reached. Methods for reporting problems have been improved in some areas of the world through the establishment of grievance procedures as well as arbitration tribunals. However, simply establishing grievance procedures does not ensure that they will be used. The North American Agreement on Labour Cooperation (NAALC), which is the labour side agreement of the North American Free Trade Agreement (NAFTA), serves as one illustration of this. Established in mid-1990s, the labour side agreement was intended as a “tool for cross-border solidarity among key actors in the trade union, human rights and allied movements” but its complaint mechanisms were largely under-utilized (Compa, 2001).

Though the NAALC offered an opportunity for different groups to strategize and boost international solidarity, one criticism is that it involved more staff work than worker mobilization, and indeed the complaint procedures involved a lot of paperwork, hearings, and consultations. However, given that these transnational advocacy groups are limited by needing to work around the lack of hard law, these hearings, investigations, and research at least created the opportunity for a system of checks and balances between the participating countries. Recognizing that transnational corporations play a significant role in ensuring that workers are treated fairly, the United Nations (UN) established global human rights standards for businesses. This was not, however, without some difficulty.

The UN was already working in the 1970s to create a corporate code of conduct for transnational corporations (TNCs). Initial efforts didn't amount to anything, largely because of disagreements between developed and developing countries (Deva, 2012). However, amidst the backdrop of the consumer consciousness wave in the 1990s, the UN created a working group on TNCs. Within five years, the group drafted the "Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights" (UN Sub-Commission, 2003). Not surprisingly, the document was met with resistance from the business community, and was deemed to have no legal standing. Two years later, John Ruggie was appointed as UN Special Representative for Business and Human Rights.¹⁵

In 2008, Ruggie established the "Protect, Respect and Remedy" framework, which rests on three pillars: (1) The state duty to protect against human rights abuses by third parties, including business, through appropriate policies, regulation, and adjudication; (2) the corporate responsibility to respect human rights, which means to act with due diligence to avoid infringing on the rights of others and to address adverse impacts that occur; and (3) greater access by victims to effective remedy, both judicial and non-judicial (Ruggie, 2008).

Commissioned by the UN Human Rights Council, Ruggie turned the framework in to a set of concrete recommendations about corporate responsibility. First, regarding how the state could prevent abuses by the private sector. Next, elaborating on the scope of corporate responsibility. And, finally, exploring options for effective remedies available to people who have experienced human rights violations as a result

¹⁵ Announcement from the office of the Secretary-General available at <http://www.un.org/News/Press/docs/2005/sga934.doc.htm>

of corporate activity (UN Human Rights Council, 2008). Through these recommendations, and extensive consultations with businesses, NGOs, and governments, consensus was built around what the stakeholders' responsibilities were. These responsibilities were tied to existing standards and practices for states and businesses, linked together in a common framework that ensured human rights protections for those involved in corporate activities around the world.

Of course, there are also region-specific institutional pressures that can play a role in shaping corporate social responsibility (Jamali, 2008). Previous research has shown that pressure to respect the preferences of region-specific stakeholders influences the operations of companies active in those regions (Sharfman et al., 2004; Suchman, 1995). Apparel supplier factories in developing countries need to appease their global buyers but also must balance varying degrees of pressure from the labour movement, NGOs, and community groups, as well as government and the political climate.

The global apparel industry rests on an interplay between firms keeping costs as low as possible, kept in check by institutions of governance (e.g. law, trade, CSR), as well as capital and labour mobility. Owners can lose orders from buyers; workers can lose jobs to others willing to accept less or to non-unionized firms. Within this web of governance institutions, management must find the incentive to comply and work towards improvements in labour standards. Here, I focus on the varying degrees of pressure that can be mounted on firms, based on the end market to which they supply. The work of US activists and other NGOs, for example, has proven fruitful in bringing

awareness to the issue of exploitation of labour in the global apparel industry (e.g. campaigns led by Students Against Sweatshops).

Codes of conduct: the wielding sword

The reputational damage caused to major brands and retailers in the US by the exploitation of labour in the apparel industry has resulted in efforts to establish forms of private governance. These are intended to address non-compliance, mainly through the mechanism of codes of conduct and buyer audits under the rubric of corporate social responsibility (CSR). The literature, however, has pointed to several flaws with the process of monitoring these codes of conduct.

Even when well-intentioned brands implement corporate policies that demonstrate their social responsibility to workers in their supplier factories, several obstacles challenge them. First of all, while they may keep a record of whom they are sourcing from, these factories are often sourcing fabric from other factories whose location is unknown to the brand. Hence the structure of the global value chain itself poses an issue for enforcement (Gereffi et al., 2005; Mamic, 2004). Secondly, the auditing procedures they employ are not always effective – for example, inaccurate reporting or top-down policing does not result in sustained improvements in working conditions (Elliott & Freeman, 2003; Esbenshade, 2005; Frank, 2008; Jenkins et al., 2002; Locke et al., 2007; Mamic, 2004; O'Rourke, 1997; Yimprasert & Candland, 1999).

Among the first to respond to mounting consumer pressure in the 1990s was Nike (Christensen & Rikert, 1984; Shaw, 1999; Strasser & Becklund, 1991). While

the company's initial response was dismissive of responsibilities down the supply chain (Locke et al., 2007), poor public relations and declining sales were a sharp alert to the fact that the company's most important asset – reputation – was at stake. More recently, Oka conducted a study that found reputation-conscious buyers to be more likely to comply with labour standards and other working conditions (Oka, 2012). Nike, because of its popular brand name, was an easy target to capture the attention of a variety of stakeholders including consumers and even the CEO, Phil Knight. In the following years, Nike launched a corporate social responsibility campaign to address the issues in its supplier factories and reclaim its reputation. The campaign extended well beyond Nike and, whether as a result of allegations or out of fear that they would be subject to similar public humiliation, other brands began to adopt similar codes of conduct (Jenkins, 2001; Mamic, 2004; Schrage, 2004).

On the heels of this movement came a debate about the efficiency of the mechanisms used to enforce corporate codes of conduct. Some believed that corporate social responsibility was merely a front to boost brand reputation (Klein, 1999). Others cautioned about the threat that codes of conduct posed to labour solidarity, if not adopted in cooperation with unions and NGOs (Compa, 2004). And yet there are others (e.g. some big name brands) who strongly advocate that their monitoring procedures yield positive outcomes. Baker argued that this comes as no surprise, considering that a brand monitoring its own labour standards is like a fox guarding the henhouse (Baker, 1993).

From this debate, the need for third party monitoring emerged and much effort was dedicated to the improvement of auditing procedures. At the same time, however,

the monitoring process is still highly flawed. Research has shown that the information gathered from monitoring compliance is often unavailable or of poor quality, and that the interpretation of what the information means in terms of compliance is not always obvious (National Research Council, 2004). Furthermore, owners and managers prepare for announced audits by unlocking exit doors, clearing hallways, preparing time cards, and coaching employees on what to say (Frank, 2008; Hilton, 2005; O'Rourke, 1997, 2000, 2003). Mamic highlighted some of the costs and challenges associated with codes of conduct for manufacturers in the apparel sector, including implementation, training, communicating with other stakeholders and so on (Mamic, 2004). Esbenshade exposed the shortcomings of the claims of multinational companies that their supplier factories were adhering closely to codes of conduct, arguing that the codes served more to make consumers feel better than they did to actually improve the conditions of workers (Esbenshade, 2004).

Some studies have tried to look more closely at this by interviewing managers about how they implement policy and what difficulties they face in code of conduct implementation (Mamic, 2004). Reviewers praising this work write that management's voice has come through clearly and forcefully, contributing to our understanding of this process (Gunawardana, 2007). Yet the question remains, where is the worker's voice in all of this? This is a key concern addressed by the methodological approach of my dissertation.

As the CSR literature grew, Locke pointed out that research on labour standards in global supply chains has revolved around debates over what should be included in the code of conduct, what auditing procedures should be used to monitor the codes,

and whether audits are more transparent when conducted by the company, government, or NGOs. What he argued is that focusing on measures of compliance alone is too narrow. First of all, that kind of focus assumes that multinational corporations (MNCs) have more control over what happens in their supplier factories than they actually do. A first step towards understanding the degree to which corporations are actually able to play a role in the enforcement of labour standards is to understand the nature of commodity chains (Bair, 2005) and value chain governance (Altenburg, 2006; Gereffi, 2005; Gereffi et al., 2005; Gereffi & Mayer, 2006; Held & McGrew, 2002; Humphrey & Schmitz, 2004). Due to the scale and complexity of commodity chains, in part owing to subcontracting strategies, some fear that private, voluntary initiatives decrease a corporation's responsibility down the supply chain. The fear also derives from a belief that private regulation is being used to displace public regulation and legal accountability.

Instead of focusing on compliance alone, Locke demonstrated that two different approaches taken by the auditing agencies in addressing workplace issues produced different outcomes in labour standards compliance. He labelled these a 'compliance-focused' and 'commitment-oriented' approach (Locke et al., 2009). The first depicts the auditor as policing for violations, applying penalties, which creates an 'us vs. them' environment and does not provide real incentive for managers to make sustained improvements in labour standards. On the contrary, the commitment approach involves engaging in root cause analysis and joint problem solving to get at the bottom of issues and address them in a way that remediates the problems. This approach depicts the auditor as a teacher and mentor who sees violations as an

opportunity to engage the manager to help improve their practices. Locke shows that this method has been successful in helping factories realize sustained improvements in labour standards and working conditions. He offers two important caveats however. First, this approach cannot replace but must rather exist as complementary to the compliance-focused model. Second, it cannot replace the role of a strong state or trade unions.

This approach is not the norm in the world of labour standards enforcement. As mentioned, the process of monitoring codes of conduct can be highly flawed, and certainly more reactive than it is proactive. Manufacturers learn that buyers will be coming to visit, and then prepare for the audit. Buyers learn from exposés that there are violations in their supplier factories, and then send task teams to address the issues. The motive? Pass the audit and maintain the brand reputation. So far, the approach to monitoring labour standards has revolved around offering short-term solutions to long-term problems.

It is not very different in Lesotho. There are two different value chains with end-user markets that exert very different degrees of pressure. However, a preliminary review of the current research does not suggest that firms in either type of value chain engage in a commitment-type approach to labour standards enforcement. Though Taiwanese-owned firms may be under greater pressure from their US buyers to comply with labour standards, there is no evidence that they will go above and beyond the minimum requirements. It is more likely that firms supplying to the US will do what they need to do to pass inspections but not ‘waste’ time on trying to engage in root cause analysis and involve workers in the process. South African owned firms are

under less pressure from their South African buyers. They're likely to have fewer audits, if at all, than their T-USA counterparts. Before one considers the degree of worker involvement in the monitoring process, it will be important to first examine what monitoring procedures actually exist.

There is, however, something to suggest that the T-USA firms are more likely to take a worker-oriented approach. This has to do with the timing of the launch of the ILO's Better Work Lesotho programme. This multi-stakeholder initiative for improving compliance facilitates social dialogue between the stakeholders in the global clothing industry and also helps to establish worker committees in the factories. These committees, known as Performance Improvement Consultative Committees, bring together workers (both union and non-union), supervisors, managers, and Better Work representatives, to discuss and prioritize workplace issues that need to be addressed. Backed by the US Department of Labor and with big US brands participating, early evidence indicates that the T-USA firms have shown more willingness to participate. Whether or not this indicates a willingness to take a more worker-oriented approach to labour standards compliance, or whether they feel they must participate in order to keep their orders, the point is that these firms will be adopting a more worker-oriented approach by virtue of subscribing to Better Work. I liken the Better Work approach to the commitment approach but whether or not it leads to significant improvements in workers' perceptions of compliance will need to be the subject of further research conducted at least two years from the launch of the programme, once it has had more time to take effect. In my dissertation, I can't

comment on the effect that Better Work has had on compliance but I will discuss initial observations in the first year of the programme.

The multi-stakeholder approach: improving target accuracy

Elliott and Freeman addressed such issues as whether or not international labour standards can improve conditions for workers in developing countries, what role the ILO should play, and whether different stakeholder groups can actually work together to promote improvements. In general they propose that international labour standards can help, that the ILO should be involved to the extent that it works in conjunction with other NGOs or local actors, and that there has already been a degree of synergy between different interest groups for the improvement of workers' rights in developing countries throughout the 1990s (Elliott & Freeman, 2003). As evidenced by the success of the Better Factories Cambodia programme, this synergy really began to crystallize in the early 2000s.

The International Labour Organization (ILO) and International Finance Corporation (IFC) jointly established Better Factories Cambodia (BFC) in 2000. BFC brought together multiple stakeholders in the global apparel industry, including manufacturers, unions, buyers, and local government, to establish a mutually beneficial plan for pushing ahead the decent work agenda. Linked to trade incentives, manufacturers in Cambodia improved compliance with local labour laws and codes of conduct. The programme also called for the establishment of an arbitration tribunal, which provided workers with an opportunity to file grievances and follow their cases through to an end result. This eased workplace conflict and also improved awareness

among both workers and their employers who, learning through the process of arbitration, grew in their understanding of what is permissible and what is not. Testimonies of the stakeholders, as well as extensive research on the programme, pointed to its success.¹⁶ The project was later replicated and launched in several different countries around the world, one of which includes Lesotho, the case study examined here.¹⁷

The multi-stakeholder approach is an alternative to the traditional channel of using codes of conduct to enforce labour standards. This kind of social dialogue facilitates greater transparency, accountability, and incentive for stakeholders to forge opportunities for actual improvements in working conditions. It eliminates the multiple audits conducted in factories, which often supply to several retailers at once, and could reduce the likelihood of bias in the audit itself. Additionally, by directing resources to educating and training managers not in compliance with labour standards, the knee jerk reaction of brands to pull out orders is mitigated. The alternative solution is to provide training to managers on safe and fair workplace practices, and to equip workers with education on their rights to safe and fair treatment in the workplace. The overall risk of job loss is lessened and the opportunity for real change in working conditions is improved. Better Work Lesotho, launched in December 2010, is an example of this type of approach. Though it was too early to assess the impact of the programme at the time my fieldwork was conducted, having assessed working

¹⁶ Better Factories Cambodia has its own website with comprehensive information about the programme, including past and ongoing activities and reports, available at <http://betterfactories.org>

¹⁷ Information on the different Better Work country programmes can be found on the Better Work website, available at <http://betterwork.org/global/>

conditions at that time served to create a baseline against which future assessments can be compared.

Locke argues that, if labour inspectors used the process of information collection from audits to engage in root-cause analysis, joint problem solving, information sharing and diffusion of best practices, the mutual interest of suppliers, auditors and MNCs could be met. He further argues that the two approaches – compliance and commitment – are both needed in order to effect real change in working conditions. Where this process of collaboration exists, a more efficient type of internal monitoring takes place, which allows all stakeholders to take part in improving both their individual and collective gains. This is consistent with Bardach and Kagan who write, “a strategy that could induce cooperation would reduce the basic inefficiencies associated with regulatory standards and therefore be more effective than the basic deterrence strategy that simply enforces by the book” (Bardach & Kagan, 1982). However, neither of these refers explicitly to the involved role that workers must have in the monitoring and evaluation of labour standards enforcement.

Recent literature on social dialogue also emphasizes a synergistic approach to protecting workers rights, stressing that no real change can take place unless all stakeholders are on board together (Jamali, 2007; Jamali et al., 2008). Much of this literature finds its roots in network theory and instrumental theories of corporate social responsibility (CSR). One of the assumptions of network theory is that firms can achieve competitive advantage by developing mutually supportive interactions with other firms and that social activities are a means for corporations to achieve economic results (Garriga & Mele, 2004). Network theory also assumes that trust, reputation,

and mutual dependence dampen opportunistic behaviour, making it possible for more complex inter-firm divisions of labour and interdependence than would be predicted by transaction costs theory (Jarillo, 1988; Lorenz, 1988; Powell, 1990; Thorelli, 1986). Therefore, combined power is better than individual power and all must be involved to increase trust such that no one has incentive to deviate. Forming alliances with other stakeholders not only lessens the risk they will defect but also builds trust allowing for greater opportunity and mutual advantage. Again, the “all” in this case does not explicitly involve workers themselves.

Scholz argues against the direct involvement of interest groups in the enforcement process but he also suggests that, if the control problem can be overcome, there may be opportunity for improved efficiency (Scholz, 1984). One way to do this would be through the implementation of new management and monitoring techniques (Bardach & Kagan, 1982) or by forming more equal tripartite relations between the firm, workers, and agency in establishing an enforcement strategy (Ayres & Braithwaite, 1989). Essentially, if actors can be encouraged in the direction of long-term cooperation, the overall process would be more efficient and all beneficiaries could realize greater gains.

Stakeholder theory has been used to explain the way managers think about managing, particularly in terms of deciding who and what counts (Donaldson & Preston, 1995; Freeman, 1984; Jamali, 2008). Freeman, a leading contributor to the stakeholder literature, argued that a firm’s decisions should be aligned with the interests of different players within and outside the company. He wrote that, “just as the separation of the owner-manager-employee required a rethinking of the concept of

control and private property...so does the emergence of numerous stakeholder groups and new strategic issues require a rethinking of our traditional picture of the firm” (Freeman, 1984). Hsieh brought this theory in to line with the literature on corporate social responsibility. He argued that stakeholder theory implies that business is run for the benefit of all stakeholders, whereas corporate citizenship implies that business has a responsibility as a part of society to respect human rights, social welfare, and development (Hsieh, 2009).

Aligning with other stakeholders evens out the power relationship because, in theory, more information is being shared, as the different groups are accountable to each other. Each party therefore has more control, making the payoffs to labour more evident and ultimately more substantial as well. In practice, however, information may not be flowing as it should be and power imbalances may still exist. Management may be forming these alliances simply to satisfy buyers who are pressured by consumer groups, so that they can continue to receive orders from them. Impression management theory implies that organizations provide information in order to manage the perceptions of key stakeholders (Dawkins & Ngunjiri, 2008; Deegan et al., 2000; Elsbach, 1994; Hooghiemstra, 2000). To what extent the reporting is accurate, and to what degree managers are simply addressing an issue of perception among stakeholders, will impact whether or not improvements in working conditions are taking place.

One lesson from the multi-stakeholder approach to enforcing labour standards is that actors working together are better able to drive improvements than are actors working alone, or actors engaged in sporadic and/or short-term campaigns. In the

broader literature on systems for labour standards enforcement, several issues related to this are raised. Some of these include the inadequacy of current enforcement practices, and the gap between these mechanisms and the actual workers. The multi-stakeholder approach has also placed an emphasis on the role of labour and involving unions and workers in the monitoring and evaluation process. Unions are key stakeholders and provide input on conditions of work as well as workplace relationships. Workers have been involved to some extent through brief interviews on the factory floor. In some studies, their feedback has been combined with that of management and analyzed in comprehensive compliance assessment reports. For the most part, however, worker feedback has been utilized to season the literature on labour standards compliance rather than to put meat on its bones.

Mamic (2004) interviewed different levels of management, including factory managers, personnel, finance and production. Workers were sometimes involved but only peripherally in short interviews on a walk-through of the factories. Elliott and Freeman (2003) advocated for worker voice, but this was done more through an emphasis on the importance of rights to organize and collectively bargain than it was on workers' involvement in the monitoring process. Esbenshade (2005) advocates for workers through an emphasis on unions and labour activism but again does not turn to them specifically in building their story of labour standards compliance and what it will take to improve their conditions.

In my dissertation I engage in root cause analysis by speaking directly with workers about their conditions of work. In a series of lengthy focus group discussions, workers are asked to discuss what they like and don't like about their work. Unlike a

traditional audit of a code of conduct, workers are asked to speak freely about any issue, not quizzed on specific aspects of health and safety or compensation, etc. The purpose is to understand what is underlying workers' perceptions of non-compliance, not to document actual instances of non-compliance. By understanding what explains workers' discontent, and exploring variation between the narratives of workers in the two different value chains, we can learn something beyond the fact that conditions are poor. What is important to workers; what do they perceive to be the key issues; what do they believe can make their work better; and what does this imply for how we conceptualize labour standards enforcement in global value chains? The following section develops propositions about the degree to which management in the different value chains will pay attention to working conditions and, subsequently, within which value chain workers will have more favourable perceptions of compliance.

2. Global Value Chains and Workers' Perceptions of Labour Standards Compliance

The main independent variable considered in my dissertation is global value chain structure. This includes two specific configurations of ownership nationality and end-user market: (1) Taiwanese-owned and exporting to the USA; and (2) South African-owned and exporting back in to South Africa. Owner nationality is relevant insofar as it reveals something about the historical and personal factors that may be influencing the actions of foreign investors in different ways. Different countries have unique historical trajectories. Their citizens grow up in different political and labour regimes, and have different experiences with workers and unions. End market is relevant for risk of exposure and consumer boycott. US multinational companies that

are reputation-conscious (Oka, 2012) are likely to respond quickly to allegations about violating labour standards. In the following section, I draw on these experiences, in conjunction with the literature, to develop propositions about how owner nationality and end market will influence workers' perceptions of compliance.

The Taiwan-USA value chain

The T-USA value chain story begins with a story about the historical relationship between Taiwan and South Africa. This relationship was fairly strong in the 1970s and 80s, in part due to their common experiences as political outcasts (see, for example, Battersby, 1987). Taiwan was ruled by Japan from 1895 up until the end of World War II when it came under the administrative rule of the Republic of China. In 1949, the nationalist government of Chiang Kai-Shek fled to Taiwan after being expelled from the mainland by the Peoples Republic of China (Taylor, 2009). Taiwan was very authoritarian, heavily anti-communist, and punished those who supported the Peoples Republic or reunification with the mainland. The UN and other Western powers, heavily opposed to communism, supported Taiwan.¹⁸

Throughout the 1950s and 60s, Taiwan maintained 'cool relations' with South Africa to prevent China from finding reason to support newly independent communist African countries (Pickles & Woods, 1989). But this shifted in 1971 when the UN recognition of the official government of China shifted from the nationalists in Taiwan to the communists in Beijing. South Africa, entangled in the ugly mess of apartheid,

¹⁸ See, for example, "Rapprochement with China, 1972" on the website of the US Department of State, Office of the Historian, available at <http://history.state.gov/milestones/1969-1976/rapprochement-china>

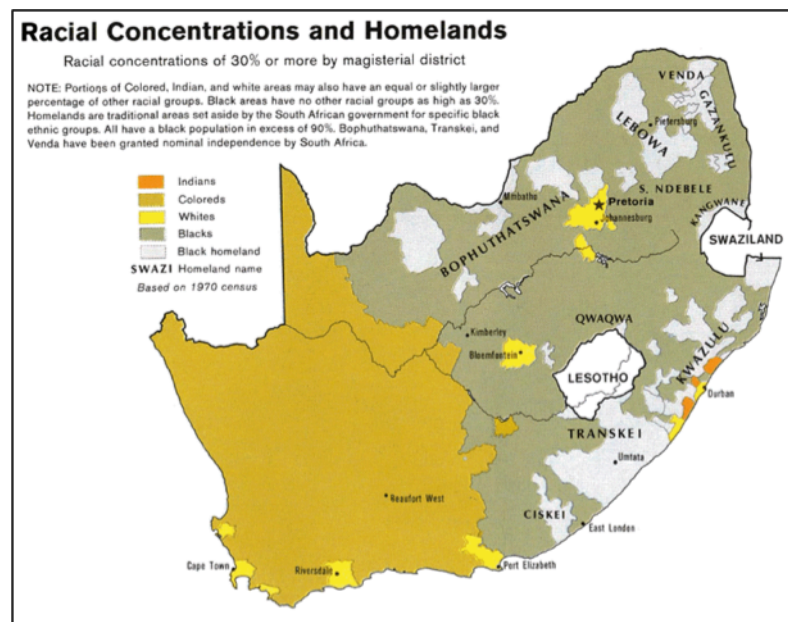
had been expelled from the Commonwealth in 1961 (Magliveras, 1999) and boycotted by several international trading partners (see, for example, Crawford & Klotz, 1999; Shaw, 1986). When the UN switched recognition to the People's Republic, South Africa kept ties with Taiwan. They established a trade agreement in 1975 for regular consultations regarding the expansion of trade and economic relations. They even made Taiwan a conduit for exports if South Africa needed that to get around its sanctions. The relationship between two countries – both political outcasts – became stronger in their unified fight against communism; and it continued to expand throughout the 1980s and 90s, in particular through trade (Dullabh, 1994).

In 1974 the Multi Fibre Arrangement (MFA) was introduced, setting quotas on global apparel exports to the US, and allowing less developed countries to compete in the global economy (Van Heerden et al., 2003). This had the side effect of inviting East Asian investors to countries in Africa where quotas were unable to be filled. Raw materials would be shipped in from Asia, assembled in places like South Africa, and shipped off to the US duty-free. Taiwanese investment in South Africa surged at this time, and in particular in the 1980s (Pickles and Woods, 1989).

In addition to the MFA, there were huge incentives for investment in the South African homelands (Blausten, 1976). The homelands were made up of concentrations of black South Africans who had been forcibly relocated during the Apartheid regime. Essentially a group of small 'islands' within the country, they were first given a measure of self-government (Butler et al., 1978), and eventually independence (i.e. run by black South Africans). In order to grow and sustain their economies, strong emphasis was placed on attracting foreign investment.

The map in Figure 2 shows where the homelands were located. They are mostly clustered in the north/northeast (Bophuthatswana, Lebowa, Venda, Gazankulu, S. Ndebele) and east/southeast (Kangwane, Kwazulu, Qwaqwa, Transkei, Ciskei). As mentioned within the figure, ‘Homelands were traditional areas set aside by the South African government for specific black ethnic groups. All have a black population in excess of 90%. Bophuthatswana, Transkei, and Venda had been granted nominal independence by South Africa.’ This allowed them to change laws at their own pace. For example, in 1977, South Africa officially recognized black unions but Transkei did not (Pickles & Woods, 1989).

Figure 2 Map of South African Homelands (c. 1970)¹⁹



¹⁹ Source: [www.wikimedia.org](http://upload.wikimedia.org/wikipedia/commons/d/d1/South_Africa_racial_map%2C_1979.gif) This image is available at http://upload.wikimedia.org/wikipedia/commons/d/d1/South_Africa_racial_map%2C_1979.gif

The emphasis on foreign investment, however, was not accompanied by an emphasis on labour standards compliance. Compliance was not a condition of doing business – in fact quite the opposite occurred. Conditions in the factories were harsh. Desperate for investment, the black South African political leaders in the homelands were not sympathetic to workers. Without any real regulatory bounds, exploitative practices were the cost effective catch of the day. Pickles and Woods’ (1989) research on Taiwanese investment in South Africa describes some of the abuses taking place. The following is an excerpt from one of their personal interviews:

“Taiwanese employers already have a reputation for the lowest wage rates and the poorest working conditions, and are not popular among workers. ‘The Taiwanese are worse than the Boers’, claimed one worker in Botshabelo. From the Taiwanese employers' perspective: ‘The [workers] do not work hard like the Chinese people. If they don't work hard, if they are lazy, how can you pay more?’”

Eventually the political unrest in South Africa reached a boiling point for foreign investors and, in part to escape international sanctions against the apartheid regime in South Africa, the Taiwanese started moving in to Lesotho (Pickles & Woods, 1989; Kamara, 2008).

Exporting to the US

Whether or not an individual is consumer conscious, a newspaper title like “Gap Shirts And Levi Strauss Are Poisoning African Children” commands attention (Delevingne, 2009). Activists and NGOs in both the US and internationally have demonstrated an ability to expose unfair labour practices and put pressure on US

companies to uphold codes of conduct. Consumer pressure can 'force' US brands to act rather than pull out as that creates a worse situation of unemployment, poverty, and subsequent crime.

Aside from the risk of consumer boycott and pressure that the US can levy on Lesotho is the issue of extreme economic dependence that Lesotho has on its export relationship with the US. The 2008 global financial crisis hit Lesotho hard (see, for example, Tafirenyika, 2011). Within eight months, the textile industry in Lesotho cut 6,000 jobs in order to remain viable after it lost significant orders from its main source markets – in particular the US (Reporter, 2009). In one denim factory producing for Levi Strauss, Walmart and K-Mart, 99% of its products were reported as being bound for the US. The factory was employing 10,000 workers in 2008, a figure which dropped to 3,000 less than a year later. Another factory closure in 2010 left 2,400 people out of work (Molupe, 2010).

Prior to the financial crisis, Lesotho had already been experiencing setbacks in its clothing industry. The end of the Multi Fibre Arrangement in 2005 lifted export restrictions in other countries and launched Lesotho into the global competitive market. Lesotho began to experience significant order losses to China, which could produce at much cheaper costs. Seriously vulnerable to fluctuations in the global marketplace, Lesotho's clothing industry quickly shed thousands of jobs (see, for example, Ernst et al., 2005; Morris & Sedowski, 2006).

In 2006, 150 workers who had been laid off from a garment factory in Lesotho were hired back due to an increase in orders from Gap and Walmart in the US, Canada and Japan (Cohen, 2006). The action was hailed as a generous move on the part of the

US companies, but the return of jobs was not accompanied by an emphasis on labour quality. First, the ability of factory owners to either create business or close shop overnight has an overall negative reverberating effect on the community. People from rural areas move to the city to make a small income that will prevent their families back home from entering, or remaining in, poverty (Baylies & Wright, 1993; Chaka, 2011). With workers put out of their jobs, their best option is to wait in the city or at factory gates until something opens up. This puts families in flux and contributes further to the poverty and crime rates in the industrial cities. Second, the working conditions in the operational factories are less than satisfactory. In the 2006 case mentioned above, local unions were trying to draw attention to the unacceptable working conditions that existed in factories but realized very little success.

Around the world today, more attention is being given to principles of corporate social responsibility regarding human rights, labour rights, and environmental rights. Consumers are aware that conditions in supplier factories in developing countries can be very poor and unsafe. Especially in a small country like Lesotho, producing for major US brand names, the spotlight shines brightly on their factories. In the earlier part of the 2000s, it would take a major event to catch the attention of the national government and international trade unions. Attempts in 2002 to unionize a factory that contracted with Gap were successful – but only after a worker at the plant was stabbed by a manager (Malone, 2002).

Campaigns, exposés, and media coverage have also been growing in stride with institutional efforts to establish minimum standards for human rights conduct. In 1973 the UN created the Commission on Transnational Corporations in order to establish a

code of conduct for these corporations (Sagafi-Nejad, 2008). Though efforts did not initially pay off (Deva, 2012), it planted the seeds for the eventual endorsement of the UN Guiding Principles on Business and Human Rights by the UN Human Rights Council in 2011.²⁰

Today, there are a multitude of NGOs and international campaigns whose mission is to target and pressure companies not adhering to socially responsible principles – with the disclaimer that this has largely targeted big name brands. In Lesotho, local unions, activists, and NGOs have come to know the importance of international pressure. The work of the Clean Clothes Campaign and the Dutch multinational NGO called SOMO has been noticeable. Also, programs like Green America allow the general public to compare companies on measures of social responsibility.²¹

The South Africa–South Africa value chain

The SA-SA value chain has a much shorter history in Lesotho than does the T-USA value chain, not fully evolving until the 2000s. As Taiwanese firms moved in to Lesotho in the late 80s and 90s, South African firms remained at home. However, South African investors began moving in to Lesotho in the 2000s, in particular around

²⁰ See OHCHR (2003). "Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights"

²¹ See, for example, the following link, which lists incidences of violations in Gap factories around the world:

<http://www.greenamericatoday.org/programs/responsibleshopper/company.cfm?id=229>

the time that the phasing out of the Multi Fibre Arrangement forced several Taiwanese investors to leave the country.

The clothing industry in South Africa was well established by the 1950s (in particular in the Western Cape) expanding throughout the 60s with incentives to do business in the homelands. Development in the latter can be largely attributed to incentives that attracted Taiwanese investors to homeland border areas (Pickles & Woods, 1989). As discussed above, low wages, poor labour practices, and bad employment relations characterized the industry in these areas.

South African firms in the Western Cape had difficulty competing with Taiwanese firms in Kwazulu-Natal who were able to source raw materials duty-free from Asia and export duty-free to the US. They felt their businesses were being undermined by cheap labour in the homelands, reporting that thousands of jobs were being lost as a result of this. Pickles and Woods quote one South African businessman referring to one of the homelands, Ciskei, as “a Taiwan within our borders” (Pickles & Woods, 1989).

Transaction cost theory predicts that firms exist and make decisions in order to maximize profits (Coase, 1937; Williamson, 1985). Furthermore, internationalization theory suggests that firms internationalize to reduce costs by transferring goods and services across national borders where it is cheaper to do so (Buckley & Casson, 1976, 2009). Firms will situate themselves where costs of production are lowest. Dunning offered an eclectic theory of international production that combined this view with location-specific elements of international economies, such as labour costs and barriers to trade (Dunning, 1988, 2001). These are attractive reasons for investors to

do business in Lesotho. Labour costs are low; there are trade incentives (although not as strong as they were in the late 1990s and early 2000s); and there are low levels of strike activity and other forms of industrial action. If labour costs become too high, there is a strong chance that firms will re-locate to countries where they can operate at lower costs.

There were three main motivating factors for South African owners to move in to Lesotho. The first was to take advantage of lower labour costs – on the South African side, minimum wages were at least double what they were in Lesotho. The second was to escape the rigid labour relations regime in South Africa. And the third was that, as a member of the Southern African Customs Union (SACU), South African retailers had duty-free access to SACU countries (Morris et al., 2011).

Exporting to South Africa

A basic economic model of regulatory compliance would predict that factory managers would weigh the associated costs of compliance against the probability of being caught and actually levied with a serious penalty. If the chances are high enough, and the penalty sufficiently severe, this theory suggests that compliance will result (Becker, 1968). Institutional theory also predicts that experiencing coercive and normative pressure from a powerful institution makes it more likely that companies will comply (Suchman, 1995). Therefore, the amount of power an institution has can be attributed to the kind of pressure it can exert on firms to behave in certain ways.

There is not much evidence to suggest that South African consumers put pressure on South African companies to adhere to codes of conduct. Though some

companies do boast ethical practices, there hasn't been a similar wave of campaigns and boycotts as there has been in the US. Woolworths, for example – a South African retailer – has a social investment strategy but this is geared towards donating a percentage of profits towards schools, or providing food and clothing to underprivileged South Africans.²² Foschini also has a corporate social investment plan but again this is geared towards bursaries for education, increasing awareness of HIV/AIDS, and contributing to arts and culture.²³

At the other end of the spectrum, there are South African discount retailers such as Mr. Price, which do not devote any corporate attention to social responsibility. An article in Business Respect²⁴ reported that Mr. Price diverted responsibility for 'sweatshop' conditions in a Newcastle factory, saying that it is the responsibility of unions and government to police labour conditions. The company was quoted as saying, "While Mr. Price would never knowingly do business with people falling outside the law, it is not our job to audit all these companies" (Business Respect, 2002).

The kind of heavy external pressure that has been discussed thus far is generated largely from the US and would thus only factor into management's decision-making when that is their main market. Non-US markets (e.g. South Africa) would likely mount less pressure, if any, and this pressure would potentially invoke less of a reaction from owners in terms of changing practices. If external pressure is not a real

²² See details on all projects at

<http://www.wecanchangeourworld.co.za/Profiles/Woolworths/Projects/tabid/69/Default.aspx>

²³ For program details, visit <http://www.tfg.co.za/sustainability/csi.asp>

²⁴ The article cites Business Report as a source.

threat, the force of a code of conduct is essentially nil and it simply lays like a cloth rather than woven into the fabric of industrial relations itself.

3. Experiences With Trade Unions

Taiwan's experience with trade unions

When Taiwan was outcast from the mainland of China in 1949, it maintained an authoritarian, anti-communist, single-party government. The first pro-democracy protest in Taiwan was held in 1979, with continued efforts leading to the founding of the Democratic Progressive Party in 1986. The first direct presidential election did not take place until 1996, and in 2000 was won by the Democratic Progressive Party, putting the first non-nationalist president in power. With this, the Taiwan Confederation of Trade Unions became formally recognized, though it had been established three years earlier in 1997. Unions themselves had not really begun to develop until the 1980s, when martial law ended (Chen et al., 2003).

When Taiwanese investors moved in to South Africa, they had had little if any experience with unions, and were in fact encouraged by local law to continue doing business without them. As mentioned earlier, even though South Africa had recognized black unions in 1977, the homeland of Transkei did not. Investment was encouraged at any cost, which primarily translated in to labour costs. Some studies have pointed to abusive practices by foreign investors against local workers. Lee discussed the sentiment among East Asian factory managers that African workers are

lazy and don't like to work, that they are more interested in their personal gain than the wellbeing of the whole (Lee, 2008).

When Taiwanese investors set up shop in Lesotho, there were a lot of problems with relations between the foreign owners and local workers. For a long time, workers did not resist. The clothing industry had provided thousands of jobs to people who would otherwise have no alternative for employment. Adequate working conditions and being treated with respect, though personally important, did not weigh heavily on the scale with being able to put food on the table for one's family. But after almost 15 years of harsh, slave-like conditions (Motlamelle, 2001), workers started to mobilize.

In 1994, the Lesotho Clothing and Allied Workers Union (Lecawu) was formed. At the time, Lecawu was a member of the International Textile, Garment and Leather Workers Federation (ITGLWF). According to a personal interview in November 2010 with the (then) General Secretary of the union, Lecawu was formed as a response to the increasing labour problems arising from the surge in growth of the clothing industry. As he saw it, there were a number of issues with the Taiwanese attitudes towards unionism. Back in the 1990s, it was unionized workers vs. Taiwanese managers, who were seen as the enemy.

South Africa's experience with trade unions

Higher wages and other relatively better minimum standards in South Africa are the result of a long history of trade union activity, dating as far back as 1897 with British unions demanding security for white workers in South Africa's mining industry (Katz, 1999). Unions in the clothing industry had already been around from

as early as 1918 with the Witwatersrand Tailors Association (WTA). The WTA later became the Garment Workers' Union of South Africa (GWUSA), which remained for 44 years.²⁵ In the 1920s, the Industrial Conciliation Act was established to allow collective bargaining between employers and white workers in the mining industry (Bendix, 1996; Jordaan & Ukpere, 2011). The agreement was extended to black workers in 1930, though black unions were not formally recognized so it had very little practical use (Bendix, 1996). Regardless, an ideological shift was taking place among black South African workers. In the 1930s, black workers established more than 30 informal unions, rallying hard and raising black worker consciousness (Bendix, 1996; Lewis, 1984). As a result, black workers became more aware of their rights and how to fight for them.

In 1948, however, the segregationist regulatory period of Apartheid began, squelching the rights of black workers even further. For example, the Bantu Building Workers Act made it a criminal offense for a black person to do any skilled work in urban areas not specifically designated for black occupation; and the Native Labour (Settlement of Disputes) Act prohibited strike action among blacks (Apartheid Legislation, 2010; Landis, 1961). Throughout the 1950s, black South Africans fought for inclusion in industry wage agreements. But in 1958 they were dealt another blow when the Apartheid government pushed black South Africans out of major cities and in to the homelands (Apartheid Legislation, 2010; Landis, 1961). In the 1960s, the Border Industries Scheme was established to encourage companies to relocate to the Homelands – in other words to provide further incentive to push black workers

²⁵ Information retrieved from the website of the Southern African Clothing and Textile Workers' Union, available at <http://www.sactwu.org.za/union-history>

outside. However, it was not easy to persuade the companies, and so additional incentives to relocate – as well as disincentives to remain doing business in metropolitan areas – were created. Wages in the homelands were only half of what they were in the metropolitan areas, and unions were prohibited.

What followed in the 1960s and 70s was a period of strikes and riots, with notable violent occasions in the history of the South African labour movement, including: the Sharpeville Massacre, 1960; the Durban Strikes, 1973; the Soweto Strike, 1976 (Davies, 1976; Venter et al., 2009). It was not until the 1980s that multi-racial unionism was finally allowed, and not until 1994 that black unions gained formal legitimacy (Singh, 1989).

Throughout the decades, workers struggled together and grew strong in their battle for equal treatment, recognition, and protection. In the 1990s, a tripartite governance structure was introduced, legitimizing labour's voice at the table with business and government. The National Economic Development and Labour Council (NEDLAC) was established in 1995 to serve as the forum for social dialogue between business, labour, government, and community representation. Any of these constituencies have the right to table any issue for discussion. With the new democracy in 1994, a progressive agenda for labour standards and human rights was established, and set the bar high for everyone, including South African employers. Businesses and unions are required to negotiate. There are bargaining councils representing entire industries, giving workers the kind of clout and backup they need to be adequately protected on and off the job (Donnelly, 2006). This is something that

South African employers have had to navigate for decades but in particular since the mid-1990s.

In 1995, with the new government in place and the negotiating body on board, the primary task was to draft new labour legislation that would bring all peoples' constitutional rights to life. What emerged are the four main pillars of the current labour legislative framework: the Labour Relations Act 66 of 1995, the Basic Conditions of Employment Act 75 of 1997, the Employment Equity Act 55 of 1998, and the Skills Development Act 97 of 1998. The main purpose of the Labour Relations Act is to advance economic development, social justice, labour peace and democratization of the workplace. One of its primary objectives is to give effect to the section of the constitution that governs labour relations, as well as the obligations imposed by the International Labour Organization (Venter et al, 2009). To that extent, the Act entails rules governing freedom of association and collective bargaining, the right to fair labour practices, and the right to strike or lock-out (SAGI, 2009). It provides a framework for employees and employers to engage in collective bargaining, joint decision-making, and dispute resolution (Bhorat, 2009).

The Basic Conditions of Employment Act is primarily geared towards addressing unfair labour practices. It regulates issues such as leave, working hours, employment contracts, deductions, pay slips, and terminations. The rationale for the Act is to establish and uphold minimum conditions for persons in employment, whether in an office, at a factory, on a farm or in a private household. This includes conditions ranging from working hours to terminations and the use of child labour. The Employment Equity Act promotes equal opportunity and fair treatment in

employment through the elimination of unfair discrimination. It also addresses the issue of equity through affirmative action to redress imbalances from the past, primarily devoted to the advancement of black South Africans in employment, as well as women and people with disabilities. The Skills Development Act provides an institutional framework to devise and implement national and workplace training strategies for employees (Du Toit et al, 2000).

Propositions Deriving From the Literature

Given that Taiwanese investors in Lesotho had the experience of doing business in a poorly regulated labour regime in the homelands, it is likely that they have carried exploitative practices over the border. The same expectation holds for the Taiwanese firms that came directly from East Asia, as the labour and political regime in Taiwan did not allow unions to really develop until the 1980s, and formal recognition of the Taiwan Confederation of Trade Unions only taking place in 2000 (Ho; 2006; Wang, 2010). However, given that the Taiwanese firms export to the US – including several reputation-conscious brands – it is likely that they will make some effort to comply.

For big brands especially, reputation is the currency of competition in the global apparel industry. In theory, US buyers should be able to exert enormous pressure on their firms to comply. We know from the literature, though, that breakdowns occur. Firms who comply may do so because they think they will be rewarded with more orders. If compliance doesn't lead to an additional benefit, and if those who don't comply escape ramification, there may be less incentive to comply. While there are

some instances of exposure, it is more often the case that managers can get away with the minimum contribution.

If a factory manager knows that an auditor from Gap is coming to inspect his factory as a measure of adhering to its corporate code of conduct, he will likely prepare for the visit in a way that will ensure continued business with the company. However, the anticipation of the auditor's visit does not necessarily translate into any newfound desire to improve conditions for the workers. This approach to compliance is merely a band-aid solution and will not lead to sustained (if any) improvements in labour standards. Therefore, I expect that the effort made by owners in the Taiwan-US value chain will be 'as required' according to their buyer codes of conduct, doing only what they need to in order to pass an audit and maintain business with the big companies to whom they supply. Hence, although T-USA factories may be under pressure to demonstrate compliance, they may be more focused on quick fixes than are their South African counterparts who, while under lesser external pressure, are more accustomed to complying with at least minimum standards.

The above points illustrate the fact that neither boycott nor occurrence of audits is a necessary precursor to the actual improvement of working conditions. Improving scores on audit reports may in fact be a measure of how well factory managers have learned to conceal unfair labour practices and other violations. Therefore, while risk of exposure can potentially be linked to labour standards compliance vis-à-vis a review of audit reports, it cannot be equated with actual improvement of working conditions.

Proposition 1: Based on the experience of Taiwanese employers in Africa with a poorly regulated labour environment and very little experience with unions, it is expected that they will pay less attention to working conditions. It follows that workers in the T-USA value chain will have a less favourable perception of compliance.

Given that a key reason South African investors came in to Lesotho was to take advantage of lower labour costs, it is expected that they will make business choices that allow them to keep labour costs significantly lower than in South Africa. However, given their experience with a heavily regulated labour environment, it is expected that they will pay more attention to adhering to the law and minimum standards. Relatively speaking then, even if labour and employment standards are lower in Lesotho than in South Africa, it is likely that South African owners will comply with them. I don't anticipate they will go above and beyond this, primarily because they have moved to Lesotho to take advantage of lower labour costs and regulations, and because they are under little pressure from their end-user market. But I do expect it will be more moderate than in the T-USA value chain. Assuming that attention to working conditions is positively related to workers' perceptions of compliance, the following is proposed:

Proposition 2: Based on the experience of South African employers with a heavily regulated labour environment and experience with unions, it is expected that they will

pay more attention to working conditions. Therefore, workers in the SA-SA value chain will have a favourable perception of compliance.

The following table summarizes these propositions:

Table 1 Relationship between global value chain, experience with unions, and workers' perceptions of compliance

GVC	Emergence of GVC in Lesotho	Experience with unions	Attention to working conditions	Workers' perceptions of compliance
T-USA	-Trade incentives for foreign investors -Escaping sanctions in SA -High pressure from US end market (but easy to evade)	Minimal/ Exploit workers	Low	Less favourable
SA-SA	-Duty free exports to SACU countries -Take advantage of lax labour regime, lower labour costs -Low pressure from SA end market	Extensive/ Provide minimum standards to workers	Moderate	More favourable

Conclusion

In this chapter, two major things have happened. First of all, I traced the evolution of labour standards enforcement in order to demonstrate the need to bring workers' voice in to the analysis, as well as to highlight some of the many flaws with the monitoring procedure. This also underscored the importance of the extent to which strong end-user markets can effect sustained improvements for workers. Then, I discussed separately how each of the global value chains emerged in Lesotho, with a brief historical account of the relationship between Taiwan and South Africa, along

with trade incentives and the allure of lower labour costs that attracted foreign investors. This included a discussion of the different owner nationalities and end markets, as well as the experience of each with unions. I closed the chapter with propositions about the varying degrees of attention each value chain will direct towards working conditions, and the resulting impact this will have on workers' perceptions of compliance. In Chapter 3, I set the scene for the study, providing more detail about the country of Lesotho itself, as well as the make-up of the industry. I also describe in more detail the industrial cities of Maseru and Maputsoe, and my first foray in to the field.

CHAPTER 3

FROM FORMOSA TO THE FOOTHILLS

Introduction

Taiwan, historically known as Formosa (meaning ‘beautiful island’) has played an important role in developing the clothing industry in Lesotho. Throughout the 1980s and 1990s, thousands of female workers flocked from the foothills to the city centres to begin work in the factories (Chaka, 2011). Most of these women had never been employed before, historically relying on the remittances of their male relatives who were working in the gold mines in South Africa (Murray, 1981). Eventually South African investors also moved into the country to capitalize on cheaper labour costs, and then export goods back in to South Africa (see, for example, Chakela, 2011; Morris et al., 2011). By the 2000s, two distinct global value chains existed in Lesotho: Taiwanese-owned supplying to the US, and South African-owned supplying to South Africa (Morris et al., 2011).

From Formosa to the Foothills provides a brief background of Lesotho, the emergence of the clothing industry, and how dynamics between workers and foreign managers led to the establishment of the first trade union in the sector. I also discuss the institutional structure of labour relations and law in Lesotho in order to provide an understanding of what protections are available to workers, and how unions are influencing what is happening.

Lesotho

Lesotho is a small country with a population of about 2 million people, the majority of whom are engaged in subsistence agriculture (Silici, 2010). The country is landlocked entirely by South Africa [see Figure 1 below]. Also known as ‘The Mountain Kingdom,’ Lesotho sits at the highest altitude in Africa.²⁶

Figure 3 Map of South Africa and Lesotho



Unfortunately, the country has one of the worst concentrations of HIV/AIDS in the world. As of 2011, the disease was affecting approximately 23% of the adult population.²⁷ Among factory workers, that rate increases to 40%. A 2011 World Bank report records life expectancy at birth in Lesotho as 48 years.²⁸

Also, poverty and unemployment levels are enormous, with few options to get in to the labour market. According to information on the website of the Lesotho National Assembly, Lesotho is one of the poorest countries in Africa, with one half of the

²⁶ <http://www.golesotho.co.za>

²⁷ UNICEF (2011) available at http://www.unicef.org/infobycountry/lesotho_statistics.html

²⁸ <http://data.worldbank.org/country/lesotho>

population reportedly living on less than two dollars per day.²⁹ Most people are engaged in subsistence agriculture in order to meet the basic needs of their families (Silici et al., 2011). According to the Lesotho fact sheet created by the World Bank, exports of goods and services accounted for approximately 44% of Lesotho's gross domestic product (GDP) in 2010. The clothing industry is the largest private employer in the country, second overall next to government. There are factory jobs but supply vastly outweighs demand. Many of the men who used to work in the South African mines have been retrenched and are living at home, supported by their wives and girlfriends who have a relatively easier time finding work in the factories. It is common in Lesotho for hundreds of unemployed workers to show up at the factory gates every day, hoping to find a job.

Figure 4 Factory workers wait outside the factory gates hoping for work



²⁹ Website of the Lesotho National Assembly is http://www.ipu.org/parline-e/reports/arc/2181_07.htm

How Trade and Tribulations Shaped Lesotho's Labour, Law, and History

The apparel sector is a relatively recent phenomenon and is vitally important for job creation, poverty alleviation and economic development. It began in Lesotho in the 1980s as a result of the Multi-Fibre Arrangement (MFA), which imposed quotas on the quantity of apparel that developing countries could export to developed countries (see, for example, Ernst et al., 2005). The limits imposed by the quotas led to what was known as quota hopping, whereby manufacturers in certain countries moved operations to countries with unfilled quotas. This saw a number of mainly Taiwanese-owned firms locating subsidiary manufacturing operations in Lesotho, all of which were geared to exporting to the US (Morris et al., 2011). The embryonic industry was given a further boost by the US's African Growth and Opportunity Act (AGOA), which came into effect in 2000 (Gibbon, 2003). This is also around the time when the first trade union in Lesotho's clothing industry emerged.

As discussed in Chapter 2, the trade union movement followed shortly after the surge in growth of the clothing industry. The Lesotho Clothing and Allied Workers Union (Lecawu) was the first union, emerging in response to the heightening tension between the 'Chinese' managers and Basotho workers.³⁰ Relations between foreign managers and local workers were poor, made worse by differences in culture and work ethic (Lall, 2005).

The first real body of laws to govern labour and employment relations in Lesotho was only put in to place in 1992. However, it wasn't until 2000 that procedures for complaints and enforcement were made more effective and available to

³⁰ Personal Interview, November 2010 with Daniel Maraisane, General Secretary of LECAWU at the time.

workers. In 1988 the government sought the advice of an expert in the field who would assist them in updating and revising their existing legislation, which at the time was “dispersed and rather piece-meal, making it difficult for all concerned to find and apply the law in force” (ILO, 1990). The existing laws covered certain areas, such as the establishment of trade unions and the recruitment of international workers, but did not deal with some crucial issues such as women in the workforce or proper protocols for health and safety.

In 1990, the ILO issued a technical memorandum to the Government of Lesotho entitled *Mission to Advise on the Reform of Lesotho Labour Law*.³¹ The memorandum was in effect a draft Labour Code. It had three main features: it regrouped existing and newly-formulated legislative provisions by topic, reinforced tripartism, and called for the establishment of a Labour Court to resolve disputes. It also had proposals for how to address wage-fixing and for standards in respect of hours of work, weekly rest periods, public holidays, unfair labour practices, the settlement of disputes, occupational health and safety, and so on. Much of what was proposed in the initial draft was retained in the final Labour Code Order, 1992.

A number of amendments have since been made, such as the Labour Code Amendment Act of 2000, which established the Directorate for Dispute Prevention and Resolution, and Labour Code Amendment Act of 2006, which introduced

³¹ A hard copy of this document was obtained at the Lesotho Labour Court. It is not available online.

provisions on HIV/AIDS and transferred jurisdiction for certain types of employment disputes from the Labour Appeals Court to the Labour Court.³²

Also, as mentioned in Chapter 1, Lesotho has been a member of the ILO since 1966 and has ratified 23 conventions, including those that cover the four fundamental principles and rights at work: freedom of association and the right to collective bargaining (C.87&98); elimination of all forms of forced labour (C.29&105); abolition of child labour (C.138&182); elimination of discrimination in respect of employment and occupation (C.100&111).³³

In the early 2000s, ‘Students Against Sweatshops’ and the Maquila Solidarity Network got involved and helped Lecawu with a large campaign in 2002 against Gap (see, for example, Lawrence, 2002). Gap was a main buyer in the industry and was an easy target. In following years, Walmart and Kmart would also begin sourcing quite heavily from Lesotho. Hudson Bay in Canada was also a target of another campaign (Phillips & Xaba, 2002). According to Lecawu, one of the issues was that unions wanted access to supplier factories.

Currently there are about 38,000-40,000 workers in the industry, of which approximately 16,000 are unionized.³⁴ When Maraisane was asked why less than half

³² The full Labour Code 1992 and its Amendments can be found on the NATLEX section of the ILO website. NATLEX is the database of national labour, social security and related human rights legislation maintained by the ILO International Labour Standards Department. See:

http://www.ilo.org/dyn/natlex/natlex_browse.details?p_lang=en&p_country=LSO&p_classification=01.02&p_origin=COUNTRY.

³³ A complete list of the ratifications for Lesotho can be found on the NORMLEX section of the ILO website. NORMLEX is the information system on international labour standards. See: https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:11200:0::NO::P11200_COUNTRY_ID:103188.

³⁴ Based on personal interview with then General Secretary of Lecawu.

the workers had joined a union, he said it was due to union fear in the years leading up to 2002, and then due to the fragmentation that occurred in the following years. The first major split took place in 1994 when Billy Macaefa, the original founder of Lecawu, created a splinter union – the Factory and Allied Workers Union (Fawu). According to a personal interview with Billy, there was a dispute over how things in the union were being run, so he left and several of the members followed him. By 2003, Fawu had about 150 members and Lecawu had about 400. According to Billy's estimation, as of May 2011 Fawu had about 8,000 members while Lecawu had only about 3,000. According to information provided by Maraisane, Fawu had fewer than 8,000 members, but based on conversations with Fawu organizers, their membership was up to more than 1,000. Though the figures seemed to vary based on who was being spoken to, the general consensus was that total membership across all unions as of 2011 was about 16,000 out of 38,000-40,000 workers – roughly 40%

This is a pretty substantial unionization rate. However, because of the existing fragmentation among the clothing unions at that time, the higher figure did not necessarily equate to more strength or bargaining power. As mentioned, Fawu claimed about 8,000 of those members, and Lecawu another 3,000. The approximate 5,000 remaining are dispersed in smaller amounts between three additional splinter unions that have emerged since 2008. To contrast, the unionization rate in South Africa's clothing industry is also roughly 40% (Fashoyin, 1998). There, however, clothing workers are all represented by the same union – the South African Clothing and Textile Workers Union – with the procedural backing of the National Bargaining Council for the Clothing Manufacturing Industry (Fashoyin, 1998).

In the interviews with Fawu organizers, I asked questions about the split of Fawu from Lecawu. They said that the primary reason was that Billy was a Member of Parliament and wanted to use this as a means for communicating with the workers. Being in Parliament put him in the spotlight and people were listening to him because of his position. Not just because they respected him as a higher authority, but because they also perceived him as someone who could effect change by fighting for their rights from the inside. Maraisane saw this as a threat to his leadership. He feared that the workers would be more interested in listening to Billy, a Member of Parliament, than they would be to him.

Within Fawu and Lecawu, differences of opinion persisted in terms of how to run things in the union, in addition to what some organizers described as personality differences. Since 2008, three more splinter unions were formed – Unite, Nutex, and Lentsoe la Sechaba.³⁵ Membership in these unions is relatively low compared to Fawu and Lecawu. Unite and Nutex both pursue a strategy of targeting only a couple of factories and then seeking a larger density of membership, rather than trying to spread themselves too thin across the 40+ factories. Lentsoe la Sechaba was the smallest union and it was not clear in an interview with one of their organizers as to what its strategy was, neither in terms of recruitment or in how its agenda differed from that of the others.

In total then, there were five unions representing workers in the clothing industry. Two dominated the industry – Fawu and Lecawu – and competed with one another for representation. The past tense is used purposely, as things were beginning

³⁵ Unite stands for ‘United Textile Employees’ and Nutex stands for ‘National Union of Textile Workers’. Lentsoe la Sechaba is Sesotho for ‘Voice of the Nation’

to shift near the end of my fieldwork. The unions are now attempting to work together for the first time in their history, and are slowly negotiating how that process can unfold. This is largely a result of encouragement from Better Work Lesotho, which is working together with unions, employers and government to improve labour standards in the clothing factories. These movements are recent, with serious discussions taking place only from around early-mid 2012.

In order for the employer to sit down with the union and negotiate a collective bargaining agreement, a union needs to have at least 50%+1 of a company's workers in its membership. As such, there are few agreements in the industry and labour's collective voice is compromised. Furthermore, the agreements that are in place are not collective bargaining agreements but rather memorandums of understanding (MOUs), or agreements that simply stipulate that union dues will be deducted directly from workers' paychecks. The bargaining power of workers in the Lesotho apparel industry is weak, which has implications for the degree of power they have in influencing their conditions of work. An exact figure of the number of factories with agreements is not possible to find online and was not possible to collect during fieldwork. However, the following agreements were obtained from organizers at the Fawu head office in Maseru. The strongest document is the MOU with the Nien Hsing Group that was negotiated in 2003 and then updated in 2006.

Table 2 Agreements between Fawu and employers in the clothing industry as of 2010³⁶

Factory	Agreement type	Date signed	Main provisions
Nien Hsing Group	MOU	7 Oct. 2003	Deduction of trade union subscription/ Shop stewards/ Dispute of rights/ Dispute of interest/ Peace obligation/ Union's undertakings/ Company's obligation/ Termination of MOU
	Addendum to MOU	10 Mar. 2006	Union dues collection by union official/ Employer administration levy/ Union dues deduction format/ Consult with union before transferring shop stewards
	Agreement on the wage increment	25 Oct. 2007	Wage increment
Precious Garments	Agreement regarding stop order facilities	6 June 2009	Stop order facilities
Tai-Yuan Garments (Pty) Ltd	Agreement of check-off facility	7 June 2009	Union membership and dues deductions/ The peace obligation/ Duration of agreement/ Non variation of agreement
Ace Apparel [Pty] Ltd	Agreement regarding stop order facilities	2 July 2009	Stop order facilities
Corporate Clothing (Pty) Ltd	Agreement concerning transfer of employees to LJJ Clothing	31 July 2009	Transfer of all employees incl. outstanding leave days and benefits/ New contracts of employment/ Right to resign/ Employees and unions treated in accordance with labour code
Quality Garment [Pty] Ltd	Agreement regarding stop order facilities	26 Jan. 2010	Stop order facilities

In addition to labour's lack of clout, previous instances of strike activity have not painted a pretty picture for workers as to the benefits of collective action. In some cases, protest has resulted in extreme violence. In 2003, several people were killed

³⁶ Data collected by author from FAWU head office during fieldwork in Lesotho, 2010-2011.

when police opened fire on a crowd of about 20,000 factory workers marching in Maseru to protest low wages paid by Asian-owned textile factories (WSWS, 2003).

In Lesotho, it appears that union fragmentation and history of violence during strikes has created fear among workers, and subsequently resulted in less collective efforts to improve working conditions. To contrast, trade unions in South Africa have played a pivotal role in the country's development. South Africa has the largest union participation in Africa, with slightly more than 40% of the workforce organized (Fashoyin, 1998). Workers in the South African apparel industry are represented by one large centralized body – the Clothing Industry Bargaining Council and thus leverage considerable power in negotiations with employer representatives. Trade unions in South Africa have a history of getting involved in social and political issues and drawing attention to instances of corporate wrongdoing (Jamerson, 2004). They also have had a history of facing violence during strikes,³⁷ yet this does not appear to generate the same kind of fear among workers about speaking out.

This could be a result of the extensiveness of South Africa's experience with trade unions and the role they played in the transition to democracy in the mid-1990s, which would be consistent with Anner's suggestion that union dynamics are strongly influenced by their historical experiences and ideological orientations (Anner, 2009). As preliminary feedback indicates, South African workers 'know their rights' whereas Basotho workers tend to accept what is given to them. On the contrary, it could be due to a more simple economic calculation – the fact that there are other employment

³⁷ See, for example, <http://libcom.org/history/1976-the-soweto-riots> for information about the Soweto Riots in 1976 or http://news.bbc.co.uk/onthisday/hi/dates/stories/march/21/newsid_2653000/2653405.stm for information on the Sharpeville Massacre in 1960.

opportunities in a variety of industries for South African workers, whereas the apparel industry in Lesotho is one of few sources of employment for many people and there are always workers waiting at the factory gates to step in when someone moves out.

The unpredictability of the industry makes this reality even harsher for workers. The ending of the Multi-Fibre Arrangement on January 1, 2005 caused the industry to contract, underlining the dependence of the industry on the trade regime (see, for example, Yearman & Gluckman, 2005). But over the last few years the industry has slowly increased in size, boosted by a growing number of South African-owned apparel firms that have located operations in Lesotho. These firms are not dependent on AGOA, as they export their products back to South Africa. Exports from Lesotho to South Africa are duty free because both are members of the South African Customs Union (SACU). These firms hold out a potential lifeline for the industry given the uncertainty with regard to AGOA.³⁸

The special dispensation for ‘less developed countries’ within AGOA that requires only single transformation for duty-free access to the US was due to end on 30 September 2012 but later extended to September 2015. Single transformation implies that garments must be made in the country but there are no restrictions as to where the yarn and fabric are manufactured. AGOA itself is also scheduled to come to an end in 2015.³⁹ Given that there is only one textile mill in Lesotho (“Formosa denim mill”), and that there is very little left of the South African textile industry and very

³⁸ Morris, Staritz and Barnes (2011) provide a detailed discussion of patterns of growth and decline in Lesotho’s clothing industry, and describe the emergence of the two global value chains.

³⁹ This information was retrieved from the AGOA website available at <http://agoa.info/about-agoa/amendments/agoa-v-extension-of-third-country-fabric-preferences-to-2015.html>

few textile mills in the rest of Africa, the ending of the special dispensation will exclude almost all the Taiwanese-owned firms from the benefits of AGOA. Most will close and the industry would more than halve in size. African countries are lobbying the US government for an extension of the special dispensation and the Act but there is no certainty at this point about what the US intends to do. Even if the provisions of AGOA are extended, the fact remains that there is no long-term certainty. It has been renewed in the past but each time it is generally for a period of three years and, each time as that end draws nearer, there are questions as to what will happen to the industry if it expires and foreign owners leave.

Currently there are about 45 clothing firms in Lesotho. These numbers are based on 2010 data from the Lesotho National Development Corporation (LNDC) but I speculate that the numbers may be in decline. According to a colleague who made a research trip to Lesotho in March 2012, the total count may be around 38 factories. The Taiwanese-owned firms are in a slight majority but employ considerably more workers because they tend to be much larger than the South African-owned firms.

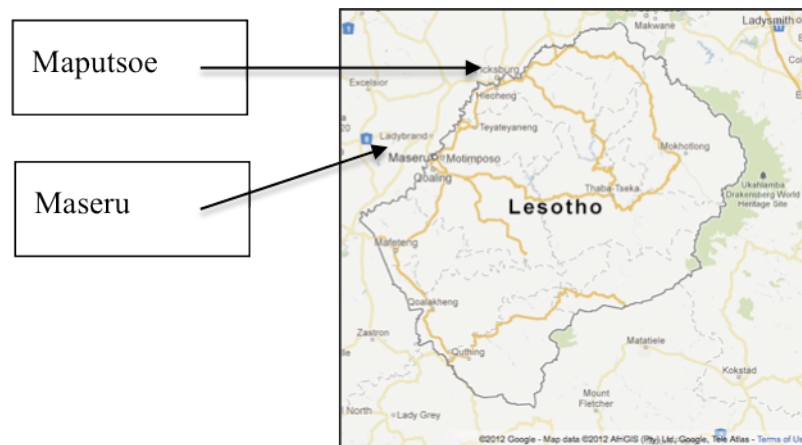
Table 3 Snapshot of the clothing firms in Lesotho⁴⁰

Location	Firms	Origin of investment	Export market	Buyers (examples)
Maseru	25	Taiwan	US	Gap, Levis, Kmart, Childrens Place, Kohls, etc.
Maputsoe	20	SA	SA	Mr. Price, Foschini, Edgars, Woolworths, etc.

⁴⁰ Lesotho National Development Corporation 2010; Lesotho Textile Exporters Association 2010 (for the information on buyers)

In the Taiwan-USA global value chain, the firms are clustered in the industrial (and capital) city of Maseru, in Maseru District. Firms in the SA-SA global value chain are clustered in the industrial city of Maputsoe, in Leribe District. Approximately half of the population lives in these two districts. Both Maseru and Maputsoe are immediately adjacent to South Africa, on the western border. See the figure below for an illustration:

Figure 5 Map of Lesotho and its two industrial cities, Maputsoe and Maseru



In addition to the relatively more dense populations in these border cities, many people in Lesotho live further away in the lowlands, foothills, and mountains. Many of the women working in the clothing industry have come from rural villages in search of work (Chaka, 2011). They live in the cities while they work, travelling home about once a month to visit family and bring them money. Several workers said they couldn't afford to travel home and rather chose to send money with a fellow factory worker who is from the same village. A bus ticket to a rural village in the foothills can

cost hundreds of Rand, and most workers earn less than R1000 per month. Where a trip home might cost R300, workers are more inclined to send that money rather than visit.

Maseru: Host to the Taiwan-USA firms

Maseru is the biggest city in Lesotho, and the centre of government. Most government buildings and other offices are clustered within two kilometres of each other on the main Kingsway Road. The streets are busy with a variety of workers – men and women dressed in suits on their way to office jobs, vendors selling newspapers and airtime for phones, individuals making small charcoal fires to sell corn and chicken. Taxis are cheap, readily available, and constantly honking at, gathering, and dropping off customers. About one kilometre from the Maseru border post is the original industrial centre – Maseru West (formerly known as Station). About ten kilometres south is the other industrial area in Maseru, known as Ha Thetsane. Most of the owners in these two industrial areas are Taiwanese, though some have been around Lesotho for decades and have moved their homes entirely to the country (and/or a city in bordering South Africa).

One factory worker brought me to her temporary home near Ha Thetsane, a small rectangular concrete building with two entrances – a door to her room, and a door to someone else’s room. It was not factory housing but was located across the street from the industrial area. Her room measured approximately six-by-nine feet with a mattress on the floor, and a small table on one side of the room with utensils

and a few groceries. She also had a very young son, who was taken care of by other women in the village during the day when she was at work.

The visit was a reminder of the living conditions that extremely low wages can afford, and how it is possible for someone to feel like a visitor in her own country. Though she was from the outskirts of Maseru, she kept temporary residence near the factories where she would go every day to work in a Taiwanese-owned denim mill.

Maputsoe: Host to the SA-SA firms

Maputsoe is another big city in Lesotho but not quite as busy as in Maseru. It also lacks some of the amenities available in Maseru that generally come with greater development. It is known in part for having a high level of crime. Similar to Maseru, one of the main industrial centres in Maputsoe is immediately on the border with South Africa (directly across from Ficksburg). The other industrial centre is a few kilometres inward. These centres are known as Maputsoe and Ha Nyenye, respectively. White South Africans who live just across the border in Ficksburg and commute to work each day own or manage most of the factories in these areas.

I stayed in Ficksburg during two of the research trips, in order to be closer to Maputsoe each morning but also to experience life on the other side of the border. Ficksburg is in the Free State, a province in South Africa that is known among the locals for being 'very Afrikaner.' From what I gather through informal conversations with friends in Cape Town, this implies that an apartheid mentality lingers, as well as more conservative views, and pretty heavy paternalism. During my stay there, I caught glimpses of some of these things, though to be honest the feeling of being caught in

the aftermath of segregation exists anywhere one goes in South Africa. The commute from Ficksburg to Maputsoe was astoundingly easy, with lesser traffic than the Maseru post and seemingly less strict border control. It was a stark contrast, however, in terms of noise level and liveliness to go from one city to the other. Ficksburg was quiet in an almost ghostly way. Maputsoe, on other hand, was buzzing with people hurrying to work, music blasting, and food grilling on charcoal fires along the road.

My Foray in to the Mountain Kingdom

During research trips, I generally spent most nights in guesthouses, and most of my time in town or at the industrial centers. I would fly from Cape Town to Bloemfontein, South Africa, and take a private taxi in to Maseru, having been warned of the hazards of public transport. First of all, there was no guarantee the old mini busses would make it the two-hour drive without breaking down. Secondly, mini bus drivers are notorious for driving at alarmingly high speeds, with news of highway accidents popping up in the papers on a weekly basis. This aside, my first few trips from ‘Bloem’ to Maseru were quite informative as the taxi driver, Mike, was eager to share his opinion about how things worked in Lesotho – government, industry, people, success, corruption, and everyday life.

‘So, what’s new in the local news?’ I ask. People are tired of the current Prime Minister, tired of the politics of who gets hired in government, and hoping they will see change in the upcoming election. If there isn’t, it seems some kind of danger could be lurking. Mike doesn’t say anything outright about this but reiterates that there is unrest among the Basotho people. On another drive, I learn a bit more about the

specific roles for men and women that society adheres to. Women do all of the cooking and cleaning. Mike says he is often cold in his house during the winter because his wife doesn't always have the time to clean the fireplace out and get it going again, nor does she like that it makes her clothes dirty. Men provide for the family financially. It starts with having to pay a respectable bride price – usually several cows, some new clothes, and money for the family. This price is getting higher, making it difficult for Basotho men to get married – at least while they are still young. Tourism is a respectable industry – you are leading others who have come from different parts of the world, showing them around your country, and foreigners usually tip well. Mike's son is already eager to follow in his footsteps.

I followed this routine for my first three trips to Lesotho but things began to change over time. I started to become more comfortable with the terrain and with making my own way around that area of South Africa and Lesotho. I would rent a car when I landed in Bloemfontein instead of hiring a driver, and also began touring other parts of the country. It's possible that my thrust in to independent navigating was hastened by a remark that Mike made on our last drive to Maseru together:

“...Once we cross the border and see a truck marked ‘Gay Transport’ [he says] that he hates gays. After considering my remarks that ‘to each his own’ he states that he’s fine with guys being gay but if they ever try to make a move on him, he would go so far as to even pull a knife...” 8/2/11
Field Notes: Tuesday, February 8th, 2011

Though I didn't feel like I was in any direct danger, I also didn't feel like I needed to gamble on the warnings I had received about intolerability, nor did I want to

continue to fabricate the finer points of my life. The point is I was on my feet, had a sense of my surroundings, and was ready to work. Chapter 4 details how I went about this, outlining the methods used and the tools for analysis.

CHAPTER 4

NEGOTIATING WITH PEOPLE, PLACES, AND POLITICS

Introduction

As graduate students preparing to go out in to the field, we are often cautioned by our advisors to make sure we have a solid research plan, a good design with clear research questions, possible explanations, and sound methods for exploring and discovering the answers to those questions. We are also cautioned, and in fact advised to expect, that the whole thing will likely fall apart.

What I would add to this cautionary advice is that we have to be prepared to negotiate – in many different types of situations and with many different kinds of people. We even negotiate with ourselves, working through unfamiliar territory and encountering new cultural norms that make us think differently about how we've previously understood the world and our relation to it. I entitled this chapter “Negotiating with People, Places and Politics” because that is what resonates most when I think of my experiences during the data collection phase.

The methods for this study were set out in a clearly articulated research plan. Along the way, however, these methods became less of a guideline for research process and more like individual components of a larger machine. There was a questionnaire, there were focus group discussions, and there were interviews. But getting to each of those points involved a delicate balance of allying with the ILO, collaborating with other NGOs, interfacing with employers, befriending leaders of opposing unions, meeting with workers, and learning how to situate myself in a

country where I am a clear outsider. A key advantage in my mind was being partly allied with Better Work and partly under the guise of my student status. This gave me added legitimacy when I needed it but also did not bind me to the bureaucratic order of things.

This chapter provides a description of the research process and methods I used to collect the data for my dissertation. It also highlights some of the situations I needed to negotiate in order to move the project along. In Chapter 3, I began with a discussion of the setting of the study, to help explain both the drawbacks and advantages available to me as a researcher in the industrial centres of Lesotho. This chapter begins with an outline of the research process, including the design of the research, going in to the field, coordinating research partnerships, and revising the tools used to collect data. The third section discusses the data collected. Within this is a detailed description of the use of NVivo – software for qualitative research that I used to sort, code and analyse my data.

Negotiating the Move to South Africa: Preliminary Data Collection

I began collecting baseline data through secondary sources in 2009 while I was still in the US. During this time I made contact with Shane Godfrey, senior researcher in the Labour and Enterprise Policy Research Group at the University of Cape Town. Shane's background in industrial relations, as well as his research on the clothing industry in South Africa, made him an ideal first point of contact. It turned out he was much more than that, becoming a close colleague and collaborator. Coincidentally, Shane was also involved with Better Work. His NGO, Capturing the Gains,

overlapped quite closely with the mission of Better Work, and the two groups had previously met to discuss joint research endeavours. Also as part of his work for Capturing the Gains, Shane planned to continue research on the clothing industries in Lesotho, Kenya, and Mauritius. So having someone on board who could commit to helping in Lesotho was an added bonus for him.

In September 2010, I moved to South Africa and based myself at the University of Cape Town, where Shane had arranged an office in the Sociology department for me. As a first order of business, I continued with desktop research and started consulting local sources (including Shane but also other researchers doing work on Lesotho) to begin to fill in some of the gaps. I also started collaborating with Shane regarding the overlap between my proposed research and his. I spent approximately two months continuing with this research, slowly building a picture of the governance structures in Lesotho, such as the legal environment and history of collective bargaining. I drew on this information to create a basic profile of the clothing industry and other national and labour market statistics.

From Cape Town to Lesotho: Primary Data Collection

At the end of October 2010, I made my first trip to Lesotho. The mission of this trip was to cross-reference the information I had gathered through secondary sources with primary data collected through interviews, and to meet some of the stakeholders in the industry as well as the Better Work staff. I continued to conduct primary data collection over the course of seven research trips from Cape Town to Lesotho between October 2010 and January 2012.

Interviews with key stakeholders during the initial trip verified expectations about local union dynamics as well as basic dichotomies within the industry, namely that it is dominated by Taiwanese and South African owners exporting to the US and South Africa, respectively. An updated database from the LNDC allowed for fine-tuning of the industry profile that I compiled which had initially included details on factory locations, ownership, products, employment capacity, etc., and contributed new variables including parent company and certain financial indicators. Documents unavailable online were gathered in person. This included confidential documents from the ILO advising on labour law reform in Lesotho in the 1990s, as well as collective bargaining agreements from one of the major unions. I also got permission to read through approximately 100 arbitration awards issued at the Directorate for Dispute Prevention and Resolution (DDPR) for background information on the types of cases that are heard and normal proceedings for dealing with disputes.⁴¹

In addition to desktop research and further investigation of secondary sources, four main techniques were used to collect data: focus group discussions with workers, administration of a questionnaire to workers, semi-structured interviews with industry stakeholders, and structured interviews with line supervisors.

Negotiating access

The research design of this study changed and evolved during the first few months in the field, when challenges due to access and protecting workers' privacy became more evident. The initial design relied on gaining access to factories, and

⁴¹ Many thanks are due to M'e Malebanye, Deputy Director of the DDPR, and her staff.

therefore workers, through the assistance of the Better Work Lesotho (BWL) programme. However, due to the fact that the programme was still in the early stages of getting established in Lesotho, there were a few logistical items that created delays in facilitating this access.

One, BWL only had a few staff members and they were busy trying to get organized, leaving little time to collaborate with external researchers. Two, the process of bringing manufacturers on board is a sensitive one, and the Better Work staff did not want to create a cause for them to worry. As Better Work establishes itself in a new programme country, it is important to remain neutral and to reinforce to all stakeholders that it is neither allied with labour to the exception of business, or vice versa, but that it is there to search for ways to find mutually advantageous paths to improving labour standards compliance. Aside from the fact that no factories had yet subscribed to the programme (making the coordination of meetings with workers on behalf of Better Work impossible), these meetings would evidently be postponed until after a comfortable working relationship with manufacturers had been secured.

Due to uncertainty about the extent of these delays, the research agenda evolved in a way that it could run at its own pace parallel to the efforts of BWL rather than concurrently on the same path. During an initial seven-day visit to Lesotho in October 2010, Better Work arranged four appointments with stakeholders on my behalf. Additionally, once there, arranging stakeholder meetings became much easier to facilitate.

Not everyone in Lesotho has access to email, so meetings were most often arranged by phone. People were generally unlikely to phone back, as airtime is

relatively expensive, so setting up meetings proved challenging at times. The most effective strategy was to send a fax to unions before any given research trip to announce that I would be in town, and then to follow up by phone when I arrived. It was also effective to physically visit the union offices. This also worked with the government representatives who were interviewed as part of the research. Due to the fact that most government buildings are centrally located on the main road within a kilometre of each other, if it wasn't possible to arrange meetings by email or phone, the most effective follow-up strategy was to walk into the buildings and ask to speak with somebody. Once there in person, people almost always accommodated.

Rather than assume the role of a formal Better Work researcher, I introduced myself as a PhD student from the US, interested in the clothing industry in Lesotho. What I found on this initial trip, and all subsequent trips, is that this strategy proved most useful in securing meetings with stakeholders from all groups – business, labour, and government. As the months passed and factories began to subscribe to Better Work, it also helped occasionally to let people know I was doing some research for Better Work, yet emphasizing that I was an independent researcher and a PhD student.

This strategy led to the establishment of several contacts in the field within the first few months of fieldwork. Between the months of October – December 2010, I conducted interviews with officials of government departments and agencies, including: the Lesotho National Development Corporation (LNDC); the Ministry of Labour and Employment; the Labour Court; and the Directorate for Dispute Prevention and Resolution (DDPR). I also met with the executive secretary of the main employer organization, the Lesotho Textile Exporters Association (LTEA).

Interviews with labour stretched across the five unions – the Factory Workers Unions (Fawu), the Lesotho Clothing and Allied Workers Unions (Lecawu), Nutex, Unite, and Lentsoe la Sechaba.⁴² Some of these interviews involved the key leaders and general secretaries, while others were with regional organizers and shop stewards.

In addition, I met with representatives from other organizations in Lesotho such as the Apparel Lesotho Alliance to Fight Aids (ALAFA), the Skills Development and Training Centre, and Better Work Lesotho staff. I was also able to return for a couple of weeks leading up to December 2nd, when the official launch of the Better Work Lesotho programme took place at the Maseru Sun Hotel. This was an excellent opportunity to get reacquainted with contacts from the initial trip, and to be introduced to a few manufacturers, buyers, and the newly hired Better Work Lesotho training officer. This network began to lay a foundation of trust, making it easier to arrange meetings with workers later on.

It was difficult to gain access to the factories for interviews with workers, primarily due to the challenge raised earlier – namely, that factories had not yet subscribed to Better Work and my presence would likely raise too many questions or suspicions about who I was and what I was doing. In order to make initial contact with workers, the first and easiest step was to approach them during lunch hour outside of their factories.

⁴² Lentsoe la Sechaba is Sesotho for ‘Voice of the Nation’

Workers' Questionnaire

Development and pre-test

Drawing on the literature on labour standards in the global apparel industry, and my hypotheses about the role of ownership nationality and end-user market, a short questionnaire was drafted to administer to workers. In the initial stages of drafting the questionnaire, I relied on previous literature, news articles, and stakeholder interviews for information about issues for workers in the clothing industry. The questionnaire included items related to the workers' previous work experience, wages, hours, and conditions of work, health and safety, dispute resolution, buyers and audits, and relationships with managers. My initial plan was to administer the questionnaire to workers outside of the factories during their lunch hour. First, however, I wanted to run through the draft questionnaire with a smaller group of workers to ensure I was not totally off target in terms of the issues I was trying to address.

In February 2011 a group of 13 shop stewards from Fawu – the largest union in the clothing industry in Lesotho – met with me at their union office in town. During the two-hour meeting, we went through each question in the questionnaire one-by-one (with the help of a translator) and the shop stewards were asked to comment on each item that was included. Did it make sense to them; was this an important issue; did it capture the situation accurately; had I left something out; should I not be asking any one of the questions; was anything culturally insensitive?

Their feedback proved invaluable. This session allowed me to flesh out some of the issues in greater detail, pointing to some important distinctions I had missed, and

introducing other issues as well. Additionally, the questions they raised alerted me to the fact that I needed to re-word some of the items to be less confusing. Their facial and verbal expressions also helped to identify some of the hot spots among the issues mentioned. For example, the difference between a line manager and line supervisor, and how important that would prove to be in later discussions with workers. Other examples included: an individual vs. group target; the presence of Taiwanese vs. Basotho supervisors; and the impact of gender on the dynamics between workers and supervisors. These were important features of the workplace to be aware of, and the questionnaire was subsequently revised to reflect these finer points. Furthermore, the intimate setting of the session provided an opportunity to make initial acquaintances, which would form the basis for trusting relationships later on.

Once the questionnaire was revised, a pre-testing process took place. Arranged by contacts in the union, I joined organizers on their daily lunch meetings to administer the questionnaire. I attended two union meetings in each of the industrial areas within Maseru (Thetsane and Station/Maseru West) as well as two meetings in the Ha Nyenye industrial area in Maputsoe.

Maseru pre-test

In Maseru, workers gather for meetings nearby the factories in a small lane where trucks pass through with deliveries. There was an emptied (truck) container on one side of the lane, where a woman was selling 'Russian and fat cakes' (sausages and bread), airtime, and coffee. On the other side was a small ditch – small enough to step over – and then a fence, marking the outer limits of the factory property next door.

For their meeting, workers gather in a large circle in the lane, taller people peering over their shorter co-workers in front. Others stood and leaned against the fence. Most people eat food they've brought from home, which traditionally includes 'pap' (boiled maize meal), greens, and sometimes meat. I'm introduced to the group. Workers were eager to talk to me after they learned a bit about who I was, where I came from, and that I was doing research on working conditions in the factories in Lesotho. There was no problem pulling together a group of about 15-20 volunteers, and they'd be directed to come with Stephen (Fawu national organizer) and I to an area further down the lane away from the union meeting.

All of the workers each received a pen and a questionnaire, which also included a consent form describing the project and asking if they were willing to continue. As everyone held the papers in front of them, Stephen translated directly into Sesotho and they had the opportunity to ask any questions they might have had. We followed the same procedure with the actual questionnaire, running through it item-by-item as Stephen translated into Sesotho. Amusingly, I hardly ever recovered any pens after we were done.

Maputsoe pre-test

The pre-testing in Maputsoe was a bit different. First of all, it was slightly disorganized and information didn't seem to get to me with the same efficiency or clarity that it did when working with union leaders in Maseru. Even though I was preparing for pre-testing with leaders from the same union (Fawu), I was now working with the regional leader from Maputsoe, who seemed to have a different idea about

who I was and what was happening. Though he was friendly, he had little interest in the research, asking few questions about what I was doing. He did answer questions about the history of the union when asked, and was happy to do so. He was also very happy to suggest to me that I should pay for their lunches and the fuel for the 80km road trip up from Maseru. Stephen, the Fawu national organizer, accompanied us to Maputsoe and, though he remained quiet during our trip to Maputsoe, he explained to me later that Basotho often assume foreigners will have a lot of money, or at least much more than them. Though certainly true to an extent when considered in light of what Basotho workers earn on average, I remember at the time feeling slightly taken aback by the assumption (by most grown men I worked with or interviewed) that I would foot the bill. The bills often were not very large (with the exclusion of the fully-funded road trip), including coffee (less than \$2) or taxi fare (less than \$1).

When we finally arrived in Maptusoe, one of the union meetings was held in an open field across from a large garment factory. I was conscious of the fact that managers at that factory could see us – if they were actually trying to look for something within the crowd of workers that gathered there for lunch. Again we moved further away, this time gathering in an area that was not quite in the direct line of view from the factory. Stephen was with me again in Maputsoe, and we followed the same procedure as in Maseru.

For the second union meeting in Maputsoe, we were tucked among the factories (not in the open field) though it was impossible to get totally out of the line of view of anyone who might be looking out. This pre-testing process was also a chance for me to gauge whether interviewing workers outside the factory gates would be an option.

Clearly, it was not ideal, and this was the issue that tipped the scale in favour of holding subsequent meetings with workers at a location away from the factories.

In all, approximately 100 workers filled out the questionnaire used for the pre-testing process. The first 60 workers completed the longer version (which was ultimately too rushed) and the remaining 40 completed a shorter version (which was much more manageable and also offered insight into some of the 'hot topics' to be included in later versions).

Pre-test limitations

There were, however, a few potential issues with the pre-test process: (1) Stephen, the translator, was from the union I was accompanying, and I couldn't be 100% sure of exactly how the questions were being relayed to the workers. I had to trust that he was repeating what I said word for word, and that he was translating as directly as possible from the questionnaire. Later, for the final version of the questionnaire, the text was first translated into Sesotho before administering to workers; (2) As mentioned, the pre-testing often took place just across the road in a laneway or open field where any curious manager could freely peek in on us; (3) We were often rushed to get through the list of questions and therefore could not delve too deeply into any one issue. While workers tended to make verbal or physical gestures indicating the seriousness of a particular issue (e.g. supervisor relations and occupational safety and health were common triggers), it was evident that a relaxed environment would yield a much more fruitful discussion; and (4) It didn't feel fair to

ask workers to spend any portion of their lunch hour doing anything other than eating or relaxing.

Adjustments to the research design

This pre-testing process, and feedback from the 100 workers who took part in it, made it clear that interactions with workers would have to be conducted away from the factories. I planned a two-pronged approach to investigate the key issues that workers are facing. The first would be a larger-scale questionnaire that workers would have the opportunity to complete in a location away from the factory, not during a working day, and they would be compensated for their time. This would allow me to reach a larger group of workers across a broad range of issues. The second approach would be a series of focus group discussions whereby groups of eight to ten workers would congregate in a location away from the factory, be compensated for their time, and have the opportunity to discuss the issues that concerned them most in a private and comfortable setting. As the research process evolved, a third component was added: focus group discussions with supervisors. This is discussed in more detail in Chapter 6.

This next section describes the design of the questionnaire and focus group discussion guidelines. First, I discuss the interests of the different parties involved in the research. Then I present the framework for constructing and revising the guidelines for the questionnaire and focus group discussions.

Questionnaire design: negotiating different parties' interests

The questionnaire was revised with the assistance of a representative from Better Work Global, the US Department of Labour, and an NGO called Capturing the Gains. Their contributions were two-fold: (1) Provide feedback on the design and flow of the initial draft; and (2) Add questions that addressed their individual research agendas. Their differing yet overlapping interests and goals are discussed in the section that follows. In the end, the main topics could be brought together under the following themes: working conditions, health and safety, training, labour/employment relations, end market, Better Work, dispute resolution, HIV/AIDS, and household income/expenses. The full questionnaire is attached as Appendix 1. A local friend who was fluent in English and Sesotho then translated the questionnaire from English in to Sesotho. The training officer at Better Work Lesotho reviewed the translated copy, and minor corrections were made. The final 110-item product was, as mentioned, a synthesis of the interests of three different 'groups' – Better Work, Capturing the Gains, and myself (i.e. my dissertation).

Better Work

In contributing to the design of the questionnaire, representatives from Better Work drew on the programme's interest in country-specific issues such as HIV/AIDS and poverty, as well as a broader set of indicators such as gender, household income, and standard of living. Their contributions were also influenced by a pre-established set of indicators for compliance with labour standards and working conditions, developed by other Better Work researchers.

As Better Work has been operating in other countries for many years (e.g. Cambodia and Vietnam), they have developed a comprehensive tool for monitoring and evaluation that includes 400 items deriving from two compliance clusters. The first cluster is core labour standards, including child labour, forced labour, discrimination, and freedom of association and collective bargaining. The second cluster is working conditions, covering issues related to compensation, contracts and human resources, occupational health and safety, and working time. These two clusters are outlined in Appendix 2. As part of a growing research agenda, Better Work is also interested in issues pertaining to gender dynamics, household spending, and standard of living. Specifically in the case of Lesotho, which has a 30% incidence of HIV/AIDS at the national level, and 40% among factory workers, it was important to address how this affects workers both at home and in the workplace. Both of the compliance clusters, and the aforementioned themes, factored in to the revision of the questionnaire.

Capturing the Gains

The contributions of representatives from Capturing the Gains related more to the topics of training, skills upgrading, and global value chains. Taking this in to consideration, I added sections on contracts and employment status, as well as questions about the level of training that workers' had received either on the job or at the skills development centres. Additionally, I added tables with columns for capturing where firms source their raw materials from, what components of

production are done in Lesotho, as well as the logistics of transportation, lead times, etc.

Capturing the Gains is an NGO based at Manchester University in the UK that has, at the core of its research agenda, an interest in economic and social upgrading in global value chains. The group studies four different sectors – apparel, agriculture, hospitality, and telecommunications. A key contribution by the Capturing the Gains group was to include items related to training and skill development of factory workers in Lesotho, and opportunities for advancement. In addition, there was an emphasis on understanding how local factories feed in to both regional and global value chains, and what this means for both the likelihood of, and potential for, upgrading.

A local student was selected to translate the questionnaire in to Sesotho. He was selected based on my observations of his abilities in his capacity as an administrative assistant at the Alliance Française in Lesotho. Specifically, I observed that he was fluent in both English and Sesotho, very meticulous with all documentation of new members, and other data entry on the computer. When he agreed to do the translations, we sat down and went question-by-question, making notes, ensuring that he understood not only the questions being asked but also the reasoning behind the questions. His first draft was forwarded to the training officer at Better Work for review. Some minor changes were made and the questionnaire was ready to go.

The final 110-item questionnaire was administered in two waves to a total of 129 workers. To recruit workers, I asked an organizer in each of the five unions to recruit ten workers each for the morning session, and ten workers each for the

afternoon. The first wave took place in Maseru in May 2011, in which 61 workers (35 in the morning group, 25 in the afternoon group) from all five unions participated. The second wave took place in Maputsoe in December 2011, with another 68 workers completing the questionnaire. There are only two unions in Maputsoe, however, and both were represented.

Figure 6 Workers complete the questionnaire in Maseru and Maputsoe



The questionnaire was divided into 11 parts, the sections of which are outlined briefly above, and in more detail in Appendix 1. As it was designed to yield data that was of interest to three different parties, it contains several items that are beyond the scope of my dissertation. Rather, I focus on those categories within the questionnaire that align with the core research question of the influence that a given production chain has on workers' perceptions of labour standards compliance. These include questions that probe the relative influence of owner nationality and end market. For example, workers were asked where their managers were from, how they treated them,

if they knew which buyers they were supplying to, and if they had ever been interviewed as part of a factory audit, etc.

In this study, more attention is devoted to the findings from the focus group discussions, as it is there where richer context is able to develop. However, I utilize descriptive statistics from the questionnaire throughout the paper to either support or shed light on differences with findings from the focus group analysis.

Focus Group Discussions

Design

Focus groups generally consist of seven to ten participants, recruited according to similar demographics, psychographics or behaviour, who engage in a discussion led by a moderator on a particular topic (Greenbaum, 1998). Participants are encouraged to interact and discuss a given topic between themselves, rather than the moderator inserting herself more than necessary to facilitate the flow of the discussion. In this way, the quality of the discussion is enriched because it grows from the participants themselves, and the issues they spark each other to develop. Focus group discussions can help to generate new ideas in a social context, as well as gain a deeper understanding or insights into a given phenomenon (Breen, 2006).

Krueger outlines key characteristics of focus groups, which fall in to four categories (Krueger, 2002). The first category is the participants. Participants should be carefully selected, preferably only six to eight at a time, and should also be similar types of people. The second category is the environment. Participants should be

comfortable, seated in a circle formation, and the discussions should be tape-recorded. Third is the topic of the moderator. Krueger wrote that the moderator should be skilled at leading group discussions, using pre-determined questions, and establishing a permissive environment. Finally is the topic of analysis and reporting. Krueger argued that there should be a systematic analysis of the feedback, using verifiable procedures, followed by appropriate reporting.

In terms of participants and environment, all characteristics were met, including similar demographics, work backgrounds, and creating a comfortable space. I worked with the unions to organize workers for the discussions. An organizer from each of the five unions was responsible for bringing a group of ten workers to a meeting on a scheduled day of the week. Each was asked to bring mostly women but also to ensure that there were a couple of men in the group, to represent the gender balance in the factories.

Additionally, a local translator eased the communication barrier and was more aware of cultural nuances that would make the participants feel at ease. Training in facilitating focus group discussions, however, was limited to academic readings and 'learning on the job.' This seemed effective for the purposes of my dissertation. During the first two focus group discussions, a workable number of questions were established, as were useful icebreakers and methods of soliciting information from all workers without forcing the conversation in any one direction. The results were analysed using NVivo, a qualitative software program discussed in more detail at the end of this chapter.

Facilitation

Each focus group discussion followed the same protocol: (1) Welcome; (2) Overview of the topics to be discussed; (3) Establish ground rules and assure confidentiality; (4) Take any questions; (5) Gather information on the workers participating. This roughly follows the suggested guidelines for moderating focus group discussions set forth by Krueger (Krueger, 2002; Krueger & Casey, 1994). I gathered information about workers by asking them to state which factory they worked at, their specific jobs in the factory, and how long they had been working there. I also made a note of their gender and which union they belonged to.

The guidelines for establishing the issues to discuss in the focus groups were influenced by factors similar to the guidelines for setting up the questionnaire. Primarily, I wanted to make sure to document which type of factory each participant worked in (Taiwanese-owned and exporting to the US, or South African-owned and exporting to South Africa), and flesh out the similarities and differences in working conditions and work relationships. Secondly, there were other issues that my colleagues were interested in probing. These were mainly related to gender and household dynamics (Better Work), as well as training and skills development (Capturing the Gains). Given the format of focus group discussions, I wanted to delve deeper into a few issues rather than briefly across many issues. This meant that a small number of questions were posed to workers. However, as part of facilitating the discussion, there were points at which I asked follow-up questions – usually if/when there was a lull in the conversation. Though influenced by my own research questions, they always built on what the workers were already talking about.

As a starting point, workers were asked to talk about what they like or don't like about working at their factory. It served as an icebreaker and generally helped to provide a direction for the discussion. They were quick to discuss issues related to health and safety, and the relationship between workers and supervisors. I wanted the discussion to develop naturally, and also to take this opportunity to learn in more detail about the nuances of the workplace and the dynamics that affected their day-to-day lives on the job and at home. At the same time, I kept a short list of questions that I knew were of interest to my own research as well as the broader interests of Better Work and Capturing the Gains. The discussions generally flowed through the following broad categories: employment relations, grievance procedures, inspection procedures, and health and safety. Where possible, I tried to touch on their perspectives about Better Work, unions, gender dynamics, and the issue of HIV/AIDS.

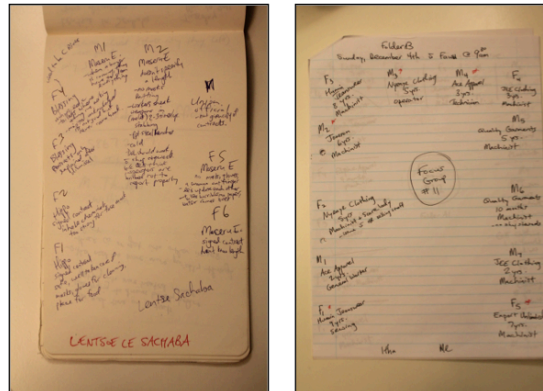
The main issues to arise in the focus group discussions are addressed in great detail in Chapter 5. In all, 17 focus group discussions were held with a total of 149 workers. On average, there were about eight to ten workers per discussion, though some groups got up to around 12 in size. The workers were from all five unions and more than 30 factories representing both industrial cities.

Figure 7 Workers participate in focus groups in Maseru and Maputsoe



Most of the focus group discussions lasted one hour, while some were almost two hours in duration. Each discussion was digitally recorded. As we began and the translator was introducing me, I would draw a large circle on a piece of paper and start listing the participants, starting from my left and moving around the circle in a clockwise direction. I would jot down simply F or M for their gender, and assign a numerical value according to where they were sitting in the circle. I made separate counts for females and for males (e.g. F1, F2, F3, M1, F4, M2, M3, F5, F6, F7, M4, etc.). This process became much more organized after the first couple of focus groups. This is illustrated in the following two sample drawings of the circles in which we sat for the group discussions. The one on the left is focus group #2, facilitated on May 10, 2011. The one on the right is focus group #11, facilitated on December 4, 2011.

Figure 8 Documentation of focus group formations



Analysis

Participants went around the circle and stated which factory they worked at, for how many years, and what their specific jobs were. This was noted next to each individual identification number that I had created. To distinguish an F1 from one group to the next, I added the focus group discussion number ahead of the individual identity number (e.g. 3F1 would be the woman sitting immediately to my left during the third focus group discussion). This coding was used when transcribing the interviews and helped to keep track of who said what, based on a relatively fresh memory of where they had been sitting.

As workers spoke about broader issues with foreign management, buyer visits, and day-to-day work experiences in the factory, the bulk of their feedback could be organized using the framework of the Better Work compliance clusters – core labour standards and working conditions.

In the literature on global governance and corporate social responsibility that has emerged over the last two decades, the term ‘labour standards’ is often used

interchangeably with ‘working conditions.’ In fact it is a bit of a black hole when trying to unpack what exactly scholars writing on the topic mean by improvements in ‘labour standards and working conditions.’ Better Work has delineated between the two by creating a model of compliance clusters, which it uses as part of its monitoring and evaluation practices. The first cluster is ‘core labour standards.’ There are more than twenty international labour standards set forth by the ILO, the first four of which are the core labour standards. These core standards include the abolition of child labour, forced labour, protection from discrimination in respect of employment, and the right to freedom of association and collective bargaining. When the term ‘labour standards’ is used in the literature, it is often with reference to these core labour standards (see, for example, Elliott & Freeman, 2003).

The second cluster is ‘working conditions.’ In earlier literature on labour standards enforcement, the working conditions most often referred to are the ones where violations are the worst – forced overtime, for example. In more recent research on the Better Work programme in other countries, researchers found support for the following key categories of working conditions, consistent with the Better Work compliance cluster for working conditions: compensation, contracts and human resources, occupational health and safety, and working time (Brown et al., 2011).

In my dissertation, the components of both compliance clusters (i.e. core labour standards and working conditions) are used to organize workers’ feedback about their work and perceived compliance with labour standards. If workers’ feedback could not be coded within one of these themes, additional categories were created. On one hand, this method allowed me to contextualize workers’ perceptions of compliance within

what is touted to be a leading compliance assessment tool (research examples listed below). In other words, it helped me to probe the breadth of the Better Work assessment tool (i.e. does it capture the issues most important to workers?). On the other hand, this method allowed me to gain depth through a nuanced and elaborative perspective of what was influencing workers' perceptions of compliance, drawn in particular from their personal narratives.

This model of compliance clusters has been applied in other Better Work country programmes during the monitoring and evaluation assessment process. Research that draws on data derived from using this model is also emerging in the literature (see, for example, Brown et al., 2011; Oka, 2012; Robertson, 2011; Robertson et al., 2011; Seo, 2011). Researchers who have studied the impact of Better Factories Cambodia (i.e. the pilot project of Better Work, beginning in 2000) have published papers in which they analyse the results of Better Work audit reports (see, for example, Brown et al., 2011; Robertson et al., 2011).

These comprehensive audit reports include 400 items, which some researchers have clumped in to 24-30 groups of items. Each item in the group produces a binary response – 1 represents compliance and 0 represents non-compliance. The responses are then averaged to produce a 'score' for each category. The scores across categories are then averaged for an overall compliance score. In one study, the authors observed that changes in individual categories were highly correlated (Robertson et al., 2011). To analyse the possibility of common underlying factors that could be driving decisions about compliance, they turned to factor analysis, and determined that there was a meaningful pattern. The items could be grouped together in to six broad

categories: (1) communication and workplace systems; (2) occupational safety and health; (3) modern HR practices; (4) compensation; (5) unions; and (6) core labour standards.

What we see is that the groupings identified by Robertson et al. (2011) overlay quite neatly with the simplified model of the Better Work compliance clusters. Core labour standards are captured in the sixth grouping. The four items in the cluster on working conditions also appear. Three of them appear directly as groupings (i.e. occupational safety and health, compensation, and HR). The fourth item, working time, is captured in the third grouping called ‘modern HR practices’ (e.g. overtime, regular hours, and working time are listed within the grouping). The additional groupings listed in the study are ‘communication and workplace systems’ and ‘unions.’

One challenge I faced in this project was to be sure that these items provided an accurate measure of compliance. Of course, a degree of subjective judgement was required. To establish validity, I point again to the existing indexes that have been used to measure the constructs I am interested in (Brown et al., 2011; Oka, 2012; Robertson, 2011; Robertson et al., 2011; Seo, 2011), as well as the research that has been conducted on the indexes themselves (Robertson et al., 2011). After separating workers’ feedback according to the production chains in which they worked, I organized their feedback in to these categories developed in Better Work studies. These categories are already established as the compliance clusters that Better Work uses to conduct its monitoring and evaluation in all of its programme countries. This

therefore makes my results comparable, which will assist in future research comparing the Better Work programme across multiple countries.

NVivo 9

NVivo is a qualitative research software tool that allows for efficient sorting and retrieval of data, which is extremely useful for organizing data by themes, as well as for identifying new themes in the data. It doesn't analyse the data, but rather provides support in the development of an organizing system (Tesch, 1990), which aids in preparing data for analysis. In my dissertation, it allowed me to conduct an integrated analysis, treating my data both qualitatively and quantitatively (Bazeley, 2002).

Several researchers have discussed the merits of using NVivo (Bazeley, 2002; Bourdon, 2002; Bringer et al., 2004; Crowley et al., 2002; Morse & Richards, 2002; Richards, 2002; Roberts & Wilson, 2002; Welsh, 2002), and have developed tools for deciding when its use is appropriate (Auld et al., 2007; Kondracki et al., 2002). This literature builds on earlier research about the benefits and potentially negative consequences of using computer software to do qualitative data analysis (Richards, 1987; Weitzman & Miles, 1995).

Following the decision tree outlined by Auld et al., I determined that it would be appropriate to use NVivo to analyse my own qualitative data sets, as opposed to using manual analysis. In part this was because the purpose of my research was a detailed analysis, and not simply a search for themes. It was also appropriate because analysis of my data would have taken too long if done manually. Because I was the only coder, there was no need for a predetermined coding structure, and no need to

establish inter-coder reliability. Finally, there was a student version of the software that made it feasible to include as part of my research costs.

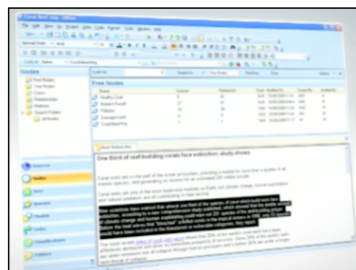
I used Nvivo to analyse the transcripts of the focus group discussions. Specifically, I used it to sort the data by compliance cluster, and run queries that were driven by my research questions. NVivo allows the researcher to create nodes, which are similar to folders. Often, they are created according to key variables the researcher is interested in. Because I was interested in variation in workers' perceptions of compliance between the two production chains, I first created 149 'nodes' – one for each worker – and gave each one several attributes. The attributes included which factory the participant worked at, the nationality of the factory owner, end-user market, whether or not the factory participated in Better Work, the participant's union membership status, gender, and other firm and individual-level characteristics. With this first level of input, I could separate everything that workers in Taiwan-USA factories said in the focus groups from everything that workers in SA-SA factories said.

Next, nodes were created for the compliance clusters mentioned above. Any time a worker said anything related to health and safety, that statement or quote was highlighted and dragged over into the "OSH" node. Within that node were sub-nodes labelled 'positive' and 'neutral' statements, to ensure that a comment made in passing was not mistaken for a complaint about a particular issue (e.g. "there is no discrimination in my experience"). These positives statements were scarce, but were separated out nonetheless. Likewise, this was done with the other themes, resulting in

five primary nodes/folders: (1) core labour standards; (2) compensation; (3) contracts and human resources; (4) occupational health and safety; and (5) working time.

Not all issues raised during the focus groups fell within the scope of the compliance clusters. These ‘additional issues’ were coded while proceeding through analysis of the transcripts. This created room for workers to express their feelings about aspects of working life that I may not have anticipated but which play a role in shaping their perceptions of what makes better work. For example, participants referred to “Chinese supervisors” fairly often. As I scrolled through the transcripts, I highlighted anything that was said regarding Chinese supervisors, and coded it under the appropriate node. In fact, their supervisors were ‘Taiwanese’ but they perceived them as ‘Chinese’ and therefore referred to them as such. During coding, I used the word ‘Chinese’ (to be consistent with what they said) but my analysis refers to these supervisors as being Taiwanese. Eventually it became clear that workers’ relationships with their Taiwanese supervisors were influencing their work experiences. The new node created for this additional issue was called “supervisor relations.” The following image is included to provide an idea of what it looks like to work on a project with NVivo (not my own):

Figure 9 NVivo screen shot



Establishing attributes for each participant made it possible to sort workers' feedback according to any one (or combination) of those attributes (e.g. factory owner nationality, end market, gender, etc.). For example, I could query the data to learn what workers in Taiwan-USA factories said about issues related to discrimination, and compare that to what workers in SA-SA factories said about issues related to discrimination. Or, I could query the data to see what differences there were between the two value chains in workers' feedback about freedom of association. In some focus groups, certain issues came up more often than in other groups. This was used as an indication that the issue may be of particular concern to that group of workers. This was another useful tool that NVivo offered – being able to quantify how frequently issues were mentioned by workers.

To reiterate, the objective of using NVivo was not to use the software to do the analysis, but to use it only to sort the data, making it easier to visualize patterns and emerging themes. This allowed me to then investigate and analyse specific items. As one scholar once put it, “the software is the loom that facilitates the knitting together of the tapestry, but the loom cannot determine the final picture on the tapestry” (Welsh, 2002).

Conclusion

This chapter has laid out the research methods followed, beginning with the transition to South Africa, moving from desktop to primary-source research in Lesotho, designing the questionnaire, facilitating the focus group discussions, and

outlining how I analysed workers' feedback. At each stage, negotiations played a critical role in ensuring my passage from one level to the next. The next chapter provides a detailed account of the findings of my dissertation. In particular, it draws on the feedback of 17 focus group discussions with 149 workers, and questionnaires completed by 129 workers.

CHAPTER 5

A HALF LOAF AND NO ROSE

“Our work has got many challenges. Serious challenges. But in some instances there are things that we like, because that’s where we make our living ultimately. But it needs someone with strength of character. If you do not have strength of character, then you cannot really work there. You cannot survive.”

In Chapter 2, I hypothesized that variation in workers’ perceptions of compliance with labour standards can be explained by the value chain within which they are located. In each value chain, management is influenced by their different national historical trajectories, experiences with unions, and end markets. This in turn impacts their attitudes towards compliance, and how they treat their workers.

Foreign Management in Lesotho’s Clothing Factories

In the context of the research questions, it was anticipated that workers in Taiwanese owned factories would have less favourable perceptions of their working conditions than would workers in South African factories. It was expected that Taiwanese owners would pay little attention to working conditions or to workers in general. There were several occasions in the focus groups where workers affirmed this expectation.

“The Chinese do not work with people nicely. They are rude. It’s like they have been trained to talk to Basotho in a certain way, not that they don’t speak English or Sesotho. They just speak to people as they please.”

“One of the reasons why we left some factories is that there is oppression. They treat us like slaves.”

“In case of fire, all doors are locked with padlocks and the keys are with the Chinese manager. So when we shout and we call out for help, the Chinese manager will go around and go attend the fire, and leave the workers inside.”

In South Africa, many employers choose to, or must, recognize unions in their workplaces. Even in the early years of democracy, the collective bargaining system in South Africa was unrivalled by other African countries with advanced systems of industrial relations – namely, Swaziland, Zambia and Zimbabwe – in terms of its spread, sophistication and complexity (Fashoyin, 1998). South African employers have become familiar with negotiating, and can be expected to understand that unions are a part of every day working life (Fashoyin, 2008). Several of the SA-SA factories in Lesotho also operate clothing factories in South Africa, rather than simply being South African companies that just do production in Lesotho. Some have operations in Durban, SA and others in Newcastle, SA. It was therefore expected that South African owners, being accustomed to more rigid labour legislation, (see, for example, Herskovitz 2011 or Democratic Alliance, 2012)⁴³ would pay more attention to working conditions and to workers in general.⁴⁴ In support of this expectation, some workers in South African owned factories alluded to the attentiveness of their managers, pointing to aspects of the work process such as being allowed to exercise

⁴³ Analysis-South Africa asks if rigid labour laws are costing jobs (Herskovitz, 2011); South Africa rigid labour laws kill jobs (Democratic Alliance, 2012).

⁴⁴ A complete copy of the Amended Labour Relations Act can be found on the website of the South African Department of Labour at

<http://www.labour.gov.za/DOL/legislation/acts/labour-relations/labour-relations-act>

voice or be involved in decision-making. They associated this with good management, underscoring the value they place on having an understanding relationship with their manager:

"The manager has given us a platform to go directly to him if there is a problem."

"Our manager has allowed us to have a committee who will represent us and talk about all issues."

This is in contrast to what workers in Taiwanese-owned factories said about their managers:

"The manager's office is off limits."

"The Chinese do not know how to consult with the workers. It feels that, as human beings, we need to be involved in all the work-related issues that involve us. But, always, it's imposed on us...they simply tell you 'go work over there.' When we say, 'No, I don't think I can, because...I need to get trained first...' Then they will tell you, 'So, simply go home.'"

Other 'positive' comments were less about the good quality of one type of manager and rather about the desire to avoid another type of manager who they thought was 'worse'. For example:

"The South Africans are better than the Chinese."

"I prefer a Chinese manager."

Contrary to expectations, however, many workers in South African factories had an intense fear of their South African owners:

“We fear our manager [South African] so much that when we see him coming we hide. If he sees us talking anything, or opening our mouths at all, he fires us. Just like that he tells us to go.”

A number of South African owners do not actually come to work every day at the factory. Some live in Durban and come to the factory once every few weeks. Some live just across the border in South Africa, but leave the daily operation of the facility to their mid-level managers and supervisors.⁴⁵ Workers said that when their owners were coming to the factory they were instructed to keep quiet and keep their heads down. Some said they fear their South African owner so much that they hide when they see him coming.

“[South African] managers they don’t stay here so the time when they come they are being told that you should put your head straight don’t look on the side, don’t do anything just sit still.”

To further investigate the expectations developed around owners’ attitudes towards workers, it was necessary to take a closer look at what workers’ were saying about their respective management’s attitudes towards unions. In both Taiwanese and South African owned factories, it appeared that managers did not have a favourable attitude towards workers. For example, in T-USA factories:

⁴⁵ This is based on information provided by South African managers at two different factories who I met with briefly while arranging meetings with line supervisors.

“If they find out that you belong to a certain union they will ill treat you...”

“The manager doesn’t like the unions... We get fired if we join a union.”

And in SA-SA factories:

“Personnel will call me and tell me that I’m not allowed to wear this [union] t-shirt, they will fire you, you should not come to work wearing this.”

One person did highlight a positive perception of South African managers when she said:

“In factories where they have unions, things are much better and easier because white people, they understand the unions better, South Africans.”

However, there was much more negative dialogue surrounding the issue of South African managers’ attitudes towards unions, and how they tried to manipulate or squeeze out the workers who were either union members or shop stewards, in order to keep the union at bay. Beyond management’s attitude towards unions specifically, workers highlighted some of the differences between Taiwanese and South African managers’ approaches to interacting with workers. This sheds light on their attitudes towards both the collective and individual rights of workers. As illustrated in several of the quotes above, for example, South African managers’ appear to involve workers more in the work process but are harsher in terms of exhibiting anti-union behaviour. In terms of the role that foreign management plays in influencing workers’ perceptions

of compliance, it seems there is an important distinction to make. That, namely, concerns the issue of respect versus fear.

Among workers in Taiwanese-owned factories, there was a general (and sometimes explicit) sense of disrespect for their managers, who they felt were likewise very disrespectful towards them. Negativity brewed in this environment. Memories of my visits to the factories are punctuated by the sound of Taiwanese managers shouting in the office, up and down the lines, perhaps not angry at all times but accustomed in some fashion to being loud. The Basotho, on the other hand, have been conditioned to regard raising one's voice as disrespectful in and of itself, regardless of what is being said.⁴⁶ Some smile at me and roll their eyes, or want to have their picture taken with me. Others move past without seeming to notice I am there, in the business of getting the job done so they can avoid more shouting.

Memories of my visits to South African factories are starkly different. I'm most often greeted with an invitation to a warm office, a cup of coffee, and a pleasant discussion about the planned events for the day. Outside the office, the only sounds to be heard are the whirr of the machines and the clacking of the needles. Workers look up at me wondering who I am or what I'm doing, and most often mistaking me for a buyer. Few are very eager to have their picture taken, or at least appear to be more focused on attending to the task in front of them. Are they better workers than those in Taiwanese-owned factories?

Workers in South African owned factories expressed quite a bit of concern over the South African management's ability to instil fear in workers by threatening to

⁴⁶ This knowledge of Basotho culture is based on feedback offered by workers during the focus group discussions.

fire them, and speaking harshly towards them. They are told to keep their heads down when the ‘big boss’ is visiting.⁴⁷ They appeared more worried about acting out than did their counterparts in Taiwanese owned factories, possibly due to racial tension with their white South African managers.

“South African managers are very intimidating. They can fire you instantly, without any notice.”

"We're always afraid of him. He calls us so many bad names. He calls us 'black person' and 'bullshits'"

Though Lesotho was not directly subject to the segregationist policies of Apartheid,⁴⁸ as a close neighbour with a migratory workforce⁴⁹ the discourse among Basotho workers suggested that they have been conditioned to view white South Africans with some trepidation. There appears to be a stronger sense of a vertical hierarchy than there is with the Taiwanese managers, who workers seem to view as ‘more’ foreign. Workers often commented on how Taiwanese managers were loud, shouted at them rudely, and made fun of their ‘factory jargon’ – a blend of English and Sesotho. Others appreciated that they were at least making an effort to speak to the workers in a way they would understand, unlike some managers who harshly hurled

⁴⁷ Some of the South African factories have their headquarters in Durban or other parts of South Africa.

⁴⁸ Queen Victoria made Lesotho a British protectorate in 1868, on an appeal from King Moshoeshe after more than a decade of fighting with the Boers in the Free State-Basotho War. See, for example: A South African kingdom: The pursuit of security in nineteenth-century Lesotho (Eldredge, 1993).

⁴⁹ Primarily, this includes Basotho men working in the South African mines, and Basotho women working as domestic help in South Africa.

the few English words they know at the workers (e.g. “do this!” or “go here!” or “go home!”).

Two Global Value Chains: Examining Foreign Ownership and End Market

Issues relating to buyer visits and quick fixes were mentioned twice as often in Taiwanese owned factories (11.5% of all comments by workers in T-USA factories) than in South African factories (6% of all comments by workers in SA-SA factories). This can be partly explained by the fact that they have more US buyers, with whom they have codes of conduct, and have traditionally had to take part in audits. Workers in these factories had more to say about their interactions (or not) with these buyers, and how things have changed (or not) as a result of their visits.

Of the 14 factories that subscribed to Better Work Lesotho in its first year, only one was South African owned.⁵⁰ This is not surprising, given the two predominant value chains: (1) Taiwanese owned and exporting to the US, and (2) South African owned and exporting to South Africa. Assuming, of course, that US buyers put more pressure on their suppliers. Therefore, one would expect there to be more pressure from US buyers to take part in a programme such as Better Work. Of the workers in T-USA factories participating in this research, 43 were in Better Work factories, and 28 were not. Of the workers in SA-SA factories, only 12 worked in a Better Work factory, while the remaining 59 did not.

Oka argued that reputation-conscious buyers are more likely to encourage their suppliers to make improvements in labour standards compliance and working

⁵⁰ Based on information collected from the Better Work Lesotho country programme officer.

conditions (Oka 2011). Given that the Taiwanese firms supply predominantly to US brands and retailers, it is not surprising that most of them have chosen to subscribe to Better Work, while only one South African firm has gotten on board. Workers in these US-supplying factories seemed more aware of who their buyers were, and the pressure they could levy on the owners.

For workers in Lesotho, buyer visits were most frequently linked to the issue of occupational safety and health (OSH). The number of comments about OSH-related issues was very high, indicating a serious concern among workers that their welfare is not being tended to. Workers mentioned OSH-related issues more often than any other issue (e.g. compensation, working time, contracts and human resources, etc.). It was expected that Taiwanese managers (as suppliers to the US) would be required to adhere to more stringent requirements regarding OSH policies, and that they would have to provide personal protective equipment (PPE) to their workers as part of their buyer codes of conduct. Furthermore, it was expected that this would improve workers' OSH situations and that they would therefore have more favourable perceptions of their work.

Though the former expectation was reinforced through the observation that factory managers supplying to the US had codes of conduct to abide by, confirmation of the subsequent expectation was not as straight forward. Most workers reported that they were offered PPE only when buyers were visiting, and that any OSH changes were always short-lived. These equated to quick fixes rather than sustainable change. However, because of the occasional provision of this equipment, workers were more aware of what was possible when their managers were making an effort to attend to

their needs. When discussing OSH-related issues, workers most frequently mentioned the word 'buyers'. Though workers in both Taiwanese and South African owned factories often mentioned OSH-related issues, the topic came up more frequently among workers in Taiwanese owned factories (i.e. factories supplying to the US). A possible explanation for this is the impact of buyer visits.

Workers in Taiwanese-owned factories, being privy to the procedures associated with buyer visits and either the prerequisite or subsequent changes that occur, seem more aware of what they are entitled to, or what their managers are capable of when put under pressure. Therefore, when presented with an opportunity to discuss the working conditions in their factories, they were more likely to mention those issues where they had seen change before.

One could argue that some workers may have never seen a raise in their pay, but that this wouldn't hold them back from mentioning it if given the opportunity to do so. The point is not to suggest that workers are so unaware of their basic needs that they cannot relay the parts of their work that are insufferable. The point is to suggest that different aspects of enforcement activities (e.g. buyer visits) have the potential to raise additional awareness among workers. This is not only in terms of what they are entitled to (e.g. not everyone knows they should receive a new face mask every week, or that all bottles in the bathrooms need to be labelled) but also in terms of how their managers are capable of attending to them when there is external pressure.

This discussion sets the stage for a closer examination of one of the key research questions at hand: whether the global value chain within which workers are located explains variation in their perceptions of labour standards compliance. The next

section brings into focus an analysis of workers' perceptions of compliance in the two value chains, evidenced by their feedback in the focus group discussions.

Comparing Workers' Perceptions in the Two Value Chains

The issues that workers raised were identified and sorted under the broad themes of 'core labour standards', 'working conditions', and 'additional issues'. The first two reflect Better Work's framework of compliance clusters, and the third ('additional issues') is intended to capture issues that fell outside of what those clusters encompass. The issues were then ranked according to the frequency with which workers from each production chain mentioned them during focus group discussions. This made it possible to compare which value chain fared worse on specific issues, and created a framework for analysing why workers in the different value chains were facing either similar or different challenges associated with compliance.

Woven into the analysis are summary statistics of the questionnaire that was administered to another approximately 130 workers. The feedback from the questionnaire is used at times to support or contrast with the feedback offered in the focus groups. At other times, the summary statistics from the questionnaire are presented in conjunction with more detailed statements from the focus group discussions, in order to paint a more textured picture of the issues workers are dealing with and striving to remedy.

As mentioned above, the findings are structured according to the value chain in which workers are located (T-USA and SA-SA), in order to engage the research question of whether this influences workers' perceptions of compliance. The tables

below provide summaries of the frequency with which different issues were raised across the two value chains. Each time a worker made a comment about an issue relating to one of the compliance clusters, this was coded as a count within that given category. These counts are depicted, first of all, as a percentage of all comments made by workers in a given value chain (i.e. relative to others within the same value chain). Secondly, they are depicted as a percentage of all comments made by all workers across the two value chains on a given issue (e.g. the ratio of comments made about OSH was 3:1 T-USA to SA-SA).

As a disclaimer, I realize that this coding method could create an issue where a word was used 'in passing' versus used to describe perceived violations of labour standards. For example, if a worker said, "there is no discrimination here" that would be coded under the discrimination node within the sub-node "positive". On the contrary, if a worker said there is discrimination against pregnant women, for example, this would be coded under the discrimination node within the sub-node "negative". In the analysis, only the "negative" sub-nodes were explored when searching for violations of core labour standards such as discrimination. A positive and negative breakdown was created for each category within the compliance clusters. The 'positives' were relatively few. In fact most have already been discussed, particularly in the context of some workers perceiving that South African owners allowed them to approach them directly, or to be involved in some decision-making processes. This is not surprising, given (a) the gruelling nature of their work, and (b) the nature of the focus group discussions being utilized as an opportunity to discuss workplace issues.

As an additional disclaimer, I realize that it may seem somewhat provocative to use quantitative figures to depict the results of focus group discussions – in particular because the purpose of the focus groups here was to delve deeply in to workers’ experiences and to use this narrative to unpack complex relationships and dynamics influencing their perceptions of compliance. These figures aren’t meant to provide full-proof explanations of what is happening on the ground. The narrative and analysis surrounding these figures are the key features illuminating workers’ experiences. The figures are added to strengthen the narrative with numerical and/or visual depictions of commonly mentioned words and themes emerging in the focus groups. Table 5.1 compares issues raised by workers within each value chain. In each sample (i.e. each value chain) the number of worker observations is the same. The top two issues mentioned most frequently in each sample are bolded.

Table 4 Comparing issues raised by workers in each value chain

	Relative to issues raised within each value chain	
	As % of comments by workers in T-USA factories	As % of comments by workers in SA-SA factories
CORE LABOUR STANDARDS		
Child labour	0%	0%
Discrimination	5%	6%
FOA & CB	3%	8%
Forced labour	1%	3%
WORKING CONDITIONS		
Compensation	10%	4%
Contracts & HR	13%	4%
OSH	34%	15%
Work Time	5%	4%
ADDITIONAL ISSUES		
Supervisor Relations	18%	34%
Unions	1%	11%
‘Chinese’ management	4%	0%
South African management	0%	9%
Government	3%	1%
Work life	3%	1%

Differences Within the Value Chains: How Do Workers Rank the Issues?

As the table above indicates, OSH and supervisor relations are the top two most frequently mentioned issues in both value chains – though the ordering of those issues is reversed in each sample (i.e. OSH is number one in T-USA factories, whereas it is number two in SA-SA factories). When all of the comments in each category are added together, issues related to core labour standards are mentioned relatively more frequently in SA-SA factories (17%) than they are in T-USA factories (9%). On the other hand, issues related to working conditions are mentioned relatively more

frequently in T-USA factories (62%) than they are in SA-SA factories (27%). Additional issues account for 29% of all comments made by workers in T-USA factories, whereas they account for 56% of those in SA-SA factories. Importantly, the bulk of the comments made by workers in each value chain regarding additional issues related to supervisor relations.

In T-USA factories, OSH itself accounted for 34% of all comments. The second biggest issue – supervisor relations – accounted for another 18%. Issues related to core labour standards came up much less frequently, accounting for 9% of all issues raised by workers in the T-USA value chain. If they are to be ranked, then, workers rate working conditions as the number 1 issue (total 62%), followed by additional issues (total 29%), and lastly core labour standards (total 9%).

Within the SA-SA factories, supervisor relations are mentioned more than any other issue (34%). Issues related to unions, and particular with reference to workers' concern with union fragmentation as well as workers' inability to unite, are also included in this category, accounting for 11% of all comments. In total, additional issues account for 56% of all comments made by workers in SA-SA factories, making this the number 1 issue. This is more than double the issues raised regarding working conditions (only 27%), which ranks as the number 2 issue. Core labour standards are ranked third. Relative to T-USA factories, however, they are mentioned more frequently.

The tables indicate, first of all, that there are many issues in both types of factories. Second, they highlight the primary issues of OSH and supervisor relations in each value chain. Third, they illustrate that many of the issues vary in nature between

the two value chains. The tables also yield important insights regarding divergences between formal compliance and the realities of the worker experience. For example, there are more issues with compensation, contracts and human resources in T-USA factories. This may be explained by the observation that T-USA employers have an approach to monitoring that includes being compliant on a need-to basis. They appear to push workers very hard and shirk compliance requirements but then cover-up when buyers visit. On the other hand, it seems that SA-SA employers take a more moderate approach, likely because they do not have to scramble as much to try to please US buyers and at the same time because they see the value in keeping the workers somewhat comfortable. In some SA-SA factories, they offer workers a tea break, for example.

The two categories of ‘core labour standards’ and ‘working conditions’ are taken directly from the Better Work assessment tool and therefore represent a current mechanism for monitoring and evaluating labour standards compliance. When considering those two categories, we get a picture of working conditions as a bigger issue than core labour standards in each of the value chains. However, neither category provides an option to capture issues with supervisor relations, yet this accounts for more than any other issue raised in SA-SA factories. And it is the second most frequently mentioned issue in T-USA factories. This does not represent a criticism of the Better Work monitoring and evaluation model. Better Work Global has been a close partner in facilitating the investigation of workers issues on the ground. They have actively sought feedback to improve their approach in Lesotho, and have since introduced supervisory training as a response to the concerns voiced by workers.

Differences Across the Value Chains: How Do They Compare?

In the following table, the data are presented as percentages of all comments on a given issues across the two value chains. The number of worker observations in each sample is the same. Therefore, it makes sense to read the data as, for example, ‘of all the comments made about OSH, 75% can be accounted for by workers in T-USA factories vs. 25% by workers in SA-SA factories’.

Table 5 Comparing issues raised by workers across the two value chains

	Relative to issues raised across the value chains	
	T-USA	SA-SA
CORE LABOUR STANDARDS		
Child labour	0%	0%
Discrimination	48%	52%
FOA & CB	29%	71%
Forced labour	33%	67%
WORKING CONDITIONS		
Compensation	71%	29%
Contracts & HR	79%	21%
OSH	75%	25%
Work Time	67%	33%
ADDITIONAL ISSUES		
Supervisor Relations	35%	65%
Unions	7%	93%
‘Chinese’ management	100%	0%
South African management	0%	100%
Government	100%	0%
Work life	80%	20%

The above table illustrates that issues related to core labour standards are mentioned at a higher rate in SA-SA factories, and that issues related to working conditions are mentioned at a higher rate in T-USA factories. In both cases, the issue

of supervisor relations weighed heavily in workers' narratives, albeit more frequently within the SA-SA factories. Upon closer inspection, some of these comments made reference to something specific about the relationship between workers and supervisors, but many reflected an underlying issue with violations of core labour standards and working conditions. For example, some workers complained that supervisors discriminated against people with disabilities. Several others said that supervisors discouraged workers from joining a union (i.e. violating the core labour standard that entitles workers to freedom of association). When talking about issues with basic working conditions, workers often alluded to their supervisors preventing them from taking sick leave. Or, forcing them make their own facemasks rather than giving them a new one each month.

In T-USA factories, it seemed that one of their biggest issues (occupational safety and health) could be linked to issues with buyer visits. That is, workers felt they received personal protective equipment only when buyers were visiting, and complained about a lack of sustained improvements. The OSH issue could also be linked to issues with their supervisors, as illustrated in the example about making their own facemasks.

In SA-SA factories, it seemed that connections could be drawn between non-compliance with core labour standards, supervisor relations, and even the issue of unions and collective power. I argue that the answer, in part, rests in how the owners are utilizing their supervisors differently. This argument is articulated more explicitly in Chapter 6.

As a precursor, the following section unveils direct feedback from the workers themselves, highlighting the issues that featured prominently in their narratives. The excerpts provided illustrate how influential the issue of supervisor relations is in shaping workers' perceptions of compliance.

Working In A Taiwan-USA Factory

The findings indicate that workers in T-USA factories spent more time talking about issues related to working conditions than they did on issues related to core labour standards. This is used as a measure of how workers in these factories prioritized issues. Given that issues with working conditions featured prominently in the focus group discussions with workers in T-USA factories, they are addressed first.

Linking issues with health And safety to workers' level of awareness of standards

There are OSH policies outlined in Lesotho's Labour Code – in particular regarding equipment, the labelling of hazardous chemicals, the use of personal protective equipment, etc. (Lesotho Labour Code, 1992).⁵¹ There are also some company-specific policies that have been implemented – for example providing tea breaks or uniforms.⁵² In addition, some US multinational companies have codes of conduct with which their supplier factories must abide.⁵³ Nonetheless, workers did not feel sufficiently protected.

⁵¹ Part VII Sec. 92-116 of the Lesotho Labour Code deals with 'Health, Safety and Welfare at Work'

⁵² Based on information provided by both managers and workers at different factories.

⁵³ See, for example: Gap Inc. Vendor Code of Conduct, available at http://www.gapinc.com/content/dam/csr/documents/COVC_070909.pdf or Levi Strauss & Co.

Health and safety ranked high on the list of issues in both value chains.⁵⁴ Relatively speaking, however, OSH-related issues featured more prominently in the T-USA factories, accounting for almost half of all of the statements made by workers in these factories. Many of these workers complained of strong chemicals being used in their work. Workers referred to hazardous chemicals in the context of them negatively affecting both the person using the chemicals, as well as workers in neighbouring sections.

“There is an extremely hazardous chemical that is used in the washing room. That substance is always hidden when buyers are coming. It’s so hazardous that it causes TB and other related diseases.”

“These chemicals are so strong that they can affect you five metres away from where they are, and there are some pregnant women who work in those sections who are affected by those chemicals. There are those who have babies, who are suckling babies, and they still inhale these chemicals.”

In some cases, unlabelled chemicals led to hazardous encounters for workers. One worker reported that a man had mistaken a chemical for water, and it burnt his insides.

Social and Environmental Sustainability Guidebook, available at <http://www.levistrauss.com/sites/default/files/librarydocument/2010/6/ses-2010-guidebook.pdf>

⁵⁴ When discussing the issue of OSH, the two words most frequently used by workers were ‘chemicals’ and ‘buyers’. Other words included ‘water’, ‘toilets’, ‘dust’, ‘Chinese’, ‘doors’, and ‘health’.

“...he mistakenly drank that chemical mix, thinking it was water, and he wasn't assisted. It was on a night shift, and it burnt him inside, and it affect his lungs mostly, and another lung totally was like... And we don't know, he didn't die then, but we don't know where he is because he had to leave. He just stayed there the whole night, and then left in the morning.”

If a night-shift worker got injured, it was often the case that they would need to stay there until morning when the transportation started up again. Obviously, this could have potentially fatal consequences, as suggested in the above quote. If a worker is taken to the hospital immediately, he or she is generally charged approximately R350 for the trip. To compare, factory workers earn around R900 per month.

In addition to hazardous chemicals, several workers mentioned that the machines they use are unsafe, and felt that their bosses wanted to save at the expense of the workers' health. Some said they were using older (non-automatic) sewing machines because they are cheaper, which leads to more finger injuries because of the adjustments they need to make. Others said they use equipment that has been modified in some way to make production more efficient.

“You would have instructions on the containers that this thing should be used appropriately like this, but then the Chinese, or our supervisors, will just instruct us to use it wrongly, simply for the convenience of achieving results.”

“There’s the sandblasting section, and we use pipes, and there are two types of machines – the original machine and the artificial machine. There is this product that comes from China, and it’s a residue of metal production, and it’s used for sandblasting. It’s detrimental to our health. When we use the original machine, it is kind of convenient in the sense that you don’t have to put the sand inside and all that, so you can achieve your target. But now the problem that management realised is that it doesn’t really bring out the results that they desire, so they invented their own version.”

Some workers were given personal protective equipment (PPE), though most reported that it was either insufficient in quality (i.e. the fumes or dust could pass through it), or was provided only when buyers were visiting. The word ‘buyer’ came up most frequently in workers’ comments about OSH-related issues, mentioned in the context of buyer visits. Most of what they said referred to how things changed either before, during, or after these visits.

“The doors are locked all the time, and they only open the doors when the buyers come to visit. And we are given the nose mask at that time. All the other time we are not given any mask.”

“There in the painting section, they close it when buyers come. And they expel the workers out of it.”

“When they know the buyers are coming, workers in that section are normally pulled out, and the door is locked, so that the buyers will just pass without noticing. We have tried a number of times in the past to discuss these issues with them, to raise these issues to the manager, and the management has still not acted on the issues.”

The quote above points to another common concern among these workers, which was that they felt shut out of the process of solving problems or providing

feedback to buyers. Many of them wanted to talk to buyers about the conditions, feeling that the buyers were not getting an accurate picture of the actual working conditions. Some did in fact try speaking to buyers, and were quickly reprimanded by their managers. Others viewed the buyers as not being actively engaged or not making an effort to speak to workers, saying that they would just walk around and inspect. Several quotes about buyer visits are listed below. Across all of them, it is evident that workers are aware and frustrated by the fact that they cannot participate and speak about the actual conditions they face. This reinforces that the current approach to monitoring is not effective.

“The buyers only come to check our work, they don’t come to ask us. They only go to the office, not us. So we only know the buyer is here, but there’s no interview. They walk around.”

“What we know is that the things we make are not sold locally, but we don’t know who are the buyers. We have seen Gap but they did not talk to us.”

“Sometimes there are buyers but we don’t talk to them. Sometimes we just see them inspecting around.”

“Yes, they do come often, either buyers or people from [the Ministry of] Labour, and the impression that the workers have is that these people never really tell what kind of working conditions we have.”

“Sometimes you cannot really identify who are these people because nobody says anything to us. Sometimes maybe we will see a local black person with a couple of white people together with our managers, and nobody says anything to us. We never know who’s the buyer, who’s from the ministry, who’s from South Africa.”

“We desire to talk to visitors like buyers or people from the Ministry [of Labour], but you find that already there is a predetermined situation whereby there is a person that is assigned to talk to a particular visitor.”

“When buyers come, they choose workers [for interviews]. Management coaches us that we should talk good stuff, and if we put things in a bad way, we get fired.”

“We are not free to talk to [buyers]. If we happen to talk to them, we are coached that we must say only positive stuff about the company because, if we talk bad, things will happen, then the buyers will go away.”

“Whenever there are buyers, my boss will pretend that he is actually taking care of us, and will want us to talk nice about him.”

Workers who had at some point experienced a buyer visit, and/or received personal protective equipment as a follow-up to the visit, seemed more likely to express discontent with the quality of OSH protection. A possible explanation for this is the heightened awareness of what is possible when management is paying more attention to their working conditions.

“It’s like this guy from Levi’s, he does things, he calls the shots, and they (the owners) just do it. If he sees something that doesn’t fit well with him, concerning workers – like...he said they should make sure those people [in the store room] are supplied with those big jackets – then it happened.”

“Some other buyers, like Chinese ones, I don’t know them. But as for Gap and Levi’s, I know these people. The Levi’s guy is like a semi-god to these Chinese.”

Workers in these factories were tired of the quick-fixes, and most of their statements about OSH-related issues included the phrase, “only when the buyers come...” or “we know the buyers are coming when....”

“Whenever the buyers come, we are always given new masks, and old ones are always thrown in the next dustbin. ”

“When they know the buyers are coming, they will always do something to protect workers. They will provide bags to collect the dust. So once the buyers are not there, it’s definitely a problem. Workers find themselves walking on that dust, which is normally troubling us.”

“All doors in the factory are always locked but, whenever the buyers come, all doors, all windows, all exit points get opened. Only because the buyers are coming... Today there were no buyers, so there were no doors open.”

This is supported by findings from the questionnaire administered to 130 workers. Among the T-USA participants, 62.5% said they do receive personal protective equipment (PPE). However, only 35% said that they receive PPE on a regular basis. The table below provides additional OSH-related feedback from the questionnaire:

Table 6 Questionnaire feedback on OSH policies, PPE, and training

Questionnaire items	Response = “Yes”	
	T-USA (N=66)	SA-SA (N=64)
D1. Are you protected by any OSH policies at work?	46.8% (n=62)	31.3% (n=64)
D2. Are you provided with PPE?	62.5% (n=64)	32.3% (n=62)
D2a. If so, on a regular basis?	35.0% (n=40)	45.5% (n=22)
D3. Does the factory have an OSH committee?	59.0% (n=61)	44.1% (n=59)
D4. Does anyone look after health and safety issues at your factory on a daily basis?	58.1% (n=62)	24.6% (n=61)
D6. Have you received any training on OSH procedures in the workplace?	17.5% (n=63)	9.4% (n=64)

As the data indicates, the majority of workers across both value chains are not covered by OSH policies and do not have anyone looking after health and safety issues in their factories. Furthermore, the vast majority have never received any OSH-related training, which is a major concern in a work setting where so many different types of injuries can (and do) occur. Workers were asked about the specific health and safety issues they experience in their workplaces (item D5, missing from the table above). They were provided with a list of options and asked to circle all that apply. Their responses are illustrated in the table below:

Table 7 Health and safety issues experienced by workers

Questionnaire items	Questionnaire responses	
	T-USA (N=66)	SA-SA (N=64)
D5. What health and safety issues do you experience at your workplace? (circle all that apply)		
Back pain	4.6%	26.6%
Cuts	8.4%	1.6%
Inhale chemicals	23.7%	25.0%
Needle pricks	16.0%	10.9%
Noise level	10.7%	10.9%
Too cold	28.2%	54.7%
Too hot	9.2%	23.4%

Inhaling chemicals and getting pricked by needles are two safety issues that could be addressed by workers if they were more aware of the standards on these issues. Workers must be provided with face masks and with safety gloves. Most of them seem to know that they should have face masks, mostly because they have seen other workers with face masks and learned hearsay that they should have them too. The fact that the vast majority of workers did not receive any OSH-related training is a serious problem, first and foremost because workers don't know what the baseline standards are – what is okay, and what is not. This is a key issue on which Better Work Lesotho has focused much of its attention – both in the early stages of the programme and to the current day.⁵⁵

Linking issues with contracts and HR to a weaker labour relations environment

Another prominent issue in T-USA factories was concern with contracts and human resources (HR). Workers' comments on the topic could be grouped under three broad categories: HR relations, Contracts, and the DDPR (Directorate for Dispute

⁵⁵ As of 2013, OSH training has been undertaken in all Better Work factories.

Prevention and Resolution). HR relations received the most attention, with 21 out of the 44 statements referring to some aspect of the relationship between workers and personnel.

“There’s a problem between a personnel and the workers. She doesn’t listen to any of our complaints. If we ask for a meeting, she will not give us a chance on the times we want to. She will give time maybe after a week or so, and then she will talk about something else totally different from what we are complaining about.”

Across all factories, the HR officer positions are held by local Basotho. This was intentionally built into employment policy, in part to compensate for the language difficulties of non-English-speaking foreign managers. Aside from payroll and other logistics, HR is primarily responsible for dealing with disputes and discipline. When workers have an issue, they must first speak with their line supervisor and then their manager or production manager, but ultimately they can go to HR if the issue remains unresolved. This is a problem for workers who find it difficult to approach their supervisors. The problem is further perpetuated by a sense among workers that HR tends to side with supervisors.

“If there is a problem between a worker and a supervisor, and a worker goes to personnel, the personnel will take the supervisor’s side.”

In the questionnaire, there was an item that asked workers to rate their relationships with their HR managers as being either: very bad, pretty bad, neutral, pretty good, or very good. On first glance, the questionnaire feedback looks more

positive than the focus group discussions suggest. For example, 27.4% of workers in T-USA factories and 43.4% of workers in SA-SA factories report that they have ‘pretty good’ relationships with their HR managers.

Table 8 Workers' ratings of their relationships with their HR managers

Questionnaire item	Questionnaire responses	
	T-USA (N=66)	SA-SA (N=64)
F7. Your relationship with your HR manager is:		
Very bad	9.7% (n=62)	3.8% (n=53)
Pretty bad	16.1% (n=62)	5.7% (n=53)
Neutral	29.0% (n=62)	24.5% (n=53)
Pretty good	27.4% (n=62)	43.4% (n=53)
Very good	17.7% (n=62)	22.6% (n=53)

However, they were also asked to leave a comment next to their rating and, upon closer inspection of these comments, the picture doesn’t seem as rosy. Some of the comments left by people who circled ‘pretty good’ or ‘neutral’ for example included:

“He oppresses workers’ rights”

“He’s sometimes rough with us”

“He’s a liar”

“He doesn’t like me”

These findings reinforce the importance of speaking to workers about the underlying causes of their workplace issues rather than simply relying on yes/no responses to a questionnaire. Though the questionnaire helps to identify general patterns, it is necessary to search deeper to understand what is actually fuelling the issues. In the feedback on 'HR manager relations' one of main the over-arching issues is that workers feel they are not listened to. That manifests in different degrees of bad relations – everything from “he doesn't listen” and “he doesn't talk to us” to “he takes sides” and “he is cruel and hates most workers”. Workers feel that it is difficult to lodge complaints, and that HR managers are one of the most serious obstacles in that path.

Workers also expressed dissatisfaction with the contracts they are given. First of all, they are often in English and not explained to workers. Questionnaire feedback indicates roughly 54% of the workers from T-USA received contracts that were actually in Sesotho, and also only 54% had the contract explained to them. A slightly higher percentage of workers from SA-SA factories received contracts in English, though fewer of them had their contracts explained to them.

“We are being given fake contracts to sign and they are written in English.”

Table 9 Contractual status, language and explanation of contract

Questionnaire item	Response = “Yes”	
	T-USA (N=66)	SA-SA (N=64)
B7. Did you sign a contract when you were hired?	84.4% (n=64)	93.8% (n=64)
B7a. If yes, was it in Sesotho?	54.4% (n=57)	57.8% (n=64)
B7b. Was your contract explained to you?	54.4% (n=57)	42.9% (n=63)

Secondly, for those workers who did receive contracts, they said that none exceeded one year in length but were renewable annually, making it easy for employers to let go of employees. Of the workers who participated in the questionnaire, 86.2% said they were full-time workers but only 20.8% reported that they were ‘permanent’ workers.

“When they feel they’re done with you, they come and tell you that your contract has expired.”

“I worked for 3 years and I have not signed a contract yet, so if I want to resign it’s going to be a problem for me.”

Another point brought out in the discussions was the role of bribery in getting hired. One group of workers reported that people standing outside the factory gate try to gain an advantage in getting hired by bribing the supervisor or manager who comes out to select a few workers. Once they are hired, some will try to ask for it back, in particular the men. Male workers will make more of a scene and cause enough disruption to the person who hired him, thinking that they are likely to get their money

back. Women, on the other hand, are more likely to see it as a sunk cost rather than confront a supervisor.⁵⁶ Additionally, workers are concerned that HR managers are promoted based on their ability to ‘motivate’ (or be harsh with) workers, and that they tend to side with management, brushing workers’ issues aside.

“The personnel officer is careless and contributes to oppression by the Chinese.”

“When the other personnel got dismissed, the score lady was actually turned into the personnel. She doesn’t talk good. She often harasses us. She’s doing that work because of her dirty language.”

“Our hope is with the shop stewards and the unions because the personnel is there for the Chinese, not for the workers, so we can’t take any complaints to them. It’s a waste of time.”

If the HR manager does not help workers resolve their issues, workers have the option of taking their cases to the Directorate for Dispute Prevention and Resolution (DDPR). Some workers in the T-USA factories said they had utilized this option, and that they had won. Most of these people, however, said that though the DDPR ordered their employer to pay them their award, they had not received what was owed to them. On the contrary, few workers in the SA-SA factories had taken a case to the DDPR. In the focus group discussions, several workers said they were concerned that filing a case against their employer or taking them to court would result in the employer leaving the country. The following table includes feedback to questionnaire items

⁵⁶ This came out in one of the focus group discussions. Both the men and the women agreed that workers try to bribe managers to hire them, and that the women do not try to fight for it back if they are hired.

related to the DDPR. It supports the findings from the focus groups that fewer workers from SA-SA factories take cases to the DDPR. Furthermore, much fewer actually win their cases (54.2% win rate compared to 78.1% for T-USA workers). As the table indicates, they are more pessimistic about the impact of the DDPR:

Table 10 Workers' awareness of and experiences with the DDPR

Questionnaire item	Response = "Yes"	
	T-USA (N=66)	SA-SA (N=64)
J1. Have you ever heard of the DDPR?	93.8% (n=65)	84.7% (n=59)
J2. If yes, have you ever filed a grievance?	52.4% (n=63)	42.9% (n=56)
J7. Did you win the mediation/arbitration?	78.1% (n=32)	54.2% (n=24)
J8. If yes, did you receive what was due to you?	71.9% (n=32)	60.7% (n=28)
J9. Do you think the DDPR has changed the way managers treat workers?	58.7% (n=46)	34.4% (n=32)
J10. Do you think the DDPR has changed the way workers deal with workplace issues?	76.2% (n=42)	57.1% (n=28)

One problem here is with workers' access to the procedures offered through the DDPR. It is usually the union who will assist workers to file their grievances and take their cases to the DDPR. Most workers report that they are easily able to talk to a shop steward, but many also report that they are discouraged from joining a union. Not only does this show evidence of anti-union discrimination, but it also indicates that shop stewards should be more involved in the process of monitoring and reporting working conditions. Since workers feel comfortable speaking directly with them, they represent a meaningful channel for relaying the issues that are most important to workers.

Table 11 Workers discouraged from joining a union

Questionnaire item	Response = “Yes”	
	T-USA (N=66)	SA-SA (N=64)
G3. Did your boss try to stop or discourage you from joining the union?	35.9% (n=64)	50.8% (n=61)
G4. If you have a problem at work, are you able to easily talk to a shop steward?	100% (n=65)	90.5% (n=63)

In addition to fear of losing their jobs, workers in SA-SA factories were also less likely to get involved in any kind of industrial action, unlike their counterparts in T-USA factories. One worker expressed criticism of his fellow workers, arguing that they are too passive and too protective of their own individual security rather than fighting for the rights of workers as a collective group.

“Workers love money so much that they’ll say I’m going to continue to work, not go to Maseru and participate in strike... It’s an individual perspective that I’d rather go to work, working for my family and struggling. Why go on strike? A half loaf of bread is better than no loaf at all.”

The finding that workers in T-USA factories had less favourable perceptions of compliance with standards related to contracts and HR could be due to the fact that these owners are less accustomed to rigid labour legislation, and that they only make improvements when buyers visit. South Africa, on the other hand, has a heavily regulated labour relations environment.⁵⁷ Therefore, managers in SA-SA factories are more likely to pay attention to the laws and procedures of the workplace. For example,

⁵⁷ See for example, ‘Regulating labour relations’ at www.southafrica.info reviewed on 12 April 2013.

South African managers have considerable HR and industrial relations experience, which could lead to closer monitoring of HR managers than in Taiwanese firms.

Compensation and the inability to make ends meet

Before I met with workers I had made some assumptions about which issues would be most difficult for them to talk about, such as HIV/AIDS and sexual harassment. I anticipated that they would be unhappy with their wages but what I didn't anticipate was that compensation would be a difficult issue to discuss. It wasn't what they were earning that was difficult to talk about, but rather how they fell short of providing for their loved ones.

When talking about what they earn and what their monthly expenses are, many workers became quite emotional. In some cases, specifically when talking about the number of people they must support, both men and women began to cry and could not finish what they were saying. When we had these discussions, the air was thick with empathy and others in the circle often began to cry as well when they saw others crying over this issue. It was clear that speaking about the inability to financially support their families was a deeply sensitive experience; more so than the topics I had anticipated would be more difficult to discuss. The sensitivity lay not in the notion of privacy – they did not feel uncomfortable discussing the numbers themselves – but rather in a defeating sense of helplessness.

Of the workers who completed the questionnaire, the majority (66.4%) said they earn between R800-1200 per month, equal to roughly \$115-170 USD.⁵⁸ To contrast,

⁵⁸ At the time field work was conducted, the exchange rate was approximately R7 to 1USD.

they reported average monthly expenditures of R2195, equal to roughly \$315 USD. Expenditures included rent, food, transport, health care, clothes, school fees, entertainment, and savings. The biggest expenses were school fees, clothes, and food. Rent was not a major expenditure, as most workers live without electricity and can keep rent quite low. Not surprisingly, very little went towards savings. When workers were asked whether their wages are enough to sustain their households, 97% said no – regardless of whether another family member was contributing to the household income.

This issue of compensation was a key issue with working conditions that featured prominently, especially in the discussions of workers in T-USA factories. Workers in these factories were especially worried by the fact that their expenditures grossly exceeded their income. Beyond minimum wages, compensation is linked to overtime, payment methods, wage information, paid leave, social security and other benefits. These workers raised concerns with sick leave, workers compensation, and indiscriminate pay increases.

“We are being sent home without any money if we have cut ourselves or have minor sicknesses. We are just being sent home.”

“We don’t have workers compensation whatsoever. If accidents happen and we come to the company to try to claim something, we are told no.”

Workers stated that they are not provided with compensation in the case of an injury on the job, and many workers found it difficult to take the 12 days of sick leave they are entitled to.

“We are given a 12 day sick leave. And if you find that the person is critical and then, after 12 days, she is not getting paid at all. And then, some workers, they die because of hunger, not because they are actually sick. It’s because they are starving.”

There was also an issue of inflexibility regarding the doctors that they can visit that fed into the discussion. Workers reported that it is difficult to provide the required proof (they are limited to specific doctors), especially if they usually visit traditional doctors.

“And when I come back to work, I will be asked to produce proof that I had taken the baby to a traditional doctor. And they don’t provide that. So I will go to a chief, and when I come back with a letter from the chief, I am being told no.”

“We don’t have a doctor in the factory. So if I go see a doctor and there is a long queue at the doctor’s, when I go back to work, I’ve been told to go home, to go and get proof that I was sick and have gone to see a doctor. And that day is not paid. The time that is wasted between the doctor and home is not paid. They select the doctors who can give us sick leave. So if it happens that I go to the doctor and they don’t approve of that doctor, then I don’t get paid for that.”

Additionally, workers alluded to a problem with sporadic pay increases based on favouritism. Workers believe there is an issue of favouritism (e.g. a supervisor who ‘does not like you’ can keep you from returning to work if you have taken sick leave). This also sheds light on an issue of work-life balance that emerged in the discussions about compensation. Workers expressed a lack of compassion on the part of their supervisors with regard to their own well-being but also with regard to their needs at home (e.g. needing to take care of a family member who is sick).

“When I come to work, and my child or any family member has got a serious problem, I am denied to go back home and attend them.”

“In case whereby my child is sick and is admitted to hospital, I have to ask for a sick leave, and I will be granted the sick leave, and it’s unpaid. It’s unpaid because they say, no, it should be you who is sick, not the next person.”

“There was a lady. That lady lived alone, and she brought her sick leave. It was not easy for the lady to deliver her sick leave to the employer. So when she went back to work, she was told that her sick leave won’t be paid because the sick leave note was not given to the employer on time.”

One way to establish compliance would be to check a factory’s pay records against these minimum requirements that have been established. Given that this option was outside the scope of this study, I turned instead to workers’ feedback on what they earn, how they spend it, and what changes (in addition to a salary increase) would make this aspect of their work better. Secondly, simply looking at the results of audits that have assessed a company’s pay records does not necessarily prove that workers are receiving those wages.

“There is also an issue with pay scales. On record it appears we are paid in dollars but actually that is not the case.”

“Those who have just been employed, they have just joined the company, get cheated more. If an employee was to get officially something like R700, because you are a newcomer, you will get something like R400 to R500.”

Most of the compensation related issues raised in the discussions (and in particular the first two key points) were seen by workers as linking directly to their health and safety. With the salaries they earned, they could not afford to properly feed their children, and they were forced to take loans at extremely high interest rates (40%). Discussions around the issue of compensation shed light on the implications it has on a range of issues both within and outside of the workplace.

Issues related to compensation also surfaced in the discussions with SA-SA workers, in this case underscored by an issue of favouritism. Some mentioned that there are workers who do the same job and have been there the same amount of time, yet one will receive a raise and the other will not. It is the same with annual bonuses. There will be years that go by without some workers getting a bonus, whereas others in an equal position receive theirs. It's not clear to workers what they can do to ensure they receive a raise or bonus, other than to try to get their supervisor to 'like' them.

“It doesn't matter if you work for 1 month, 6 months, 5 years, if they don't like you your salary won't change. But even if you are just hired, if they like you, you can get a raise.”

Linking issues with working time to methods for motivating workers to meet targets

In the Taiwan-US factories, workers talked about working time issues in the context of being under pressure to reach high targets, being forced to make unsafe adjustments on machines for the sake of efficiency, being penalized for being a few minutes late, and being confused about how other workers were being hired while they

had to go on short-time⁵⁹ – it can only be expected that this is an attempt to avoid the higher wages associated with full-time employees.

“We feel undermined. We’re being told there’s no work but then they just hired 20 people and we don’t know how they hired those people. When you’re hired, you work for two days. After two days then you sign a contract and then you clock afterwards. Those 20 people, the first day when they got in the factory. Something is not adding up...”

Another issue with working time is that some supervisors will not allow workers to go for lunch if they don’t meet their score.

“By law, lunchtime is my time. That hour is mine but I’m forced to cut it to the interests of the supervisors.”

Other supervisors make their workers stay until 5pm on a payday, when they should be leaving at 12pm, which is especially worrisome to workers who live far away. A few different workers mentioned this as an issue, demonstrating an important link between workers’ safety and being forced to stay late on paydays. As one worker said,

“Where I work there is an issue that on payday we have to knock off at 12pm but we are being oppressed and forced to stay until 5pm. And I am worried because I am staying far away...if I come to an ATM after 5pm, the thugs take my money and I can’t get home”.

⁵⁹ Short-time is when workers are sent home because the employer does not currently have orders. They are told to come in only when the employer needs them, not on a regular full-time basis. Workers were confused because, on the one hand, they were being told that there was no work so they should go home, yet on the other hand they saw that other people were being hired. They guessed that this was because those workers were willing to accept less pay.

Another issue related to working time that frequently came up in discussions was that of workers' ability to meet their targets. The production manager in the factory generally sets targets.⁶⁰ Though workers were not systematically asked the question "How are targets set?" it did come up from time to time. In particular, it came up during moments when workers raised the issue of their targets being too high. In response, I would ask how they were set. The response was typically laughter and shoulder shrugging, followed by a statement about how it is arbitrary. The production manager puts the numbers up on the board, supposedly based on orders and deadlines though there doesn't appear to be a formula. Then, the line managers pressure the line supervisors to make sure the workers meet those targets. How they are set is not clear. An item on the questionnaire asked workers what their individual and group targets were per day, and it varied from factory to factory. Target setting appeared to be random and at the discretion of the individual factory or production manager.

Line supervisors are most familiar with the workers and generally know them the best, in particular because they work so closely to them on a daily basis. Some are able to respond to pressure from above by motivating workers in the appropriate way, or by moving some workers around according to their relative skill and speed. Other line supervisors do not respond to this pressure as proactively. Rather, they start being harsh and taking it out on the workers. Or, they get frustrated with other line supervisors who take their workers from their lines, creating tension between supervisors as well as between supervisors and workers (discussed more in Chapter 6).

⁶⁰ This observation is based on informal feedback from workers as well as managers.

Most workers felt that their targets were too high, and that they struggled to reach them. Often, there were negative consequences for this. In some situations, workers opted not to take tea breaks or bathroom breaks, in order to maximize their working time.

“The problem is that we are given high scores, to reach high scores. And if we don’t, we are being punished. We will be given extra time, and we don’t get paid for it.”

For the sake of cost effectiveness, some of the machines being used have been altered so that workers are required, for example, to manually load sand in to a sandblaster. This slows down the work process and puts more pressure on workers. In addition to the impact this has on their ability to meet their targets, it also has implications for workers’ health and safety.

“The artificial machine has more pressure than the original machine. But now we cannot achieve our targets because you put the sand inside, and then after it is all used, it’s there, you have to take it back and then continue working, and it consumes our work time...”

Working In A South Africa-South Africa Factory

As mentioned earlier, workers in SA-SA factories raised concerns related to core labour standards relatively more often than did workers in T-USA factories. This is not to suggest that workers in SA-SA factories did not have complaints about their basic working conditions. They certainly did, and OSH in particular was one of their top concerns.

SA-SA factories not immune to health and safety challenges

Though OSH-related issues came up less frequently in focus group discussions with workers from SA-SA factories than with workers from T-USA factories, these workers were not immune to the travails of OSH-related issues. In this case, though, the issues had less to do with buyer visits, and more to do purely with the physical aspects of the job that were uncomfortable or unsafe. Many workers said that they suffered from back pain, hearing loss from the noise levels, and everything from needle pricks to cutting off fingers due to unsafe machinery.

“We’re tired, our backs hurt a lot, and [the jobs we’re made to do] dye our hands sometimes.”

“We are not provided with nose bags. We get affected by dust, especially when we sew things like t-shirts. The dust comes from the t-shirts.”

“We have a problem at the warehouse. They use heavy smelling paint, so it affects us.”

“There is a ventilation machine. It makes a lot of noise, so much that after work, when a person talks to me, I cannot hear anything at all.”

“Where I am working we sew jeans and we use a heavy spray, so it affects a lot of people in their chest and some of the workers left their job because of that. We are not given any medical assistance towards that.”

Furthermore, a number of the OSH-related issues in SA-SA factories had to do with having access to water. This is something that the questionnaire did not cover but, through the focus group discussions, it emerged as an important issue.

“We go for a long time without water and it stinks badly.”

“We go without water from morning until lunch time.”

“We went three weeks without water. No water for drinking, toilets, or for doing the work.”

“Toilets are not working properly, so I’m afraid we might contract some diseases. Its 1000 workers and only 7 toilets (out of 12) are working.”

Some of the workers’ comments shed light on OSH hazards that could potentially have extremely negative, if not fatal, consequences.

“We don’t have lockers so I’m afraid that someone can put poison in my food, if we have a conflict of some sort... In my factory it has not happened yet but in another factory it has happened that somebody died because of the poison.”

Other workers spoke about the infrastructural difficulties they face in their factories – for example water shortages and electrical faults, which can at best lead to increased pressure to meet targets and, at worst, lead to fires.

“There was an electric fault and it went up, and the fire was really big. The fire [came out of] the meter box...I was a victim of it. I burned my shoulders and I fell down and fainted. I was taken to the hospital afterwards. Other workers...had accidents, like broken knees and legs. They hurt themselves.”

“There are three of us working with chemicals, and we are supposed to be given milk to drink. But we are told to bring our own milk. And when we complain, we are told that, no, there are just three people working there, and we should use our money. And even the money we earn is not even enough to cover the [cost of the] milk...and everyday. Even when we ask for permission to go and see a doctor because the chemicals have affected us, they say no. We are not given permission. Even when we are absent at work due to illness, when we come back, we are being shouted at. We are told that it's not our mother's house that we can do as we please. And now we are being threatened to be fired...”

Linking supervisor relations and weak collective power

Workers in SA-SA factories also spent quite a bit of time discussing issues that fell outside the rubric of the compliance clusters – namely, issues related to supervisor relations as well as issues with the collective power of workers/unions. I argue that these issues are part of the same fabric from which the issues with freedom of association have materialized. Acting on the anti-union sentiment of top managers, many supervisors act in ways that are oppressive and discriminatory towards shop stewards and regular union members. This of course has negative implications for the relations between workers and supervisors, where workers either fear joining a union, or deal with difficult work circumstances if they have already joined. It also has a negative impact on union organizing capabilities, with resistance from employers, and on workers' belief in their own strength to rise up and take action. As a consequence,

unions and their members in the SA-SA factories are weaker than those in T-USA factories.

Using the frequency with which issues were raised as a proxy for how workers prioritized issues in their factories, it was important to first address OSH-related issues in SA-SA factories. In the next section, the focus is on core labour standards, with a discussion of supervisor relations and unions threaded through the analysis. Specifically, freedom of association and collective bargaining, as well as discrimination.

Greater challenges to union organizing and membership

Anti-union discrimination was raised as an issue in eight out of the 17 focus group discussions, and the issues put forth by workers illustrated several important obstacles to their freedom of association. According to workers, there are at least three key issues with freedom of association in SA-SA factories: (1) methods for dues collection, (2) intimidation tactics, and (3) avoidance tactics.

A compliance assessment in a factory might unearth whether or not there are unions organizing in the factory, if workers are allowed to join unions, and what mechanisms there are for collective bargaining. However, an important underlying issue with this is the degree of access that workers have to such mechanisms, including the real ‘freedom’ they have to join a union.

For example, some factories have automatic dues deduction from payroll while others require that workers come individually to the main office in order to pay their dues. For some, this is not a problem. For others, it is quite intimidating to do this in

front of their bosses, and many let their memberships in the union lapse for fear of negative consequences on the job. When automatic deduction is stopped, there is also a tendency for some workers to not pay their dues themselves.

“If we want to join a union, we have to pay directly out of our pocket. They stopped all of that [automatic deductions] they were doing. It’s difficult to pay the union from our pockets and pay directly.”

Related to the issue of access, some workers felt that employers are leading unions to undermine each other when it comes to gaining the 50%+1 membership they need in a given company to have a collective bargaining agreement with their employer.

“Some unions are big. And if the managers realise that a certain union is big. They will manipulate it to a point whereby they will end up giving them bribes. So that when they go and meet and talk, then they are able to convince the small unions that 2% is okay to give to the workers as an increment.”

However, those unions are so small that they cannot gain the majority they need to have a collective bargaining agreement in the factory. So there is no real infrastructural strength that they can offer workers. Instead, they offer short-term benefits, which are attractive to many workers given the low wages in the industry. Meanwhile, the larger unions remain hovering around the 50% membership mark. In some cases they have pushed through that barrier, with the two larger unions having collective agreements in a handful of the factories.

Intimidation and avoidance tactics are used both by top-level managers as well as front-line supervisors, and were mentioned quite frequently by workers. Yet these are not issues that are easy to spot on the surface. Even before workers join a union, they are aware that employers can act more freely without having to deal with a union:

“They don’t allow people to join the unions because they want to oppress them.”

“They want to fire workers any time they feel like. If the workers have joined a union, they can’t fire them. If they do so, they know the union will go in between. That’s why they do not like the union so much.”

As soon as they join the union, problems can occur:

“When we sign the union membership form, we are being threatened and questioned why we join and what good is going to come out of it. I signed a membership form a long time ago and they have not deducted any money. Recently they’ve called me to the office and asked why I joined the union, do I think that the union is going to help me.”

Other workers reported that they are taunted or given unpleasant jobs as a form of discrete punishment. They described it as management pushing them to resign and showing them that the union cannot help them. As an intimidation tactic, these supervisors were exerting their power to try to show the workers that the union, and they themselves, are powerless.

“Eventually, the factory manager will make life unbearably difficult for shop stewards.”

“If a worker has joined a union, then they try to punish that person just because of that, then they will give them odd jobs and everything. So he ends up resigning... They want to prove a point that the unions are useless, they cannot do anything for us.”

“My boss at work...he’s harsh towards all the workers who have joined the unions. If I miss work one day, he becomes so rude the next day and promises to fire us. Now we’re not free at all because all the time he tells us he doesn’t know why we’re still here. That we can just leave because now we have somewhere we can go when we have complaints.”

In a sense, they were using the union as an excuse to not listen to workers, and then not allowing the unions to come to the factory to speak to their members:

“[The] factory doesn’t want to work with the union. They tell us to go talk to the union about that issue, for example needing to clock out for water.”

“There is no clear explanation why they don’t go to the factories directly. They stand outside somewhere and call them to go and discuss some issues. So we do not know if they are being refused to go to the factory or whatever.”

This kind of anti-union sentiment leaves little room for workers to contribute to the work process:

“If [the supervisors] tell you to do a job, if you try to show her that, no, this is how I think I should do this job, they say ‘no, you’re talking too much because you know you can always go to [your union leader] and you know she can always talk on your behalf’.”

“[I wanted to be] part of decision-making team... As a shop steward, they didn’t like that idea. They demoted me to cleaning lady, thinking I wouldn’t accept the demotion. But I was well aware of that and took it. I earn the same salary. There are still problems.”

In this example, this worker refused to let them succeed at weeding her out through these kinds of tactics. At the other end of the demotion-promotion spectrum, once a worker is promoted to supervisor, he or she is discouraged either from remaining with the union or ever considering joining the union, and rather is ‘on management’s side’ now. Some felt that managers use this is a strategy to keep the power of the union at bay.

“When they see a person that he is strong at the union, they promote them to be supervisors, so he can be on their side.”

“After 3 months as a supervisor, a worker had a problem. The worker asked me to speak on her behalf. They tried to stop me from speaking on behalf of the union. I told management that, if this is a way of bribing me not to speak with employees, you can take your supervisor position away. I thought they made me a supervisor to keep me quiet.”

“They are union members and, when they are selected as supervisors, they just come off from the union.”

There is also little room for these workers to take action without fear of repercussion:

“Just because I’m a union member, sometimes when we want to go on strike, they take us into the office and they say they fired our shop stewards. So if we go on strike, they can do the same thing to us.”

In one workers' account of anti-union behaviour in his workplace, someone in the factory was suspected of theft, so the employer fired all of the workers. He rehired all of them but said they would have to work an unpaid day so that they could meet their target. Among the workers who refused to do so, they pinpointed the union members and suspended all of them. He felt that they did this just to make trouble for the union members.

A common theme throughout the discussions around these issues was that managers are annoyed when the union interferes with their business, and so they use a variety of tactics to keep the union at bay. This includes, from the very beginning, finding ways to avoid the union, to keep workers from joining the union at all, or making it difficult for them to pay their dues. They then use a variety of intimidation tactics, trying to weed out workers who are associated with a union. Those tactics included direct punitive action, such as being fired, or in some cases speaking badly about union members to other workers. But they also included many actions that indirectly weeded out union members, discriminating against workers who they perceived felt protected by the shield of the union, trying in a variety of ways to show them they were powerless. Though these issues have been discussed in the context of non-compliance with freedom of association, they also walked a fine line (if not fully over the line at times) with discrimination. Here, I am referring to discrimination on the basis of union membership. The next section discusses workers' perceptions of discrimination in other areas of work.

More supervisor discretion leading to more discrimination

Workers' perceptions of non-compliance along this dimension could generally be grouped in to three categories of bases for discrimination: (1) disability or disease; (2) gender; and (3) ethnicity. Workers also considered favouritism to be a key form of discrimination. As the following discussion begins to illustrate – Chapter 6 goes into much more detail on the argument – this is a relatively bigger issue in SA-SA factories because of the autonomy that Basotho supervisors have when dealing with workers. This statement may seem counterintuitive, especially for an advocate of worker involvement and greater discretion at the shop-floor level. However, I argue that it is not specifically their involvement but rather that their behaviour is facilitated by a lack of formal structures for (a) promoting workers to be supervisors, (b) addressing bottlenecks in the grievance procedure, and (c) ensuring confidentiality between workers and factory doctors (or, as an inhibiting precursor, a lack of flexibility regarding the doctors that workers can see). Therefore, it is not that local supervisors should have less discretion but that formal structures should be put in place to ensure their actions are fair.

First addressing the instances of non-compliance raised by workers, there was quite a bit of discussion around the issue of discrimination against workers with disabilities or diseases. According to a UNICEF report published in 2011, adult HIV prevalence in Lesotho is 23.3%.⁶¹ Approximately 40% of factory workers have

⁶¹ The UNICEF report is available at http://www.unicef.org/infobycountry/lesotho_statistics.html

HIV/AIDS.⁶² It is a known issue among managers, supervisors, and workers alike. As a policy, workers should not be asked about their health status as a condition of employment. However, several workers indicated that it is still possible for supervisors to determine one's status. To begin with, many factories have a doctor on-site, with a clinic at the factory itself. If workers have a health-related issue, supervisors can require that they visit the factory clinic. Point of clarification - they *can* see another doctor but 'proof' will only be accepted in the form of a medical note from the factory clinic doctor. In other words, they will be considered as absent from work without a valid reason, not granted that time as sick leave, and docked pay.

Several other problems arise here. In addition to the fact that many workers prefer to see traditional doctors, making visitation to a medical clinic unsettling, this opens the door for infringement on their privacy. A book is kept in the factory clinic that documents what workers have had appointments, what their maladies are, and what has been prescribed. Supervisors can gain access to these books simply by asking for them, or by going to look at them in the clinic.

“When one worker asks to go to a doctor, they want to see the book, they want to see exactly do you have a problem. If the supervisor learns from the doctor that there's an issue with you, if they know you suffer from this and this, they'll talk about it all the time.”

⁶² See, for example 'Lesotho Factory-Based AIDS Group Adjusts to Changing Realities' available at <http://casestudiesforglobalhealth.org/post.cfm/lesotho-factory-based-aids-group-adjusts-to-changing-realities-update>

“I do not like the fact that there is no confidentiality between the nurses at the clinic. They take our papers to the managers after we’ve gone for check-ups, and the managers will then talk about the very same problem that we have. They discriminate against people with HIV. When you decide to go to a different doctor, and go for check-ups there, we are not given permission easily. They ask us why we are not going to the factory doctor, instead of going there. So that they can break the news to everyone and every time they can remind us that we are sick, especially when someone is positive. They just want to know everybody’s business.”

Workers are reluctant to disclose their status because they want to have their personal privacy – it’s not anybody’s business but their own – but also because they are aware that workers with HIV/AIDS are discriminated against. Workers with HIV said it is easy for them to be identified because they require permission in order to get their medications or go for check-ups. Once people know their status, it makes them vulnerable to mistreatment.

“People with HIV are still being discriminated [against]. If I ask for permission to go get the tablets, or just go for a check-up, and the supervisors will realize I am positive, then that’s when the problem will start.”

“Supervisors have a tendency to shout at employees and to talk about their disabilities and shout at them about that.”

Questionnaire feedback also indicates that there is discrimination on the basis of HIV/AIDS. Interestingly though, it doesn’t totally support the findings from the focus groups. The questionnaire feedback indicates that a larger proportion workers in T-USA factories feel that their peers talk badly about workers with HIV/AIDS, and that workers do not talk freely about HIV/AIDS. Furthermore, fewer workers in T-USA

factories are aware that every factory must have an HIV/AIDS policy, and fewer have an HIV/AIDS peer educator or support group. It is not clear as to why this discrepancy exists between the findings from the focus groups and the questionnaire. One possibility is that workers would have felt uncomfortable talking about this in the group setting. Another possibility is that the SA-SA factories may simply be stronger in terms of having the policies and support groups, but still have managers who treat workers with HIV/AIDS poorly. The questionnaire did not actually specifically address the issue of whether or not workers with HIV/AIDS are talked badly about by their managers.

Table 12 Workers’ awareness of HIV/AIDS training, policies and support

Questionnaire item	Response = “Yes”	
	T-USA (N=66)	SA-SA (N=64)
K1. Is there any training for workers related to HIV/AIDS?	80.0% (n=65)	85.5% (n=62)
K2. Do you know that every factory is required by law to have an HIV/AIDS policy?	72.2% (n=54)	83.0% (n=53)
K3. Does your factory have an HIV/AIDS policy?	62.3% (n=61)	63.9% (n=61)
K4. If you wanted to get tested, could you go to a clinic without being penalized?	41.0% (n=61)	60.0% (n=50)
K5. Is there someone at your factory who is a peer educator about HIV/AIDS?	73.8% (n=65)	87.7% (n=57)
K6. Is there an HIV/AIDS support group at your factory?	73.8% (n=65)	86.2% (n=58)
K7. Do you think HIV/AIDS is an issue at your factory?	93.7% (n=63)	91.2% (n=57)
K9. Are workers with HIV/AIDS talked badly about by their peers?	69.4% (n=62)	31.0% (n=58)
K10. Would you feel comfortable working next to someone with HIV/AIDS?	98.4% (n=64)	95.0% (n=60)
K11. Do workers feel comfortable talking about HIV/AIDS?	67.2% (n=64)	80.6% (n=62)

In addition to giving different treatment to workers with disabilities and/or diseases, there was also different treatment on the basis of gender. This didn't take the form of better wages for males versus females. In fact there was consensus among the participants that men and women are treated equally in terms of the wages they are paid. Some men, however, reported that they feel discriminated against when it comes to their ability to actually secure a job in the industry. A typical feature of the global apparel industry at large is that it employs a predominantly female labour force (see for example, Nash & Fernandez-Kelly, 1983; Safa, 1981). It is the same in Lesotho (see for example, Baylies & Wright, 1993). Among the participants, roughly 75% were female and 25% male. Some men said that it is difficult for them to get jobs because factory managers 'don't want male workers' or prefer female workers because they supposedly 'know the machines and are easy to work with'.

Questionnaire feedback does not totally support the finding that workers do not perceive major differences in the treatment of men and women. First of all, a large proportion of workers in both value chains reported that men get paid more than women even if they are doing the same job. Yet in the focus group discussions workers unanimously agreed that they are paid the same. On the other hand, there does seem to be more discrimination towards pregnant women in SA-SA factories, in particular with regard to be asked whether they are pregnant at the time of hire. Furthermore, a larger proportion of workers in SA-SA factories said that women are not treated equally to men.

Table 13 Differences in treatment towards men and women

Questionnaire item	Response = “Yes”	
	T-USA	SA-SA
F10. If a male worker and female worker do the same job, does the male get paid more?	93.5% (n=62)	90.5% (n=63)
F11. Are female workers treated differently than male workers?	69.8% (n=63)	78.1% (n=64)
B7c. When you were hired, were you asked if you were pregnant?	12.8% (n=47)	33.3% (n=51)

When asked to explain further about differences in how men and women are treated, the majority of responses in each value chain had to do with the issue of respect. The next most common response related to the type or difficulty of the jobs they are assigned (e.g. women do not do heavy lifting jobs). Some people also left comments such as ‘maternity leave’ or ‘pregnant women’ – implying that women get time off for maternity leave whereas men don’t. One person reported that men receive a smoking break, whereas women don’t.

When women spoke about issues related to gender discrimination, they linked it to instances of sexual harassment. There were at least two ways in which some female workers reported feeling violated. A very direct violation was that of male supervisors making advances at female workers and, if those workers refused, treating them badly.

“You find that if you are working and he develops feelings for the lady, and the lady refuses to go out with him...he treats her differently and tries to punish the lady. It happens quite often and some even resign.”

“I work with mostly men. Men [supervisors] propose to the ladies. If they refuse, they trap the ladies with heavy duties and they don’t reach the target.”

Another form of sexual harassment manifested in the physical searches that supervisors conduct on workers when they enter and leave the workplace, to ensure they haven't taken anything from the factory.

“There is no proper way of searching the workers when they go for lunch break or when they knock off. So they will get into their pants, and touch their breasts, and try and take off their shirts and stuff like that.”

Also related to gender was the issue of discrimination against pregnant women:

“They ask us because if we are pregnant we are not allowed...we are not given work.”

This specific issue was raised more often in T-USA factories. The feeling among many workers there was that pregnant women are being pushed too hard, to the point that they leave rather than being fired outright.

“Once they see your tummy growing, they send you home on unpaid leave”.

“Sometimes we are pregnant, and we are forced to work till the last month of our pregnancies, without any changing us for lighter duties at all.”

Making matters worse, if workers want to file a complaint, they are first required to talk to their line supervisor before moving on to the line manager, HR, or factory manager. This means that a lot of issues go unaddressed, given that many of the issues can be traced to issues with the line supervisor his/herself. Some workers said that

there were cases where they tried to bypass their line supervisor, and speak directly to HR. When line supervisors found out that they had skipped over them in the process, they were annoyed, and started to treat them more badly.

The issue of favouritism came up in both SA-SA and Taiwan-US factories. Acts of favouritism hindered workers' ability to secure desired overtime hours, to receive additional safety equipment, and have access to other workplace benefits. These things were generally given to workers who the supervisors 'liked' or who they related to in some way. In SA-SA factories, favouritism took an additional form of restricting workers' access to opportunities for personal development, such as moving up the supervisory ladder.

“There is discrimination at the factory. It's more or less of a family factory because they hire their relatives... For example, if she works as a family member, if she can't meet score in time, she's not given a warning. But if she's not a family member and isn't able to meet score, then she's given a warning. They would treat her differently... So now all of the family members, neighbours and close friends receive special treatment. And then they promote one another to the high level.”

The words 'additional form' are used in this context to highlight that there are some unique features about the role of the supervisor in SA-SA factories that are worsening the situation for workers. The degree of autonomy they have – in dealing with unionized workers, in promoting who they want to join them as supervisors – decoupled from formal procedures, leaves workers feeling restricted in their freedom to be a part of a union, discriminated against, and confused about how to move up the ladder. Clearly, there is a connection between workers' perceptions of non-compliance

with core labour standards, and with their relationships with their supervisors. Understanding the role of the supervisors, and their perspectives on some of the issues addressed here, is an important piece of the puzzle that fits these things together. This is fleshed out in the next chapter.

Conclusion

In Chapter 2, summarized in Table 1, two propositions were developed in response to the key research question of whether or not different global value chains explain variation in workers' perceptions of compliance with labour standards. To recall, those propositions are listed here:

Proposition 1: Based on the experience of Taiwanese employers in Africa with a poorly regulated labour environment and very little experience with unions, it is expected that they will pay less attention to working conditions. It follows that workers in the T-USA value chain will have a less favourable perception of compliance.

Proposition 2: Based on the experience of South African employers with a heavily regulated labour environment and experience with unions, it is expected that they will pay more attention to working conditions. Therefore, workers in the SA-SA value chain will have a favourable perception of compliance.

The analysis in this chapter supports the argument that workers' perceptions of compliance are influenced by the global value chain in which they operate. The findings indicate that conditions were not necessarily worse in one type of factory over the other, though workers did prioritize the issues somewhat differently. Workers in T-USA factories raised issues with health and safety most often, followed by issues with supervisor relations. Workers in SA-SA factories, on the other hand, raised the issues of supervisor relations most often, followed by issues with health and safety. Contrary to expectations, workers in T-USA factories did not speak overall less favourably about their work than did workers in SA-SA factories. Though there were some issues that workers in T-USA factories mentioned more often (e.g. OSH and buyer visits), there were other issues that were mentioned more frequently by workers in SA-SA factories (e.g. union discrimination).

In addition to the different foreign managers' experiences with labour regulation and with unions, the end-user market also plays an important role. In particular, buyers can exert pressure on firms to comply. However, to think of the enforcement process as simply as this would be to repeat an old mistake. We know from the literature on monitoring buyer codes of conduct, and from the evidence provided by workers in Lesotho, that the process can be highly flawed.

As part of the T-USA value chain, supplying to the US market seemed to result in a two-fold situation for workers: they understood that brand name buyers could pressure their managers, yet they also felt helpless through their perceived inability to contribute to any positive change that might result from buyer visits. Workers felt intimidated by management to not speak with buyers – either threatened with their job,

or scared in to believing that the buyers will leave if they don't hear good things.

Because of the pressure that the end market can exert, T-USA firms focus more on driving production at all costs. In this context, monitoring compliance is done on a need basis only, and owners often get involved in 'cat and mouse games' where they are running around trying to put things in place according to their codes of conduct – but only when buyers are visiting. The rest of the time, it is as though they view it as a waste of time and resources. Why go around and label all of the chemical bottles or clean the toilets if no one is going to penalize you for it?

On the contrary, SA-SA firms are not under the same external pressure from international buyers. What they have instead is a type of internal monitoring system that is leading to poor supervisor relations and anti-union behaviour. Managers in these firms allowed supervisors to be harsh on the workers. More than anything was a sense that owners in SA-SA factories wanted to maintain control of the workers. Putting all local Basotho supervisors on the shop floor was one way to do this because, as one South African manager told me, they would be better able to relate to the workers and vice versa. But it also gave the local supervisors a sense of entitlement that was misused in many cases. Some supervisors abused the degree of control they were given, weeding out union members, and hiring their friends and family. Though there may have been good intentions behind this approach to monitoring,⁶³ there are side effects that impact negatively on workers – for example, fostering discriminatory anti-union behaviour.

⁶³ One SA-SA factory owner told me they treat their employees very well, so they don't really need a union.

The framework of the compliance clusters helped to label and sort workers' concerns, and to identify how they prioritized certain issues in their factories. However, deeper investigation of the underlying issues allowed for a more contextualized understanding of what was influencing workers' perceptions of compliance. Namely, the issue of supervisor relations underpinned much of what workers are dissatisfied with in the workplace. In SA-SA factories, this overlapped with issues related to freedom of association.

It was clear that the issues workers' raised were influenced strongly by their relationships with their Basotho supervisors. Both Taiwanese and South African managers have a somewhat distant relationship with their supervisors. What interaction there is appears to be limited, and supervisors are left to their own devices on the factory floor. In T-USA factories, although there is also a Taiwanese supervisor on the line with a Masotho supervisor, it is generally the job of the Masotho supervisor to 'push' the workers. In SA-SA factories, supervisors have more discretion over how to deal with workers (especially dangerous for unionized workers), and who they can promote to be a supervisor.

At the forefront of many workers' minds was the relationship they have with their immediate supervisor and how this impacts their day-to-day life in the factory. In talking about core labour standards, it was often the supervisors who were discriminating against workers on the basis of pregnancy or their health status, and the supervisors who workers' felt were forcing them to stay for overtime. In talking about working conditions, workers recounted stories of unskilled supervisors getting in the way of their own learning on the job, preventing them from speaking to HR about

their issues, berating them, or not allowing them to take breaks for their medications. They also spoke about supervisors withholding provisions for their health and safety, pushing them too hard to meet their targets, and overall negatively impacting their morale at work.

Why do supervisors behave the way they do?

Interviews with supervisors were conducted after the focus group discussions, and the feedback from these interviews pointed to several issues. It begins with the promotion itself, and how this positions supervisors to exploit the workers below them. Another issue is that of downward pressure on supervisors. It is common for supervisors to experience pressure from other supervisors, line managers, or the production managers to speed up the work. Also, different supervisors have different attitudes towards unions, shaped in part by their own experiences but also by the mandate given to them by their seniors.

In the next chapter, I unpack the relationship between supervisors and their higher-ups (e.g. line managers, production managers, HR, and factory managers), as well as among the supervisors themselves, to deepen understanding of the different pressures under which they operate. Though the factors mentioned above will certainly play a role, I argue that the real issue driving the story is in how managers in the two value chains are utilizing their supervisors differently from one another. I argue that this explains the persistence of the issue of supervisor relations in both value chains, despite the fact that the specific issues may vary in nature.

CHAPTER 6

THE LOOM THAT SPINS THE THREADS

“I would desire that whoever is selected to supervise or to manage should be trained with people management, not just because they can talk and talk, and then they are just imposed on us.”

-Worker in a T-USA factory

“The supervisors have a tendency...if they tell you to do a job, and you try to show her that this is how I think I should do this job, they say ‘no, you’re talking too much because you know you can always go to [the union] and you know she can always talk on your behalf.’”

-Worker in a SA-SA factory

Introduction

As Chapter 5 illustrated, workers in both types of factories raised many concerns with problems in the workplace, though the issues tended to vary in nature between the two. Furthermore, an important development during the focus group discussions was that the issues they raised were often linked to issues with supervisor relations. The prevalence of this issue in both value chains prompted deeper exploration of the key issues that workers are encountering with their supervisors, as well as an investigation of the causal factors explaining supervisors’ behaviour towards workers. This is the focus of this chapter.

Highlighting differences between the two global value chains has consumed a significant amount of attention in this study thus far. At the heart of it, though, managers in the two types of factories have a common end-goal – profitability. They

want to secure orders, to reach targets, achieve results, and be both productive and efficient. It seemed however, that they had different means for achieving this end.

In this chapter, I argue that managers in the different production chains use their line supervisors for different purposes, and that these different role assignments shape supervisors' behaviours towards workers. This influences their relationships with workers in different ways, which in turn impacts workers' day-to-day experiences [See Figure 1]. This analysis demonstrates the importance of considering supervisor relations when examining how different configurations of the production chain (i.e. owner nationality and end market) influence workers' perceptions of compliance.

Some of the specific issues with supervisor relations that emerged were present in both production chains. For example, workers in Taiwanese and South African owned factories alike complained that supervisors lack interpersonal skills, are rude with the workers, and use favouritism in deciding who gets promoted, who gets blamed for a mistake, or who gets the easier tasks, etc. However, there was a degree of variation that is worth exploring.

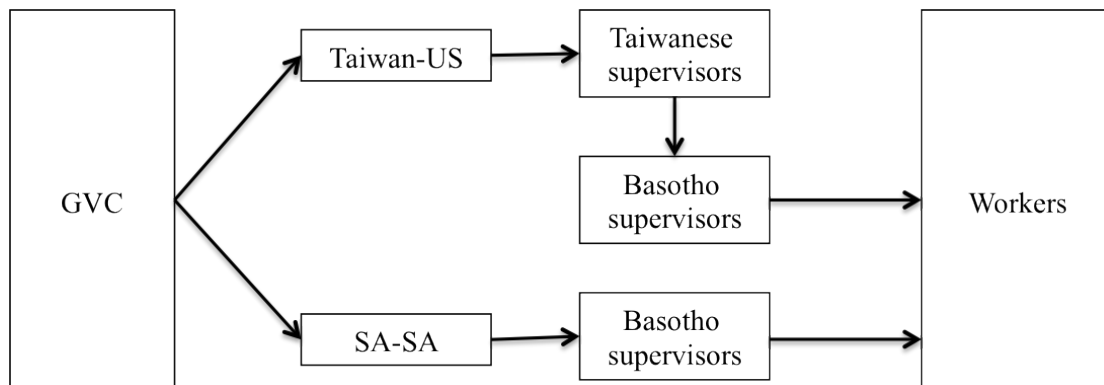
First of all, a discussion of this variation sheds light on the relationship between supervisors' role assignments and outcomes in workers' perceptions of compliance. Secondly, the discussion serves to further develop our theoretical understanding of foreign management in global value chains. How can we understand the degree of control owners have over whether standards are complied with, or what happens on the shop floor? And how direct is their influence in shaping workers' perceptions of compliance? A loom may spin the threads, but it does not necessarily predict the design.

I begin the chapter by proposing a theoretical model for the relationship between factory owners, supervisor relations, and workers' perceptions of compliance in the different value chains. I then discuss the different roles assigned to supervisors in the different value chains, and continue with a critical analysis of how this leads to differences in supervisor-worker relations.

It Starts at the Top: How Supervisors Are Utilized

In both production chains, owners and managers spend relatively little time on the factory floor, where the workers and supervisors interact. This hands-off approach, though similar in each production chain, resulted from two different approaches to structuring the organizational hierarchy. In T-USA factories, Basotho supervisors were paired with Taiwanese supervisors, but they were free to act at their discretion within their assigned role (i.e. 'motivating' the workers). In the SA-SA factories, Basotho supervisors were not paired with anyone, and had more autonomy in choosing how to deal with workers.

Figure 10 Supervisor structure in the two value chains



Supervisors in Taiwan-USA Factories

In Taiwanese owned factories, there is generally one Basotho supervisor appointed per line, and one Taiwanese supervisor for every two or three lines. The Taiwanese supervisor is in charge of the technical aspects of work (e.g. setting up for new styles, showing workers a task), and the Basotho supervisor is in charge of ‘motivating’ the workers, or pushing them to reach their targets. This role assignment seemed to be common knowledge, and both managers and workers spoke freely about the fact that Basotho supervisors were utilized in this fashion. Hiring Basotho with this purpose in mind is one way to get past the language barrier, but it also predisposes them to be harsh and controlling with the workers. If someone makes a mistake, or a worker has a question, it is difficult to ask for help because they are worried they will be punished in some way.

To rely on this explanation alone, however, assumes little agency on the part of the supervisors. Though they may have a particular role to fulfill, they also bring their own worldview to the job, made up of their own set of personal characteristics, beliefs, and motives (Sabel, 1982). These are discussed more in this chapter but there are already clues from Chapter 5 that point to some of the other factors influencing supervisor-worker relations.

As discussed in Chapter 5, workers in T-USA factories were primarily concerned with how their supervisors were affecting their basic working conditions and personal welfare – being rude to them, not allowing them to see a doctor of their choice (as opposed to the factory doctor, for example), refusing them the opportunity to take leave to tend to a sick child, or threatening that they shouldn’t return to work if

they did. When these workers talked about not being allowed to take sick leave, they were simultaneously referring to their supervisors who they thought were discriminating against them because they didn't like them. When they talked about not receiving personal protective equipment on a regular basis, they were again referring to how their supervisors made them wash and re-use their old ones or make new ones themselves.

Supervisors in SA-SA Factories

In the South African owned factories, there is generally one supervisor per line, and he or she is most often Basotho. Workers in these factories said that Basotho supervisors discriminated against workers who were involved with the union. In general it seemed that supervisors were being used to keep the union at bay. This is not an insight offered by management, though signs that this is happening were evident in the feedback from workers and supervisors alike. Some reported that workers who were strong in the union were promoted to be a supervisor just so they would be on 'management's side'. Other workers felt that the supervisors were promoted based on favouritism, or because they were a relative of another supervisor.

In addition, workers felt that these supervisors often had little experience, which made it difficult for them to properly learn from their mistakes. Unlike the situation in T-USA factories, where Basotho supervisors pair up with a Taiwanese supervisor (their superior on the job), supervisors in SA-SA factories have more discretion over the work process. They also receive higher pay when they are promoted, yielding a

high likelihood that they will do whatever they need in order to maintain their positions.

As discussed in Chapter 5, workers in SA-SA factories talked about not being guided properly on their tasks because their supervisors were promoted on favouritism rather than skill, or of being discriminated against because they were union members. Some reported that supervisors make the work difficult for them, just to prove that the union cannot help them. In some cases, it is clear that supervisors are being influenced by the role they've been assigned – for example, when admitting that they were hired so that they would have to resign from the union. In other cases, it seemed the supervisors' own experiences with a union, or encounters with disrespectful union members, left them feeling resentful towards those still involved.

The findings presented in Chapter 5 illustrated that these workers also frequently mentioned a lack of skills (both technical and interpersonal) among the supervisors, which made it difficult for them to learn from their mistakes, for fear of being shouted at rather than instructed properly. I argue that this dynamic can be traced back to the lack of formal structures for promoting workers. For example, are promotions based on their ability to squelch union members, or their ability to control the workforce rather than do the actual work? But it can also be linked to a shift in power (and accompanying ego) that swings rather sharply once workers are promoted to be supervisors.

These different role assignments impact differently on workers' perceptions of compliance but there is also a mixture of other factors that determine how supervisors ultimately deal with that role. Though the outcome in both cases is poor, issues with

supervisor relations manifested differently in the two production chains. In order to examine this further, I interviewed supervisors in both types of factories about their personal and work backgrounds, attitudes towards unions, and relationships with others in the workplace.

Table 14 Demographics of supervisors participating in research

	Interview	Focus Group	Totals
	n=50	n=32	N=82
T-USA factories			
Hippo	4	4	8
Maseru E	12	0	12
Precious	3	0	3
TZICC	2	6	8
Wonder	4	8	12
	25	18	43
SA-SA factories			
Anonymous ⁶⁴	19	0	19
Humin	3	6	9
Tern	3	8	11
	25	14	39

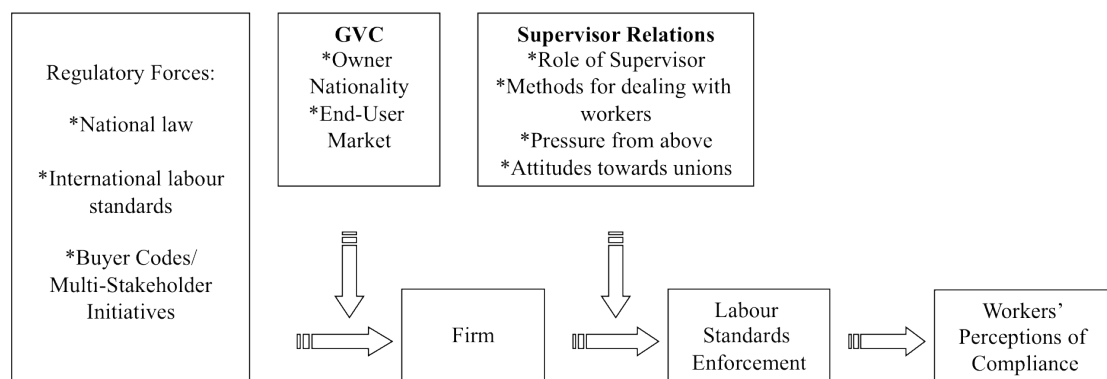
To recruit supervisors, I first contacted employers through email. I introduced myself as a student from the US, interested in learning more about the role of Basotho supervisors in the factories. I requested to meet with one or two supervisors in their factory and also attached the interview schedule. Some responded to the email and made appointments. Others were easier to reach and coordinate with by phone. Once I met the employers, I asked them for a list of all of their supervisors so that I could randomly select from among them. Most times, it was possible to actually work through the full list and meet with every line supervisor. In other cases where the

⁶⁴ Factory management requested they remain anonymous in all reports/presentations resulting from interviews with their line supervisors

employer seemed particularly rushed or hesitant, I conducted shorter interviews but still tried to meet with at least a few people. This way I could collect phone numbers and coordinate with them afterwards to meet with a larger group on the weekend.

In addition to the interviews, I conducted five focus groups with supervisors. They were recruited as described above – first through collecting phone numbers and then using these to organize focus group meetings on the weekend. In cases where I only met with a few supervisors, I asked them for phone numbers of other supervisors so that we did not have the same group of people who participated in interviews end up participating in the focus groups. The findings shed light on the importance of supervisor relations as a moderator for workers’ perceptions of compliance. Figure 2 presents a theoretical model of this relationship.

Figure 11 Theoretical model of the relationship between owners, supervisors, and workers’ perceptions of compliance



Supervisor Relations

The roles that supervisors are assigned have important implications for how they ultimately treat workers. First, we have to look at the managerial hierarchy. The fact

that Basotho supervisors in T-USA factories share supervisory responsibilities with a Taiwanese supervisor, compared to SA-SA factories where they are on their own, is an indication of the kind of control they have over workers. In the former, they are responsible for motivating or pushing the workers but are not actually in charge. In the latter, they are responsible for maintaining control in the workplace, which in part includes keeping the union away.

Second, we should consider the impact of the promotion itself. In T-USA factories, if the goal is to use supervisors to push workers, it makes sense to hire those who can be hardest on them. In SA-SA factories, workers may also be chosen for their strong leadership skills or ability to control the workers. In the former, there is not much of a difference in terms of the control they have but, in the latter, the promotion elevates them to a much higher level of power. In each type of factory, this can spell out different dynamics. Discussed below, some of these include workplace conflict resulting from power imbalances and lack of skills sharing.

Understanding the managerial hierarchy (i.e. the supervisor set-up) and the implications of the promotion itself is a first step to understanding how the role that supervisors are assigned influences their methods for dealing with workers. These methods, or behaviours towards workers, are also influenced by supervisors' attitudes towards unions, and the degree of pressure they are under from above. In the next section, I flesh out these factors, providing feedback from workers and supervisors in both types of factories. First, I link the issue of the promotion itself to methods for dealing with workers and issues with skills sharing.

Methods For Dealing With Workers

Impact of the promotion itself

Workers in both types of value chains complained about the supervisor selection procedures in their factories. In T-USA factories, workers felt that it was the loudest workers who were selected. Because their primary role is to motivate and push workers, people who can be the harshest on workers tend to be promoted to supervisory positions. In SA-SA factories, workers felt that supervisors were promoted either on the basis of favouritism, or because they were strong at the union. Once promoted and ‘on management’s side’ the worker would be obliged to abandon his or her involvement with the union. Because of these different role assignments – in one factory to ‘push’ workers and in the other to keep the union at bay – these supervisors, by virtue of being promoted, were poised to ill-treat workers. According to workers in T-USA factories:

“Workers who are ultimately elected, you find that basis is not that they have experience or that they are bright... It’s just because you can talk whatever you like. So you get these people who don’t know work, yet they supervise us.”

“They select the supervisors unfairly. Those supervisors, they select them without even knowing....some of them don’t even know their work and in that way they don’t know how to talk to the workers.”

According to workers in SA-SA factories:

“They are union members and, when they are selected as supervisors, they just come off from the union.”

“When they get promoted, everything changes. Before then they are just on the same level with everyone else, like you can eat together, but once they’re promoted you find that the person eats alone.”

“They are told not to interact with workers, like when they are being promoted, because the workers will just disrespect them. So they must keep a distance...”

Interviews with supervisors revealed that workers’ perceptions were not totally misaligned with their own perceptions of what was happening. Some supervisors in SA-SA factories spoke about having to leave the union once promoted. Supervisors in T-USA factories, on the other hand, frequently mentioned how they had to be tough on workers, and that this kind of quality – strong leadership, knowing how to deal with workers – is sought when looking to promote someone. For example, supervisors in T-USA factories said that:

“They look at strong personalities and a person who is tough, who can be able to talk to the workers, who has good leadership skills also.”

“The managers do not look at only the good qualities of the worker. They also look at the behaviour, the way they talk, the way they interact with other workers. You find as supervisors we need to have a unique way of approaching the workers, how to handle their problems, how to show them work.”

Supervisors in SA-SA factories alluded to the same anti-union sentiment (among higher level managers) that workers talked about:

“After 3 months as a supervisor, a worker had a problem. The worker asked me to speak on her behalf. They tried to stop me from speaking on behalf of the union. I told management that, if this is a way of bribing me not to speak with employees, you can take your supervisor position away. I thought they made me a supervisor to keep me quiet.”

Additionally, supervisors in SA-SA factories also talked about needing to distance themselves from workers:

“We are not enemies but we must create that space between us. The workers must respect us. They must know that we are superior to them, not that they can be on the same level all the time.”

“If I become friendly with them during the working hours, you find that they take advantage of that, even when you’re serious. They still want you to put the same face as you were when you were talking in a friendly manner.”

In both types of factories, the lack of a formal selection procedure impacted workers’ perceptions of fairness, creating feelings of resentment towards supervisors. Conflict grew from this resentment in different ways. According to supervisors, workers exerted control by talking back to them, not starting on time, and doing their work slowly. Supervisors in T-USA factories stated:

“When we arrive at work at 7am, that worker maybe who has carried grudges, she will just sit and do nothing. When I approach her and ask her why she’s sitting and not doing work, she says no don’t focus on why I’m sitting and doing nothing because I will give you the score that you want at 8am so nevermind what I’m doing.”

“If you can try and talk to them about work-related stuff, they’ll say ‘have you forgotten that you are also just an ordinary worker?’ If you try and open up to them, and you try and be friendly to them, they also take advantage of that and they don’t want to do as you tell them to do.”

Similarly, a supervisor in a SA-SA factory said:

“As time goes by, because I have to be strict at all times, you find that the challenge comes from my close friends. They’ll start to dislike me, saying that now I’m strict, I’m not friendly anymore.”

Dealing with workers was one of the main concerns raised by supervisors, in particular in Taiwan-US factories. They felt they were rude, they were slow, and did not want to listen to supervisors:

“It differs from peoples’ characters, how they were brought up. Some are uncontrollable. They don’t want to be given orders. They just want to do as they please.”

There was a similar situation in SA-SA factories, except these supervisors also spoke quite often about the role that the union was playing in influencing workers to misbehave:

“The workers only do the work if I am shouting at them. Unless I shout, they don’t do anything. So they want to be pushed all the time.

“If they’ve been to a (union) meeting, they will come all uncontrollable at work. And when you try to talk to them, they will start saying things like no we’re going to go back to the union leader and report what is happening here. So it really, it makes our work very difficult in that way.”

Another way in which conflict manifested was in workers’ resentment about the lack of skills that supervisors had. Because of the favouritism or random procedures involved in promotions, workers felt there was disregard for the skills and knowledge that supervisors actually possessed. Many felt they knew more about the different machines than did their supervisors. Workers in SA-SA factories made the following statements:

“I am a shop steward and I end up training the supervisors (they often have no experience and are just promoted randomly)”

“The workers do the work for the supervisors so that they can reach the score.”

Aside from the resentment this created, or confusion in not understanding how the worker with more skills would not be promoted, it also created an issue with their ability to do work. The line supervisor is the point person for workers if they don’t understand how to do a particular style, if they have a question about their work, or if they’ve made a mistake and need to learn from it. Some supervisors are not equipped with the skills to respond and show the worker the proper way. Workers in a SA-SA factory reported:

“The supervisors will just insult people. They don’t talk to workers in a proper and nice way, like to show them their mistakes.”

“Initially, the supervisors are supposed to help us when there’s a lot of work. If the worker asks for something on the line, the supervisor should be able to help. But the supervisors disagree about that. If the worker makes a quarrel about it, the supervisor says they’re disrespecting them. So they make a big deal out of that. They say to get it or do it yourself.”

Furthermore, depending on the particular supervisor, they may be unwilling to try to seek help elsewhere – for example, asking a line manager or production manager. Rather, the problem gets stifled, mistakes are made, and products keep getting sent back down the line before they are finally able pass quality control. Hence, productivity can be negatively impacted. Supervisors had a slightly different take on this. I asked supervisors to describe the criteria for being selected. Most reported that they were promoted on the basis of their skill:

“They need to select someone who has good qualities, such as they should know all the machines.” (T-USA)

“They select or promote the supervisors according to the work experience they have, the good performance.” (SA-SA)

One supervisor in a SA-SA factory, however, said that she believed they did use favouritism:

“Last Monday, the manager came to me and asked me if I could appoint someone who could be a supervisor. When I asked what the qualities of that person could be, they said ‘someone whom people can fear’ not because I think she knows the work...”

This prompted a surprisingly negative reaction from the rest of the group, who started to interrogate her about whether or not she was also asked to look for other

qualities, what the manager actually meant when he said 'fear' and so on. One male participant tried to rectify what she said by adding that they also have to look at the person's level of experience. Another participant said that they do have to see if that person is tough by nature – not someone who is soft, who people can walk over. In the end, the supervisor who mentioned the issue of favouritism said that she did not ultimately appoint someone because she didn't see someone who had all of the necessary qualities or experience.

At the end of this particular focus group discussion, when some people had already left, the same male participant who had been trying to rectify the statements about favouritism approached me. He said that the woman who was talking about favouritism was actually someone who did not know the machines very well herself, and that she was likely appointed on the basis of favouritism herself. He said he thought people have to be spies in order to be selected, as in they can look in on the workers and report back to management. He said that this particular female supervisor would take a worker who does not know English to the office and report her 'in a bad way' just so she could be dismissed, adding that he thought she was a spy. Even though the others in the group turned against her when she alluded to corrupt behaviour in the supervisor selection process, no one could attest to an actual procedure that was in place. Rather, they seemed more willing to point to their personal experiences of their own promotions, and to criticize the reasons or basis for other peoples' promotions.

As part of the discussion around the selection or promotion process, supervisors raised the issue of workers being uncooperative and trying to take advantage of them.

Some said they are unresponsive to the ‘softer’ supervisors, and others said they make fun of those who are not as skilled as them. Some supervisors said that workers try to humiliate them for not knowing how to do the work themselves. This was especially the case for those supervisors who do not sit and work at a machine all day but rather walk up and down the line to make sure the work is happening on time – they are not always sharp on how to operate the machines or produce different styles. Workers know this and, according to some supervisors, when they try to get the workers to hurry, the workers simply tell them to sit and do it themselves, knowing that they will be unable to. This was yet another form of worker control, or what the supervisors might perceive as worker resistance. According to a supervisor at a T-USA factory:

“In a case whereby a supervisor doesn’t know how to use a certain machine, only a worker knows that machine, if they tell the worker to work fast or hard, they say come and do it yourself, knowing exactly that the supervisor doesn’t know how to use that machine. In that case, they just stand up and go to the toilet.”

Though workers often work at the same station doing the same task, there is sometimes rotation between machines, and they need to have a basic level of understanding on how to operate the different machines. More importantly, according to buyer demands, there are often different styles to adapt to. This can be a difficult process for workers when they do not have the proper guidance, and it can be difficult for supervisors who have to teach workers who are at different skill and speed levels. Therefore, failing to fully consider the ability of a supervisor to share skills and knowledge with workers has important consequences for workplace conflict as well as

productivity. Supervisors in SA-SA factories talked about the difficulty that workers have in adapting to new styles:

“Sometimes you find they’re making a difficult style, like the jeans style. Sometimes the material is too soft. Sometimes it’s hard. So you find if they’ve been doing a soft material, making a soft and easy style...then tomorrow when they’re doing a difficult style, then they have to call (for help)...”

“...Like now you find the pants are of different styles, so it’s difficult.”

Supervisors in T-USA factories also talked about issues with different styles but from the perspective of having to negotiate the pressure they are under from the managers with what they believe the workers can realistically adapt to and produce:

“Sometimes we do get pressure from the Chinese because they’re expecting us to have taught everyone [the new styles]. Like now for example we are starting a new style. So you find while we are changing the style, it takes the workers a long time to adjust to the style we are making. The Chinese would not understand why these people are so slow, and they push us to put pressure on the workers also.”

This leads to a discussion of a second crucial factor influencing the supervisor-worker relationship: the pressure from above on supervisors.

Impact of Pressure From Above

Understanding how management is structured also influences the kind of pressure that supervisors are under. In the T-USA factories, in addition to supervisors being used to push the workers, they also must negotiate a language barrier with their

Taiwanese supervisors. As such, they are often responsible for taking brief instructions and then relaying messages at large to workers. Several supervisors complained that they are: (1) responsible for doing the tasks of several managers because they are able to communicate more easily with workers; and (2) often in the position of dealing with superiors who don't understand why the work isn't getting done faster. At one end, they are unable to please the workers because they must push them so hard, and at the other end they are unable to please their superiors because the expectations are so high. In particular in T-USA factories, supervisors reported feeling under enormous pressure.

“The supervisors are facing a lot of challenges in the factory and we're doing the line managers' work at the same time. And yet we earn so little. When I'm working as a normal worker with no title, I'm able to focus on the work and I'm able to push production. But now, as a supervisor, we are doing so much and you find we're getting so little, and no one really cares about us. They're just putting pressure [on us] without even telling we're humans, we need a break sometimes...”

“I have to talk to them and make them see that they have to make that score at the end of the hour. If they persist to do this, to make the same mistake, I make them sign the warning. But I really have to shout at them.”

There are also factors that contribute to downward pressure on the supervisors and hence the workers. I asked supervisors what they think is dividing the supervisors and workers, and they said that it's the pressure they get from the different styles. This was already mentioned earlier, in terms of workers feeling that supervisors do not have the necessary skills to help them adapt to styles. Supervisors also mentioned that workers are slow to adapt to new styles, though none mentioned that they wanted or

felt they could benefit from training. Rather, they simply seemed frustrated with the stress this created. As supervisors, they were already under stress from upper management, and then workers would ‘just get out of hand’ if they tried to approach them to hurry up. Supervisors in a T-USA factory reported:

“The pressure comes from the managers because sometimes (our factory) would not have work that month and (a neighbouring factory) would have some orders. And the order would have arrived on the 15th or would have arrived before then. If (the neighbouring factory) finds that they don’t have enough time to finish an order...it will pass the order to (our factory) already late. So (our) managers would take the order under a lot of pressure and stress. Also now, once they receive that and pass the work to the workers, they also put pressure every day. Every day. They will tell them, no, you have to be finished by the 25th because the container is already waiting outside to take the order.”

In SA-SA factories, though they were also certainly under pressure to meet targets, supervisors reported that they felt most pressure from their peers rather than from above. This was especially the case in SA-SA factories more than T-USA factories, which I argue is due to supervisors having a greater degree of control over the whole work process. In one SA-SA factory, the workers said that they are under pressure from above when a deadline for an order is approaching but agreed among themselves that most of the pressure comes from each other. It is not a situation whereby they are enemies (though they attested to there being conflicts here and there) but rather because they have to self-monitor more and therefore push each other more. When I asked, “So would you say you exert more pressure on each other than anyone above pushing down?” they replied, “Yes, the pressure is from within the supervisors...”

In another SA-SA factory, the supervisors said that they actually take time to meet with each other every morning before work begins. They discuss the upcoming orders, current issues they are having, workers they are having problems with, and so on. Many supervisors perceived this as a positive thing, a forum for discussing their work issues with their peers.

“Even though you find we do clash there and there, most of the time we are able to sit down, sort out our differences and then everything is fine, we get back to their work afterwards.”

Though many workers felt that supervisors ‘became someone else’ when promoted, and that they set themselves apart from the workers, several of the supervisors felt that their worker peers abandoned them. Supervisors felt that there was resentment or jealousy among the workers, and a desire on workers’ behalf for the supervisors to keep behaving as their friends, which eventually led to the distance. One supervisor in an SA-SA factory remarked:

“My friends changed. They didn’t want to spend the lunchtime with me anymore to eat together. So I had to find another friend that I can eat lunch with. We used to have the same spot where we eat lunch together. They changed the place and I was there alone. That’s when I decided it’s better off for me to find other friends.”

Workers expressed an understanding that supervisors were under pressure, though they did not seem very sympathetic. It’s possible they didn’t fully understand the different pressures, or degree of pressure, but it’s also possible that the negative

outcomes they experienced with their relationships with supervisors overpowered their feelings about the issue.

Different kinds of downward pressure also result from varying degrees of knowledge about the rules and regulations. In T-USA factories, supervisors reported that their top managers were not very familiar with the formal workplace rules, such as when warnings could be administered, how to go about dismissals, what was okay and what was not. According to one supervisor, the rules were even printed out and posted on the notice board so that everyone could read them (though likely in English, which could explain why the top managers were not familiar with them).

“The Chinese, they don’t know the rules and regulations they should abide by when they have to treat the workers. For example you find that a worker has produced less in an hour than he was supposed to. So the Chinese would say, give this person a warning right now. So as a supervisor they will tell the Chinese that, no, you can’t just give the worker a warning. We first have to sit down with the worker and discuss and find out the problem why he was performing in that way. Then if he keeps making the same mistake, then we can take the next step.”

Managers in SA-SA factories, however, are more accustomed to working in a more heavily regulated work environment. Based on feedback from interviews with supervisors in these factories, at least one of the SA-SA factories had a rulebook that was kept at the front of the factory. If ever there was an issue with a worker, the supervisor could retrieve the book, point out to the worker where he or she had gone wrong, and work from there.

“We will show the worker that this is how you went wrong, and it is according to the rules and regulation book that now you deserve to be given a written warning... We were given copies of that to go and study at home. And always be alert and able to talk about the rules and regulations with the workers also.”

Impact of Attitudes Towards Unions

Another important factor contributing to the divide between supervisors and workers is supervisors' attitudes towards unions. Not all supervisors perceived unions or union membership in the same way. Some were not threatened by it at all, and were in fact union members themselves. This was more so the case in T-USA factories:

“I'm with Nutex. I didn't have a main reason to join it but it's like a norm from the previous factories. I've been a union member since I've been here. I don't find a reason to have withdrawn from the union.”

“I decided to join (Fawu) again because the union is helpful at all times. I've joined again now in case I have problems at work. Sometimes the workers get dismissed unfairly and are not given their severance pay, so the union always helps them.”

Others had been union members but ended their memberships when they became supervisors. Workers in the focus group discussions had reported that, when a manager sees someone who is strong at the union, they promote him or her to be a supervisor. In focus groups with supervisors, I wanted to get a better understanding of what was driving the decisions of those who were former union members to end their memberships, and whether this was contributing to the perceived divide between them and workers. It was particularly the case in SA-SA factories that supervisors would end their memberships once promoted. Among them, some seemed disappointed that

they felt they had to end their membership, while others perceived it as the normal course of business.

“There was a saying that when you're a supervisor or line manager, you're on management's side. I heard that from the factory manager. He did not like the workers to join the union.”

“I was with Lecawu a long time ago. Withdrew when I became a supervisor because line manager said supervisors are not allowed.”

“Unions clash with management all the time. So now that I'm part of management, I find it's not necessary, I don't want to get caught up in between the clashes, hence I might lose my job.”

Also, several supervisors in SA-SA factories said that there had been a large strike (one in 1995-96, another in 2000-01), following which employers targeted union members and dismissed them from their jobs. In their opinion, the union did nothing to help them, and so they didn't see any reason to remain in it:

“I withdrew from the union in 1996 after we had a big strike. That's where many people realized that the factory owners have the upper hand over the unions. So I found it useless to be part of the union.”

“I left because we once went on strike in Maseru 2000 and when we came back, managers at [our factory] said not to work, they will discuss and call them. But they didn't. We asked the union to help us but they did nothing.”

“It was a long time ago [that I ended]. It was after we had a strike. I found out that the union did not help us, so I just quit. That was in 1995 [at different factory].”

Some supervisors indeed had very negative views of the union. Whether a result of their own unfulfilling experiences as union members, or based on their experiences with currently active union members in their workplace, these supervisors were quite pessimistic. Interestingly, however, supervisors in the T-USA factories seemed to care less about the presence of unions than did supervisors in SA-SA factories. Three focus group discussions were held with supervisors from three different T-USA factories. In one, unions were not raised as an issue, and in fact they said it's even okay for them to be a part of the union if they want. Approximately half the group were union members, and the other half had previously been with the union. In the second factory, unions were not a big issue but several of the supervisors mentioned not really seeing the use for it. Some had been with the union in the past but did not receive any gains that they thought made the fees worthwhile.

“I stopped because I was paying money but not getting services. Unions failed to do what we wanted.”

“I stopped when I got the job (at this factory) and Fawu couldn't help me (here). I lost interest in the unions.”

“I was with Lecawu from 96-98. I was suffering and, when I calculated the yearly fee for the union, it was too much for me. Because now I had all these people to look after.”

In the third factory, there were slightly more negative attitudes towards union members. Supervisors commented that workers who were part of the union tended to be more problematic and cause trouble in the workplace. According to supervisors in this third T-USA factory:

“The other problem is with the workers who have joined unions. They are cheeky. They don’t want to take orders at all.”

“We can sit down with the worker, discuss the issue, and come to some sort of an agreement and polish everything. When they go for the (union) meetings, tomorrow it’s like we’ve never even met...”

“When they have gone to the union meetings, it’s like they tell them how they should answer the supervisors. It’s like they tell them they should always talk back all the time. Whenever we’re showing them [their mistakes], or whenever they are being given orders, it’s like they are being told to really talk back and be disrespectful.”

On the contrary, in both of the focus group discussions with supervisors from two different SA-SA factories, the attitude towards unions was consistently negative.

“Union people are not controllable people. I don’t want to be a part of uncontrollable people because I am the head.”

“From what I have observed with other union members, they are disrespectful to the other supervisors, the whole management team. They don’t want to take orders, sometimes they get cheeky. When I started working here, that’s when I realized that people who are union members are different from those who did not join any union.”

“You know, people (who) are looking to be (in the) union, they know that most of the times they are doing the criminal things and they need someone they can talk to, to cover their mistakes. So I don’t like to be a part of union.”

“I was working fine with workers before they joined unions. When they started joining the unions, some workers were very disrespectful, uncontrollable, and it made work very difficult. And I’m grateful to the Lecawu workers because their union leader is always controlling them, disciplining them all of the time, if they give trouble to the supervisors in general.”

In line with the argument that supervisor role assignment influences their methods for dealing with workers, I argue that the relative ‘non issue’ of unions in T-USA factories is in part due to the fact that the upper management does not stress union avoidance activity. Their main priority is to push production. Furthermore, as set out in the introductory chapters, Taiwanese investors in Lesotho and South Africa did not have an extensive or combative history with unions. Rather, they initially moved in to areas of South Africa where unions were not allowed to organize, and then in to Lesotho where unions only begun to organize as the clothing industry expanded.

On the contrary, investors coming from South Africa have been exposed to a long tradition of union organizing and an active labour movement. In part, relocating to Lesotho allowed them to avoid the higher labour costs associated with union organizing in South Africa. To them, where it was most important to keep the union out of the factory, their supervisors also took on the role of keeping the union at bay. These influences from above, in combination with their own experiences, led to different outcomes in how supervisors treated workers who were union members. This is discussed above in the context of supervisors’ feedback about unions. This was also discussed in Chapter 5 in the section on workers’ perceptions of compliance with freedom of association.

Conclusion

This synthesized analysis illustrates that the narratives of workers were closely linked to the narratives of supervisors, vis-à-vis the tensions surrounding the

supervisor-worker relationship. Specifically, I argue that these tensions originate from the role assignments given to supervisors, whether that is to push or ‘motivate’ the workers, or to try to keep the union at bay by eliminating or pacifying union members. This, combined with the lack of formal selection procedures for supervisors, creates a breeding ground for resentment where accusations of favouritism are thrown at supervisors. The lack of formal procedures also has direct consequences on the level of knowledge and skills transfer that supervisors can provide to workers. Not only does this lead to basic operating inefficiencies but it also causes friction between supervisors and workers. Finally, supervisors’ attitudes towards unions are also influenced by the different role assignments as well as their own experiences, which subsequently influences how they treat unionized workers.

Although other aspects of work tend to take the spotlight during monitoring and evaluation procedures (e.g. freedom of association, compensation, working time, etc.), the role of supervisor-worker relations is critically important to workers’ perceptions of their work. This may indeed matter more to workers than other aspects of work but it is often not incorporated in to our understanding of labour standards compliance in global value chains. Though foreign managers have an influence in terms of how they structure the organization and the roles they assign to supervisors, they are not the ones who ultimately control what happens on the shop floor. They may provide the infrastructure for work, but the supervisors predict the design of those work relations. Without understanding how this relationship affects workers’ day-to-day experiences, we fail to understand how efforts to improve labour standards will actually reach them.

CHAPTER 7

BENEATH THE TAPESTRY

At the outset of my dissertation, I asked the question, ‘what explains variation in workers’ perceptions of compliance with core labour standards and working conditions?’ I argued that their perceptions were likely to be influenced by the global value chains in which they were situated. On the one hand were workers in Taiwanese-owned factories supplying to the US, and on the other were workers in South African-owned factories supplying to South Africa. For a combination of reasons, I expected that workers’ would perceive better compliance in South African-owned factories.

One of these reasons was the historical trajectory along which each chain evolved. Taiwanese owners had either invested in Lesotho to take advantage of preferential trade access to the US, or had moved from across the border in South Africa where conditions were notoriously bad. South African owners had moved into Lesotho in large part to escape the high labour costs associated with manufacturing in their own country.

Another possible explanation was that the different owners’ historical experiences with unionization would influence how they treated workers. South Africa has a strong labour movement and progressive labour agenda, in large part resulting from the many years of struggle under apartheid. The (in particular, black) working class revolted against the control of managers and an oppressive government, and rose up in solidarity to play a major role in breaking down apartheid (see, for example,

Adler & Webster, 1995; Bendix, 1996; Davies, 1976; Venter et al, 2009). As a result they also gained a foothold in the political arena through securing a place at the table in the national tripartite negotiations structure.⁶⁵ In Taiwan, the country was run by a nationalist government for decades leading up to the election of the first non-nationalist president in 2000 (Storm & Harrison, 2007). Until then, unions had largely been suppressed, and are not as widely recognized in the workplace as are unions in South African workplaces. This is not to say that there isn't still discrimination on the basis of union membership, or employer union avoidance and intimidation tactics in South African owned workplaces, but South African owners have come to accept that unions are a part of working life, to be negotiated with in some fashion.

Along a similar theme of 'experiences with unionization' was the possibility that different owners' experiences with global consumer campaigns would influence how they treated workers. As a result of supplying to US brands, during a time in which American consumers are becoming more conscious about corporate social responsibility and what is happening to the workers who make their clothes, some of the Taiwanese firms in Lesotho have been the subjects of media exposés that reflect poorly on the multinationals doing business there. Aware that they could lose orders in an attempt by the buyers to protect their reputations, Taiwanese owners do try to pay more attention to labour standards compliance. But as workers indicate, this change is only temporary, occurring just before a buyer visit, or for only a short time afterwards. Additionally, previous research demonstrates that these campaigns can be futile in

⁶⁵ This tripartite body is known as the National Economic Development and Labour Council (NEDLAC). More information can be found on the NEDLAC website, available at www.nedlac.org.za

terms of inspiring sustainable change. Rather, they are more effective at stirring up improvements in conditions only while the spotlight is shining. To mention only one crucial issue, the (lack of) feasibility of regular follow-ups does not allow the improvements to permeate and become embedded in management's workplace practices.

Workers in both types of factories generally think the working conditions are garbage. Few, if any, would work in a clothing factory if they had another option. They don't earn enough to make ends meet, they get one day off per week to be at home, and they're uncomfortable on the job, freezing half the time, and boiling the other half. So, was there or was there not a difference in workers' perceptions of compliance between the two production chains?

Argument #1: There are issues in both types of production chains but many of the issues vary in nature and scope.

OSH and supervisor relations were mentioned frequently in each production chain, but they were ranked differently in each. OSH accounted for 34% of all comments in Taiwan-USA factories, compared with 15% in SA-SA factories. On the other hand, supervisor relations accounted for just 18% of all comments in Taiwan-US factories, compared with 34% in SA-SA factories. Workers in Taiwan-USA factories mentioned issues with working conditions almost seven times more often than they raised issues with core labour standards (62% regarding working conditions vs. 9% comments regarding core labour standards). Workers in SA-SA factories also

mentioned issues with working conditions more often than issues with core labour standards but only one and a half times more often (27% comments regarding working conditions vs. 17% comments regarding core labour standards). This implies that workers in Taiwan-USA factories perceived more of a problem with working conditions relative to core labour standards than did their SA-SA counterparts.

As stated upfront, the focus here has been on what workers' perceive to be the issues related to compliance with labour standards and working conditions. This 'subjective' reality represents what workers' actually experience, and needs to be accounted for in any dialogue pertaining to the improvement of conditions for workers down the supply chain. The argument, then, is not that compliance with core labour standards is necessarily better in one type of value chain, and compliance with working conditions is necessarily better in the other type. The argument, guided by the principle that workers' will place a bigger focus on the issues that are most important to them, is that workers in Taiwan-USA factories perceive that there is a bigger issue with working conditions (62% of all comments) than do workers in SA-SA factories (27% of all comments). Likewise, workers in SA-SA factories perceive that there is a bigger issue with core labour standards (17% of all comments) than do workers in Taiwan-USA factories (9% of all comments).

The first explanation for this is that there are more incentives for Taiwanese to comply with core labour standards than there are for South African owners. The Taiwanese owners are under more pressure to abide by buyer codes of conduct, which often stipulate that there must be compliance with ILO international core labour standards. Generally when there are global-scale exposés of firms in supplier

countries, the issues reported are egregious violations or worst forms of exploitation – including child labour and forced labour, for example. The incentive to comply with these core standards, or at least focus attention on creating the image of compliance with these core standards, is therefore greater for factories supplying to the US than it is for factories supplying to South Africa.

In the South African owned factories, the data shows that there are more positive (or rather ‘less negative’) perceptions of compliance with basic working conditions because these owners’ experiences with unionization has indicated that a happier workforce is a more productive workforce. South African owners offer more to their workers in terms of wages and health and safety, in part because they are used to complying with more stringent labour laws. However, the findings indicate that they are also using this as a union avoidance strategy – when workers’ basic needs are met, in particular within the context of economic poverty and an abundant labour supply, they may feel less of a desire to join a union. In part, the lack of external monitoring of these firms (unlike the Taiwanese firms exporting to the US) has allowed these owners to get away with more violations of core labour standards, including in particular the freedom to associate with any union. This leads to the next main argument.

Argument #2: Supervisor relations are driving the story

The influence of foreign management in global value chains cannot be understood without looking at the role of the supervisor. In describing how to use

NVivo, the qualitative software utilized for this study, Welsh (2002) compared it to a loom – it facilitates the weaving of the tapestry but not the design that ultimately lands up on the tapestry. This relies on the individual researcher, who determines what questions get asked, deciphers what themes emerge, decides what coding to ascribe to each item, and how to analyse and visually present the results. Similarly, foreign managers certainly play an important role in facilitating the operation of their factories – securing orders, ensuring timely production, making decisions about rules and practices to be followed in the workplace. There may be several types of foreign managers, bringing with them their individual differences. Some may be an entirely different machine all together. But regardless of the role they play in facilitating the knitting together of the factory operations, it is the supervisors on the line who ultimately predict how those practices play out, who actually influence what happens on the ground. They oversee the workers, decide when they can get a new face mask, whether they can take sick leave, and determine which doctors they can see. The local supervisors are driving the issues, and these are the issues that detract workers from being able to enjoy their work. Their relationships with their line supervisors, therefore, heavily influence their perceptions of labour standards compliance.

But foreign managers are not completely off the hook. Though they may be further from the front line than are the supervisors, they play an important role in determining why those supervisors get to be there in the first place. The term ‘why’ is used carefully because it is the way in which managers in each type of production chain use their supervisors that may be influencing who gets promoted and, subsequently, how those supervisors interact with workers.

Supervisor relations are poor in both value chains but because different owners use their supervisors differently, the manifestations of poor supervisor relations are different. The T-US factories are under enormous pressure to satisfy their US buyers, both by producing on time but also by demonstrating that they comply with labour standards. Combined with the early adversarial experiences of Taiwanese owners with African workers and unions, the result is that they use their supervisors to push and berate workers, leading to poor health and safety conditions. SA-SA factories are not under the same degree of external pressure, but their early experiences with South African workers and unions has led them (both geographically and ideologically) to want to keep strong control of the workplace. The result is that they use their supervisors to keep workers in line and fearing management, leading to anti-union discrimination, among other things.

In the Taiwanese-owned factories, there are both Taiwanese and Basotho supervisors. The former oversee the technical aspects of the job, while the latter are in charge of pushing the workers to get the job done. The Basotho supervisors are there just to drive the workers. In this way, there is a disjuncture between managers and supervisors. The attitude is simply, ‘they’re you’re people, you take care of it, get the workers going.’ Taiwanese owners use their supervisors to drive the workers by being tough on them (e.g. through the supervisors’ ability to speak the same language, having knowledge of workers’ personal lives, having the power to give or withhold basic workplace privileges).

Workers in these factories felt like supervisors were promoted on the basis of how harsh they could be – what supervisors conceptualized as ‘motivating’ the

workers. Workers in these factories reported issues primarily related to basic working conditions and day-to-day issues they had to deal with, such as being spoken to very rudely, or being shouted at for making mistakes, subject to further mistreatment if the supervisor didn't 'like' them (and other instantiations of favouritism). Additionally, being denied personal protective equipment on a regular basis, or being allowed to leave early on payday to avoid withdrawing money from an ATM when it is dark out, or being allowed back into work after seeing a doctor that the supervisor did not approve of.

In the South African-owned factories, the supervisors are almost entirely Basotho. There, the factory managers have a closer connection with both HR and the supervisors. In conversation with some of the South African factory managers, and listening to some of the supervisors in their interviews, I couldn't help but feel a sense of déjà vu – a blurred face in a newspaper article, the name of a popular US airline bolded in the headline, and the company's CEO proudly offering the statement that they don't need a union because they treat their employees well. We've got it, we're taking care of it, and we don't need any outside help because our workers are happy. I asked supervisors if they were union members or, if they used to be, why they stopped. Many of them said that they stopped when they became a supervisor, or 'joined management'. South African owners, then, appeared to be using their supervisors to keep unions at bay, (1) by promoting workers who were strong at the union; and/or (2) by intimidating and discriminating against shop stewards and regular union members.

Workers in South African owned factories felt that supervisors were being promoted either through some form of favouritism (e.g. family relationship, love relationship, etc.) or because they were strong at the union and management was trying to get them on their side. When discussing issues with core labour standards, workers in the South African owned factories reported issues primarily related to freedom of association. Workers who were shop stewards or regular union members felt like supervisors were mistreating them, and that supervisors would look for reasons to dismiss them. Some said that union members were given difficult or odd jobs, at times just because the supervisor wanted to demonstrate that the union couldn't do anything to help them. In some cases, if supervisors see a worker is strong at the union, they promote that worker to be a supervisor. Some supervisors said that, after being promoted, they felt they were on management's side and could no longer be a part of the union.

In both Taiwanese and South African owned factories, workers were unhappy with supervisor relations. As mentioned, the data suggests that this is a function of how the factory managers are using the supervisors in a way they think will make them more productive – whether by pushing the workers or by minimizing union involvement. Workers' feedback, however, suggests this is having the opposite effect. Pushing workers is leading to poor relations between line supervisors and workers, which can also translate in to problems outside of the workplace, as many supervisors and workers come from the same villages. Pushing workers also has the effect of stressing them. Some are afraid to ask for help, for fear of being shouted at. Others work more slowly, or only work when the supervisor leaves them alone, as a form of

resistance. These things are making them less productive, not more productive. Another implication of this approach to supervision is that it reinforces the stereotype held by some foreign employers that Africans are lazy and need to be pushed in order to achieve anything. Rather than working together with workers to find ways to be more productive, employers are using local supervisors to push their peers. Workers are aware and actually articulate that this is an issue. Furthermore, they want to break free from this pattern, either through training of supervisors on people skills, through training for themselves on their rights, or through other means.

“As human beings, we need to be involved in all the work-related issues that involve us.”

Likewise, by using supervisors to minimize union involvement, there is serious erosion of freedom of association. Workers are reluctant to join unions for fear of being discriminated against. Union members are being treated poorly on the job – what they think is an effort to prove that the union can’t help them. This has led to further weakening of collective power among the workers and within the union, which matters to workers. Especially in SA-SA factories, workers spent quite a bit of time discussing the hostile environment for union members, and the challenge this poses to being able to unite as a group with a voice that will be heard.

This kind of treatment has also led to poor relations between supervisors and workers, which again can follow them back to their villages, creating hostilities outside of work. When workers are unhappy, they don’t work as productively (see, for example, Ledford, 1999; Oswald et al., 2009), and so it is the same story for

employers in SA-SA factories: using supervisors to suppress workers will not help. Pushing them harder to reach targets is equivalent to suppressing them. Minimizing their ability to participate in a union is equivalent to suppressing them. Whatever semblance of productivity these approaches to supervision may yield, it is only a shadow of what is possible.

The Enforcement Issue

In the introductory chapters of my dissertation, I talked about how labour standards enforcement has evolved, and that a firm's approach to monitoring can determine whether sustained improvements are possible. In Locke's research, he proves that engaging in root cause analysis is a method that works. Neither value chain was fully taking this approach when I conducted my fieldwork (2010-2012). Though some were in the initial phases of implementing the Better Work Lesotho programme (which includes a process of root causes analysis), it was still too early to assess whether this was the factor driving differences in workers' feedback.

Furthermore, the fact that workers reported high levels of non-compliance in both value chains is an indication that both monitoring approaches were flawed. The Taiwan-USA factories were still engaged in a 'cat and mouse approach' (Clifford & Greenhouse, 2013) – perpetually worried about not upsetting their buyers, and trying to scurry away from them by disguising non-compliance or creating temporary fixes to violations. The SA-SA factories were less concerned with pressure from buyers, as the majority of their buyers are retailers based in South Africa. These firms relied more on internal monitoring without a weighty system of checks and balances. Neither of these

approaches to monitoring resembles root cause analysis (which became especially evident after meeting with workers and actually discussing how problems are resolved in their workplaces), and neither leads to improvements for workers.

However, as the Better Work Lesotho (BWL) programme rolled out, Taiwan-USA factories were the first to subscribe and therefore the first to move towards a model of engaging in root cause analysis. As part of the Better Work programme, these firms have been establishing worker-involved committees known as Performance Improvement Consultative Committees (PICCs). These committees are a forum for discussing workplace issues, and involve workers from the shop floor, both union and non-union, as well as managers and representatives from Better Work. The PICC is a vehicle for involving workers in the monitoring and evaluation process, and offers an opportunity for sustainable improvements to be made. Taiwan-USA factories represent the majority of factories that have subscribed to BWL. As of July 2012 – the last month of fieldwork for my dissertation – 14 factories had subscribed to Better Work Lesotho, only one of which was part of the SA-SA value chain. More than one year later, 21 factories have subscribed, only three of which are in the SA-SA value chain.⁶⁶

Worker Voice

In my fieldwork, I tried to take a root cause analysis approach. In that process of relying solely on workers' feedback to understand variation in compliance across factories, a new story emerged about the issues with supervisor relations, and how this

⁶⁶ Based on feedback from email correspondence with the BWL programme manager.

is influencing many of the core issues with labour standards and working conditions. If the issue of supervisor relations can be properly addressed, many of the other concerns will also improve. In addition to uncovering this underlying issue, involving workers in the monitoring and evaluation process can uncover 'hidden' issues that may not otherwise be discovered during routine audits. Better Work Lesotho published its first compliance synthesis report in May 2012. The report included findings from a 250-item questionnaire conducted by BWL enterprise advisors in their subscribing factories. As BWL is committed to an approach that captures the underlying issues and leads to improvement, they were also working with me to make the focus group discussions possible. In the opening pages of the synthesis report, several 'hidden issues' were addressed. These issues, uncovered through in-depth discussion in the focus groups were not captured by the comprehensive audit. They included issues with sexual harassment, discrimination, and freedom of association. The relevant excerpts are included below:

“...worker focus group discussions conducted offsite for the project’s impact assessment baseline in 2011 brought up issues that have not been uncovered in the assessment interviews...female workers recalled situations where they felt uncomfortable due to advances from a male supervisor, fearing that if they refused him, they would face repercussions...”⁶⁷

⁶⁷ Better Work brought this issue to the factory manager immediately. Following an investigation, the supervisor was dismissed.

“In addition, talking about discrimination on the ground of HIV/AIDS is a sensitive issue that workers may want to avoid [in regular assessments], particularly where it requires the disclosure of the worker’s own status or that of co-workers.”

“Focus group discussions also indicated that discriminatory behaviour against shop stewards might be more common than assessment results revealed.”

It is crucial that employers ensure their supervisors are trained on how to interact with workers in a positive way – not on how to ‘deal with workers’ in a way that pins down anyone with a voice. This voice needs to be included. Workers need to be involved in decision-making processes.

“It’s good to have met like this so that we could be able to open up and speak our minds. And also it is helpful, and we hope that in the future we’ll have a longer time.”

Workers want to tell their story, and they want it to be told again and again, with the hope that someone down the line will have the power to effect real changes for them. They feel trapped beneath the weight of oppressive supervision, which has multiple implications for their work, their health, and their freedoms. They are excited about Better Work, even those who know little about what it does, because they are bursting with desire for something to change. What they do know is that they want to be involved, and that this is their opportunity to tell the real story of their experiences – a story about what life is like for the people beneath the tapestry, behind the label ‘Made in Lesotho’. This is one piece of that story.

Appendix 1: Workers Questionnaire

A. Demographics

A1. Are you male or female? MALE / FEMALE

A2. What is your age? <15 / 16-20 / 21-25 / 26-30 / 31-35 / 36-40 / 41-45 / 46-50 / >50

A3. What is your nationality? Basotho/ Other: _____

B. Work background, recruitment and contractual status

B1. What factory do you work at? _____

B2. How long have you been working in that factory? _____ months _____ years

B3. How many years total have you worked in the clothing industry? _____ years

B4. What other factories have you worked at previously? _____

B5. If you worked at another factory, what were your reasons for leaving?

(circle all that apply):

laid off/ better wages elsewhere/ bad relationships/ wanted to work on different product/ another reason: _____

B6. How were you hired at your factory? (circle one):

Waiting at the gate/ from training centre/ made an application/ transferred/ some other way: _____

B7. Did you sign a contract when you were hired? YES / NO

a. If yes, was it in Sesotho? YES / NO

b. Was your contract explained to you? YES / NO

c. Were you asked if you were pregnant? YES / NO

d. Did your contract specify a fixed term? YES / NO

i. If so, how long? _____

B8. Are you employed as a full-time employee?

YES / NO

B9. Are you employed on a permanent or temporary basis? PERMANENT /

TEMPORARY

C. Working Conditions

C1. How many days per week do you usually work? _____

C2. How many hours per day do you usually work? _____

C3. How often do you work overtime? (circle one)

Always/ Quite Often/ Sometimes/ Rarely

C4. What time do you work for overtime Monday – Friday? _____

C5. Do you get paid extra money for this? YES / NO Amount: R_____

C6. What time do you work for overtime on Saturdays? _____

C7. Do you get paid extra money for this? YES / NO Amount: R_____

C8. Do you find it difficult to work at the same pace when working overtime?

YES / NO

C9. Are you more likely to make a mistake when working overtime? YES / NO

C10. What is your individual target per day? _____ (BUSY time) _____

(SLOW time)

C11. What is your line/group target per day? _____ (BUSY time) _____

(SLOW time)

C12. How much money do you usually make per month? R_____

C13. How often is your wage increased? (circle one) Never / Once every

_____ year(s)

C14. What is the minimum wage for the job you do? R_____

C15. Do you know what the law says about minimum wages and hours of work? YES / NO

a. Does your factory comply with these laws? YES / NO

C16. Do inspectors from the Department of Labour ever visit your factory? YES / NO

C17. If so, how often do they visit? once per month/ once per year/ other:

C18. Are there any workers in the factory who are younger than 15 years old? YES / NO

D. Health and Safety

D1. Are you protected by any health and safety policies at work? YES / NO

Please explain: _____

D2. Are you provided with personal protective equipment (i.e. face mask, gloves)? YES / NO

On a regular basis / only when buyers are visiting the factory (circle one)

D3. Does the factory have a health and safety committee? YES / NO

D4. Does anyone look after health and safety issues at your factory on a daily basis? YES / NO

D5. What health & safety issues do you experience at your workplace? (circle all that apply)

Back pain/ Needle pricks/ Cuts/ Too cold/ Too hot/ Noise level/ Inhale chemicals/ Other: _____

D6. Have you received any training on health and safety procedures in the workplace? YES / NO

E. Education, Training and Skills Development

E1. What standard in school have you reached? _____

E2. What is your specific job at your factory? sewing/ quality control/ other: _____

E3. Do you know about the training center at Maseru West Industrial Area?

YES / NO

E4. Did you receive training for your job before you started working at this factory? YES / NO

E5. Did you receive training for your job when you started working at this factory?

YES / NO

E6. Did you receive training for your job after you started working at this factory?

YES / NO

E7. If you received training, was it 'on the job' at the factory? YES / NO

F. Employment Relations

F1. Have you ever been a line manager or supervisor? YES / NO

F2. Are you on any committees at your factory where you interact with managers?

YES / NO

F3. Approximately what is the proportion of male and female workers in your factory?

_____ % male workers _____ % female workers

F4. Your line manager is: Male / Female from Lesotho / South Africa / China/ another country

F5. Relationship with line manager is: Very bad/ Pretty bad/ Neutral/ Pretty good/ Very good

a. Comment:

F6. Your HR (personnel) manager is: Male / Female from Lesotho / South Africa / China/

F7. Relationship with HR manager is: Very bad/ Pretty bad/ Neutral/ Pretty good/
Very good

a. Comment:

F8. Your factory manager is: Male / Female from Lesotho / South Africa / China/ another country

F9. Relationship with factory manager is: Very bad/ Pretty bad/ Neutral/ Pretty good/ Very good

a. Comment:

F10. If a male and female worker do the same job, does the male get paid more? YES / NO

F11. Are female workers treated differently than male workers?
YES / NO

a. If so, circle the ways in which they are treated differently:
wages/ respect/ job difficulty/ type of job assigned/ they are treated the same/ other: _____

F12. Have you had any bad experiences working in this factory?
YES / NO

a. Comment:

G. Unions

G1. Are you a union member? YES / NO

G2. Which union are you a member of? Fawu / Lecawu / Nutex / Unite / Lentsoe
Sechaba

G3. Did your boss try to discourage/stop you from joining the union in some way?

YES / NO

G4. If you have a problem at work are you able to easily talk to a shop steward?

YES / NO

G5. If you are not currently a union member, have you *ever* been a union member?

YES / NO

G6. Which union? Fawu / Lecawu / Nutex / Unite / Lentsoe Sechaba/ Other

G7. Why did you end your membership? _____

H. End-User Market/ Private governance of working conditions

H1. What products do you make at your factory? denim/ jeans/ t-shirts/ other: _____

H2. What companies do you make these products for? Gap/ Levis/ Jansport/ I don't know/ other: _____

H3. Has your factory always supplied to this company? YES / NO / Don't know

H4. What other companies did your factory used to supply to? Don't know/ _____

H5. Do you know what a corporate code of conduct is? YES / NO

H6. Do you know if there have been campaigns against any companies buying products from Lesotho? YES / NO

a. If yes, which companies were targeted? _____

H7. Have you ever seen any buyers in your factory? YES / NO

H8. Have you ever been interviewed as part of a factory audit by a buyer?

YES / NO

H9. Did your employer tell you what to say in the interview? YES / NO

H10. Are there any other people that come to check on your working conditions? YES / NO

a. If yes, who? _____

I. Better Work

- I1. Have you heard of a program called Better Work? YES / NO
- a. Does your factory participate in the program? YES / NO
- b. How did you hear about Better Work? Management/ Union/
Better Work staff/ Peers/ Other? _____
- c. Do you think it will change your working conditions?
YES / NO
- d. Would you like your factory to participate in Better Work?
YES / NO
- I2. Do you think that factory managers, unions, and the government can work
together to make decisions about working conditions in the factories?
YES / NO
- I3. Do you think they need a neutral third party to help them work together?
YES / NO
- I4. Additional comment:

J. Dispute Resolution

- J1. Have you heard of DDPR (Directorate for Dispute Prevention and
Resolution)? YES / NO
- J2. If yes, have you ever filed a grievance with them? YES / NO
- J3. What was the issue about? wages/ unfair dismissal/ not allowed leave/ bad
treatment/ unpaid leave/ other: _____
- J4. Who represented you? Union/ labour commissioner/ other _____
- J5. Was it resolved in mediation (by someone listening and facilitating)?
YES / NO

J6. Or did it go to arbitration (was that person forced to make a decision)?

YES / NO

J7. Did you win the mediation/arbitration? YES / NO

J8. If you won the case, did you receive what was due to you? YES / NO

J9. Do you think the DDPR has changed the way managers treat workers?

YES / NO

J10. Do you think DDPR has changed how workers deal with workplace issues? YES / NO

J11. Comment:

K. HIV/AIDS

K1. Is there any training for workers which is related to HIV/Aids (i.e. where to go for testing, how to treat peers with HIV/Aids, learning what your rights are, etc?)

YES / NO

K2. Do you know that every factory is required by law to have an HIV/Aids policy? YES / NO

K3. Does your factory have an HIV/Aids policy? YES / NO / Don't know

K4. If you wanted to get tested, could you go to a clinic at your factory or go to an off-site location, without getting penalized (losing wages)? YES / NO

K5. Is there someone at your factory who is a peer educator about HIV/Aids?

YES / NO

K6. Is there an HIV/Aids support group at your factory? YES / NO

K7. Do you think that HIV/Aids is an issue at your factory? YES / NO

K8. How many workers at your factory do you think are affected by HIV/Aids?

(circle one)

0-15% 15-30% 30-45% 45-60% 60-75% 75-90% 90-100%

K9. Are workers with HIV/Aids talked badly about by their peers? YES / NO

K10. Would you feel comfortable working next to someone with HIV/Aids?
YES / NO

K11. Do workers feel comfortable talking about HIV/Aids? YES / NO

L. Household and standard of living

L1. Is your income alone enough to sustain your household? YES / NO

L2. What is your total household income (including yourself and others)? _____

L3. Can your household be sustained on these combined earnings? YES / NO

L4. Does anyone in your house migrate for work (i.e. leave Lesotho)? YES / NO

L5. Who else contributes to your household income? spouse / child / relative /
other _____

L6. How many children are in your household? _____

L7. Are there other dependents in your household? YES / NO How many? _____

L8. Are there other relatives outside of your household who you need to support?
YES / NO

L9. How much of your income do you spend per month on:

Housing _____ Food _____ Transport _____

Education _____ Health care _____ Clothes _____ School

fees _____ Entertainment _____ Other _____

L10. How much of your income are you able to save (put aside) per month?

L11. If your wages increased, what would you do with the additional
money?

Save it for children to go to school / Go to college or university / Build a house /
Leave the country / Save it and get a better job / Something else: _____

***** THANK YOU FOR COMPLETING THIS QUESTIONNAIRE!

Please take a few more minutes to share any additional thoughts or comments you feel
you were not able to express in the questionnaire:

Appendix 2: Better Work Compliance Clusters

	Compliance Clusters	Compliance Points
Core Labour Standards	1. Child Labour	1. Child Labourers 2. Unconditional Worst Forms 3. Hazardous Work 4. Documentation and Protection of Young Workers
	2. Discrimination	5. Race and Origin 6. Religion and Political Opinion 7. Gender 8. Other Grounds
	3. Forced Labour	9. Coercion 10. Bonded Labour 11. Forced Labour and Overtime 12. Prison Labour
	4. Freedom of Association and Collective Bargaining	13. Union Operations 14. Interference and Discrimination 15. Collective Bargaining 16. Strikes
Working Conditions	5. Compensation	17. Minimum wages 18. Overtime wages 19. Premium Pay 20. Method of Payment 21. Wage Information, Use and Deduction 22. Paid Leave 23. Social Security and Other Benefits
	6. Contracts and Human Resources	24. Employment Contracts 25. Contracting Procedures 26. Termination 27. Discipline and Disputes
	7. Occupational Safety and Health	28. OSH Management Systems 29. Chemicals and Hazardous Substances 30. Worker Protection 31. Working Environment 32. Health Services and First Aid 33. Welfare Facilities 34. Worker Accommodation 35. Emergency Preparedness
	8. Working Time	36. Regular Hours 37. Overtime 38. Leave

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