

# We Reap What They Sew

**By Kathleen Peratis**

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The sweatshops of the Lower East Side and the largely Jewish-led labor movement to which they gave rise are part of Jewish iconography. My Russian-born, Brooklyn-bred mother-in-law was able to support her disabled husband, her young son and her own widowed mother on her wages as a seamstress in a Lower East Side garment factory in the 1930s and '40s because that labor movement challenged abusive employers and successfully advocated for a new paradigm of government responsibility for worker dignity and safety.

Today South Asia is home to the sweatshops. Far away in geography — but close, if we let them be, in memory.

The garment industry was thought to be the economic hope of Cambodia. Garments are four-fifths of its exports and 40% of the economy. Unique in South Asia, Cambodia has the glimmerings of a real labor movement. A few years ago, it was plausible to imagine labor rights as the issue that could spark a popular uprising against a corrupt government, just as a stolen election did in Ukraine and the murder of a popular politician seems to be doing in Lebanon.

The labor movement in Cambodia began in 1997, when abused young women garment factory workers, together with leading opposition politician Sam Rainsy, formed Cambodia's first independent trade union — which was initially opposed by the AFL-CIO in-country affiliate because of its political party connection. Street protests and strikes attracted increasing international attention, and in 1999 — spurred by Union of Needletrades, Industrial and Textile Employee and by other American labor unions, whose motives included a desire to staunch the exodus of garment factory jobs to less expensive markets — the Clinton administration entered into a unique experiment: Cambodia's import quotas were linked to improved working conditions. International donors, who contribute almost half of Cambodia's budget, also put pressure on Phnom Penh to improve labor conditions as a prerequisite of continued international aid.

During the five years that the agreement was in effect, wages rose, the labor movement was strengthened and Cambodia marketed itself as labor friendly and socially responsible. Multinational manufacturers such as The Gap, scalded by charges of complicity elsewhere with worker exploitation, found Cambodia an increasingly congenial place to set up shop.

Although Cambodia's reputation exceeded its reality — “real” unions, as opposed to the fake ones organized by manufacturers or the government, have never had more than about 50,000 dues-paying members — Cambodia's labor movement achieved real successes. Minimum monthly pay in garment factories, where 95% of workers are young

women, rose to \$45 from \$40 — still not nearly the living wage earned by my mother-in-law those many years ago — and it has challenged an indescribably corrupt government.

Yet for this success, it has paid a heavy price. Three labor leaders and 13 of their activist supporters have been assassinated in the last 18 months, and Rainsy fled the country in February, fearing that he was vernment’s hit list. Labor violence is common: While I was in Phnom Penh on a recent American Jewish World Service-led visit, there were two days of labor protests that turned violent at a garment factory — military police shooting in the air and beating demonstrators — when the factory closed without having paid its workers for the previous four months.

The closure of that particular factory, the Sam Han garment factory in the Russei Keo district, is a microcosm of the disaster that is occurring in slow motion. Because of rising costs, the factory lost its contracts with the Gap, its biggest customer. According to a Reuters report in February, at least 20 garment factories in and around Phnom Penh had closed in the previous four months, putting several thousand women out of work “and possibly pushing them into the sex trade.” We spoke to eight young women, rescued from the sex trade, who were being trained for garment factory jobs but who openly worried that with this skill they could not nearly make a decent living.

Which is to say, Cambodia’s fragile success is on the verge of being busted.

Cambodia benefited from import quotas. Those country-by-country limitations upon the number of garments that could be imported encouraged large manufacturers to set up shop in many small countries. Now comes the World Trade Organization, which Cambodia had little choice but to join, abolishing those quotas among its members without establishing any concomitant duty to respect labor rights or the dignity and safety of workers.

Thus, the quota lid is off and the race to the bottom is on — he who can sell for the lowest price wins, no matter what it takes to sell cheap. The wage increases and improvements in working conditions enjoyed by Cambodia’s workers have now priced Cambodia out of a market that is mobile and willing to redeploy to other Asian countries such as China, with significantly lower wages, no independent labor unions and virtually no workplace standards. As Brad Adams, executive director of the Asia division of Human Rights Watch, has said, “If the (garment industry) jobs go — that great sucking sound emanating from China — there will be no more labor movement in Cambodia.”

Adams says doubling the wages of garment workers in Cambodia would add about 40 cents to the price of a shirt — but manufacturers believe the consumer won’t pay it. Which means that we, having picked these workers halfway off the ground, are shoving them back down. There must be a better way.

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