

# exCHAINS



*Solidarity along the supply chain:  
From production to retail, workers unite!*

## *ExChains Network: Strategy for Strengthening the Negotiation Power of South Asian Garment Trade Unions*

Trade union organising in the Global South, specifically in the South Asian garment industry producing for the global market, is very difficult. Both institutional and socio-cultural barriers prevent trade unions from building negotiation power on factory level. The industry requires neither high investment nor expensive technology. All the factory owners need is labour – as cheaply as possible. Over the last two decades, the global garment production has concentrated into countries providing ‘cheap’ labour in large numbers, enabling exceedingly low cost production. Some of these countries, including Bangladesh and Sri Lanka, are largely dependent on export earnings from the garment sector. Unwilling to forfeit these earnings, governments mostly surrender their control of industrial relations and labour conditions in the industry. This lack of government regulation enabled global garment corporations to set up structures ensuring low wages and a low level of union organisation.

Most garment factory workers across the Global South are first generation internal rural migrant workers, mostly women with limited access to alternative employment. This is not coincidental. The garment industry employs the most vulnerable workers and enforces repressive supervision on the shopfloor to

ensure their high profit margin, making it hard to organise garment workers on factory level.

On the other end of the supply chain, for German retail workers, conditions differ, but not as much as we might think: The retail sector in the Global North, selling garments produced in the Global South, employs a majority of women workers, many of them with a background of migration, at low wages and under precarious working conditions. Union activities are everything but readily accepted by employers, making it very hard for workers to organise themselves and for unions to organise workers from outside. This shows that the global





garment companies systematically exploit all their workers along the global supply chain in order to maximise their profits.

Given unequal power relations along the supply chain, repressions on the factory level, and government unwillingness to enforce better wages and working conditions for fear of relocations, many garment trade unions took to relying on national and international campaigns in order to create external pressure to raise their issues. Most of these campaigns are aimed at creating consumers' awareness in the Global North, and at urging them to pay more for the garments they buy. However, with a higher retail price alone, there is absolutely no guarantee that any of the added value will actually trickle down to benefit production workers.

Consumer campaigns definitely succeeded in bringing to light the exploitative working conditions in the garment industry of the Global South. However, they frequently view horrific working conditions as an endemic feature of the countries in the Global South - and not as an implication of how the global supply chain is organised, and how this determines power relations. Thus, as much as they may help in creating awareness or in supporting specific labour cases, they have no potential to effect real change, for they do not build sufficient union power in the garment producing countries. In fact, campaigns may even end up using the local garment trade unions as mere providers of information and beginning, themselves, to negotiate remediation with the global corporations, leaving the local unions out of the process.

### ExChains: Our Negotiation Strategy and Our Aims

The challenge is to build garment trade union power on factory level and on industry level in the Global South. Using health and workplace mappings, garment factory workers (at suppliers of large garment retail corporations and others) shall identify problems at their workplaces, develop demands, and develop strategies on how, supported by their trade unions, they can press home these demands and implement solutions.

These unions are part of the process in South Asia:

- ✓ National Garment Workers Federation (NGWF), Bangladesh
- ✓ Free Trade Zones and General Service Employees Union (FTZ&GSEU), Sri Lanka







- ✓ Garment and Textile Workers Union (GATWU), Bangalore/India
- ✓ Garment and Fashion Workers Union (GAFWU), Chennai/India

Once workers' demands are identified, they will be negotiated on different levels:

1. **local level:** demands to be negotiated directly by the workers and their factory representatives with the factory management; for example: access to drinking water, proper ventilation, proper equipments etc.
2. **industry level:** (a) issues that could not be resolved at the factory level and (b) larger issues that would require a change in policy at industry level, therefore requiring national industry level bargaining with garment manufacturers and their associations, or with global corporations; possibly in collaboration with other unions, for example: issues of low wages, bonus, incentives, productivity etc.
3. **regional level South Asia:** (a) issues that could not be resolved at the industry level and (b) issues that are common to the region, identified by exchanges between unions in the region. The issues will be negotiated between

regional trade unions and global corporations sourcing from factories in their countries.

4. **international level:** works council and trade union activists of the corporations in the Global North will create shop floor awareness for the demands raised by the garment workers' unions to support their negotiations on all levels. Their support will take the form of building pressure on the sourcing company to recognise the demands of the garment workers' unions and negotiate with them in good faith, directly or by way of factory managements. Correspondingly, in the case of shopfloor issues of retail workers, garment workers' unions will actively organise solidarity actions and support their demands.

Garment workers' trade unions in the Global South and retail workers'





trade unions in the Global North shall also try and build links with workers and organisations in other sectors along the supply chain in order to further strengthen the negotiation strategy.

The strategy's power is based on the fact that it grounds in the collection of specific instances on factory level by deliberate collective exercise - as opposed to a statement of general problems which can easily be refuted by buyer companies as stray incidents or aberrations. Moreover, the strategy enables garment trade unions to strengthen their power and negotiate while international solidarity acts as a support for their efforts. Thus, international solidarity action does not shift agency away from the local level; instead, solidarity aims at strengthening the bargaining position of local unions, minority unions, workers' groups, or genuine workers' health committees.

### How Is the ExChains Network Strategy Different from Other Approaches?

The strategy strengthens the local trade unions on the ground because they keep their position as an agent. It also enhances the trade union structure because second-tier activists and local union activists are importantly involved in the process. The strategy aims at building trade unions' negotiation capacity and developing a trade union strategy instead of reducing trade unions to

mere providers of information. Moreover, the strategy will further strengthen the existing sustained cooperation between workers, works councils, and trade unions in the Global North, and workers and trade unions in the Global South: this cooperation does not mean isolated one-way solidarity actions with an expiry date, but developing a common struggle on the ground, with rank-and-file workers and unions anywhere along the supply chain joining forces and working together on eye level.



Building solidarity links between workers along the subcontracting chain of garment production and retail in South Asia and Europe, is the main objective of the **ExChains** network. Solidarity is vital to the global struggle against workers' exploitation and conditions of poverty.

In the **ExChains** network, TIE (Transnationals Information Exchange) is collaborating with regional rank-and-file unions:

- ✓ Free Trade Zones and General

Services Employees Union (FTZ & GSEU, Sri Lanka)

- ✓ National Garment Workers Federation (NGWF, Bangladesh)
- ✓ Garment and Fashion Workers Union (GAFWU, Chennai/India)
- ✓ Garment and Textile Workers Union (GATWU, Bangalore/India)
- ✓ Vereinte Dienstleistungsgewerkschaft (ver.di, Germany)

#### We want to:

- ✓ raise awareness about the global garment supply chain

- ✓ enable concrete solidarity between workers along the supply chain
- ✓ support freedom of association and the right to organise
- ✓ create pressure on big retail corporations

#### Further information:

[www.tie-germany.org](http://www.tie-germany.org)  
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