Made in India: An Examination of Indian and Dutch Perspectives on International Labor Regulation

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I. Introduction

Although the cobblestone avenues of the shopping district in Maastricht, Netherlands, have a uniquely European character, the stilettos and designer jeans behind store windows beckon passersby to engage in a truly global phenomenon. It is difficult as a consumer to grasp the quantity of goods that pass in and out of Maastricht's streets from oceans away. It is even more problematic to conceive where these goods come from—the billions of fingers working under grueling conditions in the corners of nearly every continent, places mentioned only in tiny embroidered lettering beneath handling instructions.

As globalization diminishes the economic distance between nations, companies are relocating their operations to nations where wages are low but social costs are high in terms of labor conditions for workers. This trade-off burdens the Western conscience. Some claim that lower labor standards are more acceptable in some cultures than others, while critics staunchly believe that universal labor standards are the only way to truly protect the world's workers from exploitation.

A. The Trade/Labor Standards Linkage Debate and the WTO Social Clause

The International Labor Organization (ILO), the United Nations agency that brings together governments, employers, and workers of its member states to promote decent working conditions,[1] has established hun-

dreds of conventions elaborating legal protections for workers. Four rights that have emerged as particularly important have been labeled the ILO "core standards." These include:

- the right to organize and bargain collectively
- the prohibition of forced labor
- the prohibition of discrimination on the basis of gender, ethnicity, etc.
- the prohibition of child labor[2]

Unfortunately, these standards lack an effective enforcement mechanism. As a result, some believe that international bodies should put "teeth" into the standards by incorporating them into trade agreements. In theory, the fear of losing export opportunities would pressure governments into strengthening labor regulation.

It has been suggested that the World Trade Organization (WTO), the global institution created to facilitate predictable and free trade through international agreements,[3] should address labor standards in its rules. The proposed WTO "social clause" would allow importing nations to prohibitively tax goods made in countries that do not conform to the ILO core labor standards.[4] The issue has proven highly controversial.[5]

A rough sketch of the argument depicts industrialized nations and their unions championing the social clause, claiming that it would prevent poor countries from weakening labor regulations in order to attract foreign investment (a "race to the bottom"). Developing nations protest that linking standards to trade would deny them of their comparative advantage in labor, thus crippling their economies and throwing even more people into poverty than before.

The trade versus labor standards linkage debate lies at the crossroads of morality and economics. Are our commitments to equality as flexible as a globalized economy obliges them to be? Should industrialized countries impose working standards on developing nations through trade policies?

B. The Macalester Maastricht Experience

The Macalester Maastricht study abroad program has given me an excellent opportunity to examine people's stance on the linkage question. In the fall of 2006, I spent five weeks studying development in

Jaipur, India, and two months at an internship with a grassroots community organization in rural Rajasthan. Then I spent a semester in the Netherlands—reputedly a country with the strongest of national moral compasses. I completed a one-month seminar on globalization, as well as two classes entitled, Globalization and Inequality, and Human Rights. Over the summer, I interviewed a number of people associated with labor and trade intergovernmental organizations while participating in another program in Geneva, Switzerland. These classes gave me the chance to examine both countries' attitudes toward labor equality, both academically and experientially.

This study will examine the phenomenon of cultural perspectives on international labor standards. I will interpret the opinions of Indian and Dutch stakeholders concerning the linkage of universal labor standards to trade. In order to narrow my focus, I have used the WTO social clause as a frame of reference.

Section II will consider the pro-linkage or anti-linkage opinions of various Indian stakeholders, including non-governmental organizations (NGOs), unions, businesses, and the government. For each stakeholder group I will separately consider the ideological and the economic justifications for their positions. Section III will repeat the process for the parallel stakeholder groups in the Netherlands/Europe. Section IV will interpret the responses of key international bodies, while Section V will conclude by stating how my experience through the Maastricht program has changed my perspective on universal labor standards. I will draw on my research, classes, and experience throughout.

I have elected not to compare the application of labor standards in India to their application in the Netherlands. This discussion would only further emphasize the inequality between the two. It is more useful to examine how the Indians and the Dutch each seek to remedy this inequality.

My account is not perfectly balanced between experiential and academic evidence. In India I found that despite my lack of access to formal resources, I learned much through my contact with others. In the Netherlands I had entire libraries at my disposal, and I intentionally sought out the opinions of NGOs, companies, and union organizers. This essay does not argue for or against the social clause, nor does it attempt to explain each culture as a whole. My goal, rather, is to discern where and why the views of the Indians and Dutch converge or diverge in the social clause debate.

II. India

Although Indian NGOs, unions, corporations, and government agencies all tend to have radically different opinions on matters of economic development, they exhibited remarkable unanimity in their opposition to the social clause when it was first introduced. The political left, right, and center, as well as India's main business associations, all expressed appreciation for the government's steadfast resistance to the inclusion of "non-trade issues" at the Seattle ministerial of the WTO in 1999. Perhaps more surprisingly, the Center for Indian Trade Unions and the closely affiliated Communist Party of India-Marxist both encouraged the government to keep the labor question out of WTO regulations.[6] Why was there such agreement between historically conflicting groups?

A. Many Indian NGOs Oppose the Linkage of Trade and Labor Standards

1. Ideological Perspective: Swadeshi *Preference for the Local*

My fall internship was with a small organization called Lok ShikShan (LSS) in the village of Bhadesar, Rajasthan. LSS did everything from assisting construction workers in demanding the minimum wage to helping "lower" castes retain their traditional agricultural lands. Its functions were united by the goal of motivating the lower castes (referred to as *Dalits*, or "the trampled upon") to organize themselves to secure their own rights. Nearly all of the LSS staff came from the lower castes of the immediate area.

In LSS staff meetings the principle of *swadeshi* was sometimes referred to as a justification for its commitment to the local community. This idea has characterized the thinking of certain Indian social activists for more than a century, and was a key part of M.K. Gandhi's philosophy in the movement for independence. *Swadeshi* encourages a preference for the local over the remote in every aspect of life, particularly the economy. The market is seen as an instrument to meet the needs of the community, and under no circumstances should it become a "master of the people." The more closely related people are to their employers and customers, the more control they have over their own lives. The outside economy should be engaged only for needs that cannot be met by one's neighbors.[7] Likewise, political control ought to

be kept local in order to give people the maximum influence over the laws that govern them.

The idea of a global market has no place in *swadeshi* philosophy. The *swadeshi* worldview dictates, "let a thousand markets bloom—and not merge into one global market."[8] For Western free-trade advocates, this translates into a romanticized form of "protectionism," but for these Rajasthani activists, local economies are the best way to ensure that people can defend their own interests. Thus LSS, in addition to many other Indian NGOs, is resistant to the increasing distance between producers and consumers, as well as to the imposition of global labor standards from above.

2. Economic Perspective: Tariffs could do More Harm than Good

Even for Indians who do believe in the idea of international standards, the country's economic circumstances make some of them reluctant to promote enforcement through the WTO. They fear the adverse effects that prohibitive tariffs might have on India's poor. Pratham, a Jaipur-based NGO devoted to education, sees the rehabilitation of India's fifty-million child laborers[9] as an intrinsic part of its mission. Pratham's strategy is to establish informal schools in the unoccupied spaces of poor neighborhoods. Children are given a free meal each day to encourage attendance. Since the fall of 2006, Pratham has been working to implement the federal government's Abolition of Child Labor Act, which in some areas offers parents a sum of approximately 100 rupees (US$2.46) per week in exchange for their child's school attendance.

However, Pratham director Kulbushan Kothari notes that this sum is not enough to keep children out of the factories. As soon as parents notice that the quality of education at these makeshift schools is not adequate, they encourage their children to go back to work where they can receive as much as 400 rupees (US$9.86) per week. "Without an alternative, quality source of income or education," says Mr. Kothari, "the children are forced to turn to trash-picking or prostitution—an outcome that no children's rights advocate would consider or desire."[10]

It is significant that Pratham's method for abolishing child labor does not involve sending inspectors to factories, forcing managers to expel child employees, or shutting down operations. What is needed, say Indian NGOs, is more resources to improve education and com-

pensate children for their time, as well as to create jobs for those who finish primary school.[11]

If developed nations impose taxes on certain Indian products, the Indian economy would be penalized for not meeting norms they are already trying to enforce through other means. In the view of many poverty relief organizations, the proposed WTO social clause would do more harm than good.

B. Indian Unions Shift Position on Linkage

1. Ideological Perspective: Marxism and Anti-Westernism

Indian unions have a close relationship with the Communist Party of India-Marxist, and both agree that labor standards ought to be kept out of WTO regulations. Why would a party with the slogan "Workers of the World Unite" be against a global mechanism for enforcing labor standards? RamRai Bheel, a self-declared Marxist from Bhadesar, explained that communism has found an ideological foothold in India because in the past so many people have been ruled by so few—whether by the upper-caste landowners or by the British Raj.[12] One of Marx's core concepts is that those in positions of advantage always strive to ensure that worldviews reinforcing their status are widely accepted, particularly by the lower classes.[13] For this reason, held RamRai, some Indian Marxists are suspicious that moral positions originating in the West are attempts to retain the economic upper hand.

Khemraj Prakash, LSS's founder, is another staunch Marxist with considerable experience in labor organizing. When I first arrived, he scoffed at the human rights organizations on my résumé. To him, "human rights" are silly expressions of Western ideals that rarely accomplish genuine change. He frowned at my "infatuation" with them, and instead insisted that, "whatever standards are imposed ought to be imposed by the people themselves."[14]

Bennet D'Costa, the president of the All-India Conference of Unilever Unions,[15] has deemed all kinds of corporate monitoring initiatives as "complete rubbish…a Westernized idea of today…it is culturally biased and ideologically biased…One strong union can establish more than one hundred government inspectors."[16]

2. Economic Perspective: Fears of Western Protectionism give way to Fear of Jobs Lost to China

The leaders of national unions echo this sentiment when they assert that core labor standards in WTO rules represent nothing but thinly disguised self-interest and protectionism on the part of Western industry. They strongly suspect that the inclusion of labor standards in WTO rules would benefit Western industry by diverting production to places where labor regulation is already strong: Europe, the United States, and other developed nations. In the words of the Indian activist Vandana Shiva, "social clauses make bed-fellows of Northern unions and their corporations to jointly police and undermine social movements in the South."[17]

About 92% of the Indian workforce is employed in the informal sector, and most multinational corporations (MNCs) buy products from home-workers and home-growers. This presents very few avenues to collectively bargain for labor standards, and poses an enormous challenge in terms of monitoring child and bonded labor, and discriminatory hiring practices.[18] The majority of laborers I interviewed during my time in India were unaware that they were subject to domestic labor laws. Even if they were cognizant of the international legal structure, illiterate field workers with little access to legal resources would probably not be in a much better position to assert their rights.

Over the past decade, however, India has begun to lose jobs to places like China, Vietnam, and Cambodia, where many workers are not only underpaid but severely abused. Indian unions have begun to acknowledge the need for an international minimum standard of treatment, but only if these standards do not dictate wages or working hours. "Things have changed," said one union representative, "at first [Indian trade unions] were worried that the social clause would deal with wages, which translates into lost jobs and investment. Now there isn't so much opposition [to the social clause] as it has been specified that the clause deals with other fundamental issues."[19]

C. Indian Companies' Anti-Linkage Perspective

*1. Ideological Perspective: "*Begar*" Practices in the Caste System*

The caste system in India has traditionally involved a power dynamic referred to as *begar*, which obligates Dalits to perform certain tasks that

are considered polluting and therefore cannot be performed by the "purer" upper castes. Dalits are expected to remove human and animal waste, work with leather, eliminate pests, and so on, without payment. According to some NGOs, this belief is the origin and justification for contemporary forms of labor exploitation.[20] Although the Indian constitution bans caste discrimination and guarantees lower castes a certain percentage of seats in government legislatures, the caste system continues to dominate social relations. The effective implementation of a clause abolishing discrimination on the basis of caste would run completely counter to the way in which communities have been dividing labor for centuries.

A friend of my host family, a wholesale rice distributor, would sit at his desk as his employees lugged 15-kilogram bags of basmati through the warehouse for less than 80 rupees (US$1.73) per day. He maintained a friendly relationship with them, and neither they nor he seemed uncomfortable with the disparity between them, even when word got around that one employee could not afford his daughter's medical bills. According to my host father, the friend had his position in life and they had theirs. There was nothing to be done but "accept the circumstances and move on."[21]

2. Economic Perspective: Indian Manufacturers do not have the Resources to Implement Regulations

In a number of trades like the garment industry, Indian manufacturers work on contract and do not receive the profits of the final mark-up offered in the nations to which the goods are exported. Factory owners complain that their clients (often MNCs) do not pay them enough for the goods they produce, and thus they can't cover the costs of implementing labor regulations. Putting in more toilets, improving ventilation, and so forth, are expensive improvements that cannot be made when they can barely afford to pay their workers a minimum wage.[22]

Shatadru Chattopadhayay, of the Center for Education and Communication in New Delhi, underscores the need to apply different standards to MNCs than to Indian small businesses. MNCs have the resources to implement safety regulations and raise wages, says Chattopadhayay, but small businesses could be completely debilitated by new regulations.[23]

D. Indian Government Opposes Linkage

1. Ideological Perspective: New Standards from the West are Redundant

Although poverty runs rampant in Indian society, development issues dominate political conversation. *The Hindu* newspaper covers as many labor-related government programs in one day as many mainstream European ones do in a month. The long-reigning Hindu nationalist party (BJP) was voted out of power in 2004 because it mainly represented the interests of the rich upper castes.[24]

India is a member of the ILO, but opposes the enforcement of the core standards by the WTO. The government has already established dozens of laws relating to the core standards, including bans on forced labor, bans on child labor, articulations of trade union rights, and non-discrimination statutes. The imposition of further international regulations seems redundant. In a country with a demonstrated commitment to improving social equality, the notion that government officials need external incentives to motivate them to care for their fellow citizens is understandably objectionable.

2. Economic Perspective: A Genuine Lack of Resources for Regulation Enforcement

India has been underserved by progressive trade agreements in the past. The Agreement on Textiles and Clothing, the anti-subsidy dumping agreements, and the Special and Differential Treatment provisions of the WTO's Uruguay rounds were all initially accepted as benevolent steps forward, but India has yet to reap the benefits.[25]

If the government is currently unable to meet its own labor standards, then prohibitive tariffs would indubitably make things worse by shrinking the resources available to implement them. Robert Jenkins says that the Indian government will be economically unable to conform to international standards until "the West agrees to put its money where its mouth is…Simply stepping up enforcement of India's already strong laws…will yield little unless funds are provided on a very large scale, and on a regular and predictable basis."[26]

India's treatment of debt bondage is a prime example. The ILO and the United Nations Committee for Economic, Social, and Cultural Rights (CESCR) have repeatedly condemned India's failure to protect

the rights of the estimated forty million bonded laborers within its borders.[27] However, the Indian constitution bans bonded labor in six different articles, as well as four different acts specifically abolishing the practice.[28] Debt bondage and related employment issues have been the focus of the government's Five-Year Plans (periodic strategies for development) since 1985, and several schemes for releasing and rehabilitating bonded laborers have been introduced. India is not in short supply of laws and regulation—what it needs is the resources necessary to implement them.

III. The Netherlands and Europe

In Europe, key players have been unable to reach consensus on the WTO social clause. The Dutch and European Union (EU) governing structures are weighing the moral claims of consumers against the regions' economic circumstances, and Dutch liberal values clash with the overall EU governing structure. The Clean Clothes Campaign, a coalition of NGOs and unions with the aim of eliminating the unethical treatment of workers in the garment industry, found it necessary to entirely abandon the social clause as a strategy because of the conflict it generated among its members.[29] Where do Europeans stand on global standards?

A. Many Dutch/European NGOs Oppose Linkage

1. Ideological Perspective: ILO Core Standards Do Not Go Far Enough

Many of the European NGOs I encountered have very strong humanist views. They do not hesitate to advocate changes that have direct economic impacts on companies, and often aim higher than the ILO core standards. For example, when the Netherlands-based Consultancy and Research for Environmental Management (CREM) conducted a study of Dutch multinationals with operations in India, they inquired about the four core standards, and also added the issues of security of employment and the assurance of a living wage.[30] This demonstrates a resolute commitment to human welfare in the face of the toughest arguments of companies concerning their needs to keep wages low and contracts flexible.

On our seminar's excursion to The Hague, James J. Busuttil, of Global Human Rights Defense, elaborated on contemporary human

rights discourse. When asked about what has been done in Asia, he said that it was "close to nothing." By referring strictly to the international legal framework, he was subscribing to the Euro-centrism that my Indian friends so resented.

2. Economic Perspective: A More Specific Instrument is Necessary

Many European NGOs exclude the WTO social clause from their strategies and advance the enforcement of standards through other means. Some advocate for corporate social responsibility (CSR) initiatives, in which governments, shareholders, and customers pressure individual companies into conforming to mutually established guidelines. Unlike a tariff on a country's industry, this method distinguishes responsible companies from exploitive ones, and allows for more industry-specific codes of conduct. For example, the India Committee of the Netherlands compiled the "Ambedkar Principles," a guide for MNCs with operations in India to combat caste discrimination, which is insufficiently addressed by international institutions.[31]

B. Dutch/European Unions Support Linkage

1. Ideological Perspective: Equal Standards for All

Annie Watson is the Trade Union Coordinator for the Ethical Trading Initiative (ETI), a London-based alliance of NGOs, corporations, and unions, which promotes corporate codes of conduct covering supply-chain working conditions.[32] Watson has been working with unions from nearly every continent for more than twenty years. Watson says that unions find it difficult to work with NGOs, which face far fewer operational constraints. Union decision-making is bureaucratic due to their representative structures and the facts that they must answer to stricter law and are expected to operate on the dues of their members without the help of the outside funding available to NGOs.[33]

Standards proposed by unions are even more demanding than those established by NGOs. The ETI has also determined norms for corporations. Theirs include all of the ILO and CREM standards mentioned above, but also support the right to freely choose employment, the right to safe and hygienic working conditions, the right to decent working hours, the right to regular employment, and the prohibition of harsh or inhumane treatment.[34] This lengthy list demonstrates an

allegiance to workers' overall lifestyles and reveals the sentiment that all people deserve the same high standards in working conditions.

In the eyes of labor loyalists, another imperfect tool in the hands of unions is better than no tool at all. A union member from Portsmouth, England, who had been heavily involved in U.K. labor politics, was furious that I even questioned the value of the WTO social clause. In his eyes, it translated into greatly needed leverage for unions; and in any question of labor, "more power should go to unions—not bureaucrats."[35]

2. Economic Perspective: The Race to the Bottom

Bill Jordan, president (1995–2002) of the 130-million-member International Confederation of Free Trade Unions (ICFTU), summed up the trade union's economic side of the argument in an interview:

> a world driven by competition means that those that can undercut their competitors through low wages and poor conditions will take the jobs, but they will be jobs which cannot be defended in terms of a decent society. To prevent this, you need a minimum set of standards [for] all the countries that want to benefit from the [social clause]…India, which has set itself against the social clause, will soon discover that its cheap labor will be no match for the price of products that come from China's regimented and abused workforce. There's a simple reason for this: however cheap India's products are, they carry the cost of freedom.[36]

Unions are not demanding that all goods coming from countries with questionable practices should be taxed. The social clause would permit importing nations to merely flex their economic muscles. Some bilateral trade agreements already contain social clauses that are used as threats, even if the tax trigger is never actually pulled. Watson contends that this may be the way to apply pressure on the governments of developing nations without the dire economic consequences of tariffs.[37]

Watson holds that guaranteeing the right to organize is the best way to see that the context-specific needs of workers are met. Women workers may campaign for separate toilet facilities and agricultural workers may ask for safety equipment. Perhaps most importantly, each group can ask for pay that is sufficient for life in their specific locations, thus avoiding the economic complications of setting international minimum wages.[38]

C. Dutch/European Multinational Corporations' Anti-Linkage Perspective

1. Ideological: Some Regulations are Not Practical in India

In the aforementioned study of twenty-one Dutch MNCs with operations in India, managers responded to queries about the ILO core standards. None of the companies had workers that were represented by unions. A number of managers held that Indian unions are closely affiliated with political parties and therefore susceptible to corruption. Some MNCs claim that their "open culture" encourages employees to express problems to their managers. They regret that this is much more difficult to accomplish in India because the working class is far less assertive than that of the Netherlands. Others explained that certain sectors have very low rates of unionization due to a high percentage of uneducated workers.[39]

The leather industry, for example, is notoriously exploitative because working with decaying animals is relegated to the lowest castes. Because lower castes tend to have less education and are inclined to accept injustice, they are said to be less likely to form unions. It is thus necessary, say some companies, for employers to take responsibility for their workers' welfare instead of waiting for them to organize themselves.

2. Economic: MNC Managers are Too Far Removed from Production Processes to Implement Change

The complexity of supply chains separates MNC managers from production processes. Some feel that managers know so little about their suppliers that they cannot enforce standards. The Dutch manager of the leather company mentioned above was aware of neither the health risks nor the cultural implications connected to work in tanneries in India.[40]

Because in India large companies typically buy from small companies, spheres of influence are not clear. MNCs do not want to be held responsible for the actions of every supplier. Helping a single factory meet labor regulations can be a mammoth task involving everything from the installation of ventilation to organizing cafeteria workers.[41]

The costs associated with labor regulation are cited as an obstacle to the implementation of labor standards. A few companies with large

profit margins may be capable of taking on the costs of demands by workers for safety precautions or monitoring mechanisms, but some small, labor-intensive businesses may not be able to afford it. One manager who participated in the study said that, "some of the principles behind ethical trade are aspirational goals, in some countries in particular, and can be very difficult to achieve."[42]

D. Dutch Government supports Linkage

1. Ideological: Weighing the Social Concerns of Dutch Consumers

Socioeconomic issues prove particularly difficult to resolve on behalf of a population as affluent yet as socially conscious as the Dutch. The government of the Netherlands has been commended for consistently surpassing the 0.7% of GDP target for international aid every year since 1975.[43] It organized the 1997 Amsterdam Conference on Child Labor, and has committed more than 32 million Euros (US$47.2 million) to the Decent Work Agenda's initiatives to combat child labor through education and poverty reduction.[44] The Dutch Ministry of Social Affairs even funds research on business and human rights issues.[45]

Dutch consumers also support improved labor conditions, and the government is wary of consumer activism. Because the government is seeking further trade liberalization, officials fear that consumers will boycott products of questionable origin. In an interview with labor advocates from overseas, Agnes van Ardenne, Dutch Minister of Development Cooperation, emphasized the importance of consumers in labor debates.[46]

2. Economic: The EU has Recognized Corporate Social Responsibility as Good for Business

European nations compose 22 of the 30 members in the Organization for Economic Cooperation and Development (OECD), the global institution devoted to promoting the growth of world trade in addition to development for other nations.[47] In a resolution of July 2005, the European Parliament recommended that the Commission extend the scope of the OECD Guidelines for Multinational Enterprises, a labor standard-setting document, from foreign investment to trade. The Parliament recommended creating EU-level mechanisms to prosecute any EU-based importers that allow the violation of core ILO conventions in

any part of their supply chain. For better or for worse, these developments do indicate a trend toward linking trade and labor standards in the future.[48]

However, if corporate social responsibility guidelines are non-binding, easily met, or poorly monitored, they merely serve as way for corporations to boost their reputations. In 2004 the European Multi-Stakeholder Forum, a coalition of businesses, NGOs, and unions involved in CSR, called upon the EU to take the lead in creating an effective European CSR framework. According to the European Coalition for Corporate Justice, the EU's response, entitled the "European Alliance on CSR," consulted no one but the business community.

> The initiative is therefore suited to become a major greenwash operation, and thereby poses a threat to serious CSR initiatives that have been evolving all over the world… . there are many cases involving some of the most well-known European companies in the Alliance that are under scrutiny by civil society organizations for violations of basic human, social and environmental rights. For example, Bayer, BP, Shell, and Nestle.[49]

This suggests that the EU governing structure has thus far failed to use CSR in a way that serves the best interests of the global poor.

IV. Global Institutions

As globalization has intensified, international institutions have created tools to moderate its impact on workers. The key instruments include the Guidelines for Multinational Enterprises established by the OECD,[50] the 2000 United Nations Global Compact, and the "UN Norms on the Responsibilities of Transnational Corporations and other Business Enterprises with Regard to Human Rights," established by the U.N. Sub-Commission on the Promotion and Protection of Human Rights.[51] The principles in these documents all reflect rights outlined by ILO conventions, but they all lack an effective enforcement mechanism. Currently, the only viable solution is to create trade agreements that discriminate against actors who do not comply; hence, the WTO social clause debate.

Keith Griffin, a University of California professor of economics with significant experience in development work, believes that there should be no overlapping jurisdictions between global institutions, and that

"confusion about responsibilities favors the rich and powerful countries that can play one organization against another in a process of divide and rule…undesirable labor practices should be modified in all industries where the undesirable practice occurs, and not just in those industries which happen to be exporting the product."[52]

Lee Swepston, the ILO's Senior Adviser on Human Rights Standards and Fundamental Principles and Rights at Work Sector, reported in a lecture that ILO constituents have taken the position that, "putting restrictions on trade is not productive" in securing workers' rights. He believes that a social clause is politically infeasible.[53]

Much of the political impasse seems to be focused on the character of the WTO itself. I had the privilege of speaking with Alfredo Sfeir-Younis, former director of the Geneva office of the World Bank, when he visited Maastricht University. Dr. Sfeir-Younis served as the World Bank's Special Representative to the U.N. and the WTO from 1996 to 1999. As a result, he is of the strong opinion that economists should never be responsible for implementing human rights norms. He explains, "The WTO is composed of free-trade economists who are by nature not predisposed to deal with issues of human rights. For years, many people working for the WTO have regarded human rights as out of its sphere of responsibility."[54]

However, others believe that because WTO law is egalitarian and has a high rate of compliance, a justly implemented social clause could improve working conditions in poor countries. One lawyer, who provides legal opinions and support to developing nations in WTO dispute settlement cases, believes that the WTO has been wrongly characterized as a "free trade regime," because the system incorporates numerous exceptions. The treaty that led to the creation of the WTO, the General Agreement on Tariffs and Trade (GATT), allows members to deviate from free-trade principles to "protect public morals," "protect human, animal, and plant life or health," and to "stop trade in products of prison labor."[55]

Stuart Robinson, who has worked in the secretariat of the GATT/WTO for more than twenty years, agrees that a clause "absolutely could improve working conditions." The social clause seems to have fallen in the list of priorities, but as diplomats acknowledge its potential, he says, "it will come back."[56]

V. Lessons of the Maastricht Experience

As I boarded the plane for India last fall, I anticipated an experience that would further cement my ideals. I expected to witness the vast inequality between the junk-pickers of Jaipur and the mall-pickers of Maastricht, and to return to America championing equal labor standards for all. I would strengthen my commitment to human rights oriented anti-sweatshop ethics. I instead returned with a respect for the importance of open-mindedness in idealism. Emotional responses to injustice can lead us to articulate demands in strong language that sweeps across cultures and calls out to our common humanity—and sometimes underestimates humanity's essential incongruities. Those unions that insist on global labor standards intend to better the lot of others by articulating in writing the ideals of equality. But is nominal equality inherently valuable? Is the gap between the workers of industrialized nations and those of the developed world really what we seek to eliminate?

In his book entitled, *One World: The Ethics of Globalization*, Peter Singer argues that my previous preoccupation with the "gap" between rich and poor was an imprecise endeavor:

> Inequality is not significant in itself. It matters because of the impact it has on welfare…So the more important issue about the opening up of world trade may be whether it has made the world's poor worse off than they would otherwise have been, not relative to the rich, but in absolute terms.[57]

I do not believe that we should prioritize the universal ideal of equality at all costs. In this case, enforcing equality through trade could be counterproductive. In my opinion, we should first prioritize the securing of the most basic standards for India's workers, regardless of how far behind Western nations they might trail. We first must undertake the cause of concretely ensuring standards and alleviating poverty before focusing on the way things "should be" through international regulations.

However, this shift in values must not translate into indifference or apathy. Nor should cultural relativism keep conscientious individuals from condemning injustice. It is commonly held that the Netherlands is superior to the United States in terms of equitable social policies and societal attitudes. This notion kept me from recognizing the flaws of

some Dutch people, who easily shrug off the sins professed by their clothing tags, and whose resentment of the poor (who "deserve what they get") is eerily similar to the attitude of the upper castes in India.[58]

Instead of enforcing the International Labor Organization's standards through trade agreements, we should concentrate on creating an effective enforcement mechanism to monitor the labor practices of individual businesses worldwide. The standards laid out by the United Nations to accomplish this are admirable, but more research and resources should be devoted to ensuring that these principles are followed.

Our seminar in Maastricht enabled me to situate these thoughts within a broader conceptual tension between structure and agency. The "structure" school of thought leads to the perception of globalization as an independent force that shapes the outcome of everything from trade agreements to consumer habits. I now find myself squarely on the "agency" side of the debate. Every business deal and every regulation are decided by a human being with a face and a name. Trade liberalization happens one shipment at a time; labor oppression happens one worker at a time; and consumer culture manifests itself one Pepsi at a time. Because everyone can weigh social costs against economic benefits, we owe it to humanity to hold ourselves accountable for actions that affect the world's poor. ◉

Notes

1. International Labor Organization, *International Labor Organization: Promoting Decent Work for All*, 6 July 2007. Accessed online at http://www.ilo.org/global/lang–en/index.htm.

2. Robert Jenkins, "India and the Trade-and-Labour-Standards Controversy," *Daxiyangguo* (2003): 129–138.

3. World Trade Organization, "The WTO in Brief," 6 July 2007. Accessed online at http://www.wto.org/english/thewto_e/whatis_e/inbrief_e/inbr00_e.htm.

4. Jenkins, p. 3.

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