

Pathways of Women's Empowerment RPC

Women Treading the Corridors of Corporate Power

Stephanie Barrientos

Globalisation is transforming the lives of women workers. Large numbers of women are being drawn into waged employment in global production, often in poor working conditions. Women are an increasingly important consumer force. Yet women's perspectives and voices rarely inform the commercial processes that shape the global economy. Civil society campaigns over workers' rights in global production have begun to open up global spaces for women's organisations. Examples can now be found where women's concerns have been given some voice in mainstream commercial corridors of power.

Research for the Global Hub of the RPC Pathways of Women's Empowerment by Stephanie Barrientos is examining this process. It is analysing the changing dynamics of global production networks as gendered commercial spaces, in which women's profile as workers and consumers is rising. The project is comparing two case studies where small women's NGOs have directly engaged (through campaigns and dialogue) with large corporate giants. One is a South African women's organisation campaigning for the rights of women fruit workers in Tesco's supply chain. The other involves a UK women's organisation undertaking an analysis of Gap Inc's value chain to help improve the effects of commercial decisions on women workers.

The study is both analytical and empirical. It is exploring how far conceptual approaches to corporate social accountability and women's empowerment help the analysis of women's position in a commercial context. The goal of the research is to better understand the dynamics and processes through which corporate/civil society engagement can help to address the rights and well being of women workers in a global economy. It considers the wider implications for the empowerment of women in global space.

Gendered global production networks

Globalisation is leading to changes in the dynamics of commercial power in the context of global production networks. Companies are increasingly oriented to changing consumer trends, as they strive to maintain market share and profit. Greater international travel and access to the internet is increasing consumer awareness of social conditions in producing countries. This has opened up opportunities for trade unions and NGOs to exert leverage over corporate players, and campaign for improvements in conditions for women workers.

A gendered analysis of global production networks (GPNs) provides a framework for examining this process. GPNs as commercial sites transcend national boundaries, and are embedded in diverse national economies with varying gendered social relations. Changing commercial dynamics within a globalised economy is driving buyers and retailers to cultivate higher value consumer-related activities. These are increasingly gendered through rising female economic participation and spending power. Millions of women workers are now employed in production across Africa, Asia and Latin America.



Corporate buyers and retailers dominate global and regional networks of inter-linked producers, distributors and agents. Within these production networks there is a high concentration amongst corporate buyers and retailers. They source from a largely fragmented network of producers/workers in developing countries. These networks operate neither in a 'free market' nor a 'state managed' economic environment. They are characterised by asymmetries of commercial power between buyers and suppliers which frame the bargaining strategies of different actors.

The focus on consumer purchasing power also exposes corporate buyers and retailers to the values and expectations of a more feminised consumer market. This affects both the type of products purchased and the processes through which they are produced. Corporates face increased risk of media and stock market pressure if they do not respond to changing consumer expectations and values.

The combined effects of consumer social awareness and market related risk opens up new leverage points for small women's organisations campaigning on workers' rights. They may lack financial resources, but are now able to position themselves at the cusp of commercial/societal interaction. This has enhanced their influence on corporate activity and ability to raise issues around women workers' rights within global production networks.

A shift has taken place in the relationship between some corporate buyers and women's organisations addressing the rights of women workers. In some instances, adversarial relations have given way to more collaborative (or less conflictual) relations. Tensions clearly persist as small women's organisations engage with large global corporate buyers and retailers to advance the rights of women workers. The fact that women's voices should be heard at all in the corridors of corporate power marks a significant shift.

Women Workers in South African Fruit

One example of engagement is provided by *Women on Farms* (WoF), a small NGO in South Africa. It has supported women farm workers in the Cape region since the early 1990s. WoF has long campaigned against the retrenchment and casualisation of women farm workers. In 2003 it linked up with two UK NGOs (ActionAid and War on Want). They were pursuing a campaign against large UK supermarkets in relation to the adverse effects of their buying practices on suppliers and workers. This campaign generated media attention in both South Africa and the UK.

As part of the campaign, a share was bought in Tesco's for a woman farm worker in South Africa. This enabled her to travel to a Tesco's shareholder meeting in London. Here she raised issues around working conditions and women's rights in Tesco's South African supply base. Following this, Tesco's agreed to meetings at a senior executive level with members of WoF.

As a response to the issues raised, Tesco agreed that future social auditing of its suppliers in South Africa should be undertaken by local auditors with greater awareness of gender issues. It involved the Wine and Agriculture Ethical Trading Initiative (WIETA). This is a multi-stakeholder initiative involving growers, NGOs (including WoF), trade unions, government and UK supermarkets as members. How effective local monitoring will be in improving conditions for women workers remains to be seen. But it has helped to enhance the gendered profile of workers' conditions across South African agriculture, and in the higher echelons of the supermarket chain.



'Bridging the Gap' - women garment workers

Another example of corporate and civil society engagement is between Gap Inc and a small UK based NGO, Women Working Worldwide (WWW). Gap is one of the largest global clothing brands, sourcing from over 2,000 independent suppliers in 50 countries. The majority of the work force in Gap's supply base is female. In the 1990s Gap was put under intense civil society pressure for poor working conditions in its sourcing factories. This culminated in 2000 in a media report on the use of child labour in a Cambodian factory. In 2003 research published by WWW criticised Gap's purchasing practices and their adverse effects on women workers in their global supply base.

Gap became an active participant in a number of multi-stakeholder initiatives focused on labour conditions in global production, and began to publish more open corporate social responsibility reports. One initiative Gap joined was the UK Ethical Trading Initiative (ETI), of which WWW was a member. Following a 2004 Oxfam report (Oxfam 2004), the ETI convened a working group on the effects of company purchasing practices on workers in global production. That engagement has begun to examine the how to address adverse effects of commercial practices, and the complexities involved in improving the lives of women workers in global production.

As a member of this working group, Gap commissioned WWW to undertake a gendered 'critical path' analysis of its value chain. This has examined where and how commercial decisions in one part of the value chain might impact on a largely female workforce elsewhere. The aim is to provide recommendations for improvements. It remains to be seen whether such gender analysis can have an effective impact on a large commercial operation in a competitive global economy. But it has provided an opening for the development of more innovative gendered strategies unimaginable in 2004.

A gendered global economy?

These examples are a drop in the ocean given the global scope of production networks. Commercial spaces are defined by a strong asymmetry in power between large corporate players and small women's NGOs. The latter can only muster strength through engagement in strategic alliances with trade unions and other civil society organisations. But it is also important they understand the changing gender dynamics of commercial and social power in a global economy. These are opening up new leverage points to address the rights of women workers in corporate space previously unimaginable.

If small women's NGOs are able to strategically position themselves, they are able in some situations to have an influence beyond their limited weight. Such engagement is not a substitute for more effective regulatory mechanisms for holding corporates and suppliers to account for the conditions of women workers. But it highlights that innovative strategies are possible. In contrast to the normal deafening silence, openings can be found to raise women's voice in the corridors of corporate power.

Relevant Sources

ActionAid (2005). Rotten Fruit: Tesco Profits as Women Workers Pay A High Price. London.



- Barrientos, S. and A. Kritzinger (2004). "Squaring the Circle Global production and the Informalisation of Work in South African Fruit Exports." <u>Journal of International Development</u> **16**: 81-92.
- Barrientos, S. and S. Smith (2006). ETI Impact Assessment. London, Ethical Trading Initiative see www.ethicaltrade.org/d/impactreport.
- ETI (2004). Inspecting labour practice in the wine industry of the Western Cape, South Africa, 1998-2001. London, Ethical Trading Initiative.
- Gap Inc (2006a) Social Responsility Report

http://www.gapinc.com/public/SocialResponsibility/socialres.shtml

Gap Inc (2006b) <u>Findings from Women Working Worldwide's Study of Gap Inc.'s</u> <u>Purchasing Practices</u>,

http://www.gapinc.com/public/SocialResponsibility/sr fac bp iop.shtml

- Gereffi, G., J. Humphrey, et al. (2001). "Globalization, Value Chains and Development." <u>IDS Bulletin</u> **32**(3).
- Hale, A. and J. Wills Eds. (2005) <u>Threads of Labour: garment industry supply chains</u> from the workers' perspective, Oxford, Blackwell Publishing.
- Hurley, J. (2003) <u>Bridging the Gap: A look at Gap's supply chain from the workplace</u> to the store, Women Working Worldwide, Manchester.
- Jenkins, R., R. Pearson, G. Sayfang Eds. (2002). <u>Corporate Responsibility and</u> <u>Labour Rights: Codes of Conduct in the Global Economy</u>. London, Earthscan.
- Oxfam (2004). <u>Trading Away Our Rights</u>. Women working in global supply chains. Oxford, Oxfam International.

Tesco (2007) Corporate Social Responsibility Review

http://www.tescocorporate.com/crreport07/10_ethicaltrade/independent.html

WIETA http://www.wieta.org.za/

WWW http://www.poptel.org.uk/women-ww/

Contact Details:

Dr Stephanie Ware Barrientos, Institute of Development Policy and Management, The University of Manchester, Oxford Road, Manchester, M13 9PL, UK, Email. <u>stephanie.barrientos@manchester.ac.uk</u>. Member of the RPC Pathways of Women's Empowerment, http://www.pathwaysofempowerment.org/