

Accountability begins at home:

the living wage movement in the United States

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This chapter deals with mobilisations around the right to a living wage in the United States. This implies a form of accountability politics that is at once global and local, public and private. The outcomes of the living wage movement demonstrate that accountability cannot be assumed, but must be fought for by stakeholders, through a variety of means. This case study highlights the importance of accountability processes and the contested relationship between rights and standards, and provides an exploration of the relationship between the rights of capital and the rights of labour. It engages with the themes explored in the previous chapter on workers' rights in the garment sector in Bangladesh, showing how workplace and national labour struggles connect to global commercial and political arenas. If working conditions in Bangladesh have become the *site* of global scrutiny, this chapter shows how US campaigns on these issues have become a *source* of global scrutiny.

The US struggle for a living wage, which developed in the 1990s as a local struggle, emerged parallel to a global debate about international labour standards. In labour and policy circles, much attention was focused on apparel industry employers that violate domestic labour law or international labour codes. As manufacturing facilities proliferated in the global South, NGOs and Northern unions raised awareness around their working conditions, building up a moral outrage by consumers and students who viewed large retailers as exploiting children and young women to produce garments and other items for export. From this grew the so-called 'anti-sweatshop movement'. The idea of an anti-sweatshop movement itself is not new: similar campaigns have been waged in various countries at various times for more than a century. But the current campaign differs in that it has focused largely on an effort to hold

transnational corporations (TNCs) accountable to their workers as they move around the globe.

There is a growing body of literature on the global anti-sweatshop movement, such as the work of Armbruster-Sandoval (2005), which examines cross-border organising campaigns in the US and Latin America, and the work of Esbenshade (2004), which examines efforts to monitor factories for compliance with labour standards.¹ Recent work by Elliot and Freeman (2003) and Fung, O'Rourke and Sabel (2001) engages in debate about whether international labour standards should be included in trade agreements and international institutions like the World Trade Organisation, or whether other mechanisms would be more effective at improving wages and working conditions.

These scholars, along with anti-sweatshop activists, saw that it was hard enough to hold corporations accountable within one country, let alone across borders. For this reason, activists have looked for various points of leverage that could be used in the absence of binding international law. One such point of leverage was universities. Students came together to pressurise their universities to adopt codes of conduct regarding the purchase of apparel and goods with the university logo. These campaigns were relatively successful in getting universities to adopt the codes and join international monitoring agencies (such as the Worker Rights Consortium). Soon, these students began to realise that sweatshop conditions prevailed in garment factories at home as well as abroad. In addition, they saw that workers in the university towns, and indeed, on the university campuses themselves, often suffered similar conditions as the garment workers in other countries: low wages, little job security, and resistance to unionisation efforts. Eventually, college sweatshop activists began to get involved in 'living wage' campaigns in their cities and on their campuses.

Living wage campaigns are part of another social movement that arose in the US around the same time as the anti-sweatshop movement. Rather than mobilising pressure in the North to affect working conditions of TNCs in the South, the living wage movement began by looking for leverage to affect corporate behaviour and local government spending in the US. While the approach of the living wage movement is different from the anti-sweatshop movement, and there are some important differences between the two struggles, the living wage movement can offer valuable lessons for those searching for ways to hold corporations accountable to their workforce and host communities. The processes of privatisation, deregulation and deunionisation that are central to the emergence of the living wage movement can be found in many parts of

the world. The movement provides findings useful for understanding the relationships between processes of accountability, rights and resources. In particular, it has discovered that it is not enough to vote in legislation that specifies the right to a living wage. Because low-wage workers have few resources and little power, they must find ways to hold those with greater resources and power – employers and governments – accountable for enforcing those laws.

Living wage supporters have also found that processes can be as important as outcomes. Specifically, processes that create conditions for implementing laws – including mechanisms for workers to file complaints about non-compliance and to form unions – may matter more in the end than setting a particular wage standard. This chapter examines the US living wage movement to draw out these lessons for other movements for worker rights.

The material presented here is based on research conducted by the author over the past eight years. This includes reviews of city documents, surveys of employers and employees, and over 100 interviews with living wage advocates and opponents, city council members, city administrative staff, researchers and journalists.²

Context and background

The US labour movement fought hard to win certain gains for workers over the past century. These include the establishment of state-provided services and public sector employment to provide those services; a federal minimum wage law passed in 1938, which set a mandated hourly wage;³ and the 1960s–1970s wave of unionisation of many public sector jobs that created good wages, benefits and job security.

However, by the late 1970s and 1980s, the rise of a neoliberal agenda began a backlash against these gains. Congress failed to pass regular raises to the minimum wage (which is not adjusted automatically with inflation), and by the mid-1990s the real value of the minimum wage was 30 per cent below its 1968 peak value and far below the hourly amount needed to raise a worker with a family to the federal poverty line. City managers pursued an agenda of privatisation of public services, which resulted in an attack on public sector unions and savings based on reduced wages, benefits and job security. They also pursued a ‘business climate’ model of economic development, using tax breaks and economic subsidies to lure firms to their region (and to retain existing firms).

One result of these trends was a sharp decline in the real wage for the average worker, as well as those at the very bottom. Although the US is