

Final Report

Project R7899: “Codes of Conduct as Tools to Improve the Situation of Women in Southern Workplaces”

IF YOU WANT TO HELP THEN AT LEAST ...START LISTENING TO US!

FROM FACTORIES AND PLANTATIONS IN CENTRAL AMERICA, WOMEN SPEAK OUT ABOUT CORPORATE SOCIAL RESPONSIBILITY.¹

By Marina Prieto and Jem Bendell

¹ This is a collaborative research with Marina Prieto (CAWN, Central American Women Network), Jem Bendell (New Academy of Business) and Gill Coleman (New Academy of Business) in the U.K and Julia Vargas and Amalia Chamorro in Nicaragua. Also, most importantly Lesbia Guerrero and Claudia Blanco, two women workers participated in a research seminar in London. Their organisations in Nicaragua, MEC and ATC and CAWN in London have been instrumental in making this research possible. Ann-Marie Fitzgibbon and Rupesh Shah from New Academy of Business have been very supportive of the research team.

We want to be respected... so that they treat us like people not animals.

Nicaraguan woman plantation worker, 2001

There are codes on the wall, but in languages like Chinese. Don't they know that we speak Spanish?

Nicaraguan woman factory worker, 2001

We want codes to have a positive impact on our welfare, and we want you to help us with this.

Nicaraguan woman plantation worker, 2001

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Background and Objectives

As a key aspect of responsible business, corporate codes of conduct and their monitoring are important development issues (Ferguson, 1998). Some have questioned how effectively they respond to the needs of marginalised 'stakeholder' groups in international value chains (Blowfield, 1999; Murphy and Bendell, 1999). One such group is women (Barrientos et al, 1999; Pearson and Seyfang, forthcoming), who often constitute the majority of the workforce in Southern export-producing factories and plantations. One of the pilot projects of the Ethical Trade Initiative (ETI) revealed the importance of attending to gender issues when addressing workplace issues. Organisations like CAWN, the Central American Women's Network and WWW, Women Working Worldwide (CAWN & WWW, 1999: WWW, 1998) have been raising these issues for many years. Despite this, the views of women workers on codes and monitoring have rarely been solicited or responded to by researchers and practitioners of ethical trade and social auditing (Jenkins, 2001:17).

While the ethical trading activity in Europe and North America in recent years is significant, it is important to note that workers themselves have been exploring new ways of improving their welfare and rights. Across Central America women workers have organised, calling on companies to address their concerns, including health and safety, discrimination, sexual harassment, low salaries, long working hours, freedom of association and right to collective bargaining, especially given weak enforcement of national and international labour legislation (Bickham-Mendez and Kopke, 2001; Prieto et al, forthcoming). Therefore these women have a valid and informed voice on ethical trading and social auditing that must be heeded by any individual or organisation claiming to work on their behalf. With this report we amplify those voices, to move forward the debate about how codes — and their auditing — can respond to the needs of women.

A key issue is that knowledge is disseminated about codes and their implementation without involving the women workers, and their organisations, in this process. In order to bring them into the knowledge creation process it is important that their lived experiences are brought to people's minds. We find that when the actual words that women speak are used, we are more easily able to gain the vicarious experience that allows us to work in the service of the unheard. In this research report, we have not entirely replaced women voices with ours because it is by emphasising these kinds of voices that we see our main role as researchers. Our choice is a deliberate one based upon a specific philosophy of knowledge and action. Further information upon the research philosophy can be found in Annex I ('towards feminist action research').

Therefore, we have had to compromise to some extent upon how much dissection and our own voice we would present in this short report. A further discussion of findings is presented in Annex II². Here we concentrate on presenting the main findings on women's knowledge of

² "Delivering Change through Codes of Conduct and Social Auditing: An Analysis of How They Work for Women in Central America", in Annex II is still in draft format. The final report will include: a comparison between top-down and bottom-up codes and between the working lives and priorities of women working with codes, an examination of the different monitoring philosophies and practices of

codes, their views of the issues covered, the forms of monitoring taking place and their suggestions for improving their effectiveness in delivering change.

We start by briefly describing methods, then turn to the research findings providing a brief context on codes and monitoring in Nicaragua, followed by women worker's knowledge of codes. In the following section, we describe the lack of compliance with codes, the three reasons that women workers identify for this and some recommendations: the problems with implementing and monitoring codes, the lack of awareness and commitment of management and the lack of awareness of workers. In the last section, we add our own voices, providing policy analysis with some recommendations for further research, followed by dissemination and recommendations for different stakeholders.

Methods

Our collaborative research (see footnote 1) is based on feminist action research methodology (see Annex I). The sparse academic literature on our topic meant that exploratory case studies were considered suitable, which we conducted in the clothing and banana sectors in Nicaragua. We employed semi-structured interviews with people from unions, suppliers, workers, NGOs, auditing companies and women's groups in the UK and Nicaragua. We arranged five focus groups with women workers and their representatives. Documents from key organisations and initiatives were analysed. This work built upon our previous research and work on these topics (Bendell, 2001; Prieto et al, forthcoming).

Findings

Codes and Monitoring in Nicaragua

Ethical trade in Central America, including Nicaragua, has mainly come about as a result of campaigns in the United States and to a lesser extent in Europe. The campaigns have focused on the rights and welfare of factory workers who supply a wide range of US brand names and retailers. In the banana sector the US corporation, Chiquita Brands International, buys all Nicaraguan banana exports, while in the maquila sector we find brand names such as Wall-Mart, Sears, Kohls, JCPenney and Kmart. These companies have codes of conduct mainly audited by companies like PriceWaterhouseCoopers, and internal auditors (Escalona, pers com, 2001; Somarriba, pers com, 2001). There is no local monitoring group in Nicaragua but there are plans to set one up in the near future lead by MEC (Ramos, pers com, 2002). The contents of these codes include a generic clause on discrimination on the basis of gender. However, they do not contain specific details regarding what they consider constitutes discrimination, as for example on age grounds, or sexual harassment. They also fail to address issues of special relevance to women workers such as childcare, domestic responsibilities and free transport home, as similarly reported by the research conducted by Barrientos et al in Africa horticulture sector (2001)

commercial auditors and local monitors, and the Participatory Worker's Appraisal approach (PWA). It will look at the need for capacity building on the ground, and the limitations of codes.

Women workers' knowledge of Codes

The focus groups of factory workers ('promotoras') who have been trained by the Maria Elena Cuadra (MEC) women's organisation³, demonstrated that they are aware of codes of conduct. Some have a precise understanding of codes, defining them as "ethical norms that regulate labour practices of national suppliers by transnationals." Most agreed that "if they could be implemented, it would be very good for workers" but that this is not happening. One worker suggested "they're for decoration, as the workers don't see them being implemented." Most factory workers in the focus groups knew of the general issues covered by typical codes, although they reported that other workers do not know.

In most factories there are codes of conduct on the wall. The codes are often in Spanish, but sometimes only in English or a language 'like' Chinese. They are normally in visible places but difficult to read, and in some factories they are in such a high position on the wall it is impossible to read them. Given this, it was only through MEC that women found out about codes of conduct.

Some factory workers said they are more or less satisfied with the content of most codes in the free trade zone, putting emphasis on the issue of compliance. Their priorities for addressing non-compliance are different to those of management and monitors. For example, some thought restrictions on overtime inappropriate given that their wages are not always sufficient without this. The ideal is to pay workers a living wage for their normal working hours, so that working overtime can be a choice not a necessity.

Women plantation workers had a different level of knowledge on codes. Since 2000, Chiquita has had a code covering a range of labour issues. However, only a couple of the women in the focus group had heard of the concept of corporate codes or Chiquita's code. "If you had not told us about this code, we would have never known about it" said one.

These research findings show the different levels of awareness of codes. The difference between workers in the factories and plantations indicates the effectiveness of the educational work of MEC in the Maquila sector. However, most workers in this sector and all the workers in the banana sector are unaware of corporate codes of conduct and how these can be of any benefit to them. Education is key if we want to advance the effectiveness of codes.

Implementing and Monitoring Codes: Voices from the Factory Floor and from the Plantations⁴.

Those maquila women who were aware of codes agreed that although there were some positive developments since they were adopted, many aspects of the codes were not conformed to. On the positive side, one woman reported that in her factory "something new [has happened]...there is now better ventilation for fresh air to come in, there are also new

³ There are no women's organisations, like MEC in the maquila sector, working in the banana sector.

⁴ As the level of knowledge about implementing and monitoring codes was very different in the maquila and banana sectors, more voices on these issues come from maquila women workers.

extractors for... dust. The [production] lines have been arranged so as to allow for emergency exits and if the machines are too noisy, then protection is available for our ears".

However, the maquila women workers reported a range of problems that are not tackled by many codes. For example, on the issue of freedom of association, a woman worker noted that "organisation is allowed in the code of conduct, but the companies do not allow trade unions." Another example is age discrimination against women over 30 years old. In one factory employing women between 18 and 25 years, the manager told a woman of 45 years she was too old to work. The banana workers did not know about codes of conduct before this research, but their experiences were similar to that of factory workers, with some issues specific to the sector such as health and safety (pesticides etc.). Other aspects of women's working lives, discussed in Annex II, further illustrate the non-compliance of many factories with typical codes of conduct. This raises the question of why there is such non-conformance, and what can be done to address this. The women had very detailed views on both these questions, relating to monitoring practices, empowering workers, and raising the awareness and commitment of factory managers.

Monitoring Practices

Women workers believe current monitoring practices are failing, for the following reasons:

1. **The management are forewarned of visits, and they prepare for them.** Banana workers reported that everything is specially organised before an inspection but "the following day after Chiquita's visit we return to the regime of always." The same in the maquila sector, "there are lots of people coming to visit the factory. When a delegation from the transnational is about to arrive, the employers put everything in order, everything is clean, they do not shout at us, or demand that we work harder and harder... The employers behave completely different." A simple example is that toilet paper and soap only appear in the toilets when there are foreign visitors to the factory.
2. **Inspections are not effective: those visiting the factories and plantations rarely talk to workers and when they do, it is often in the company of officials, such as the human resources manager.** Sometimes foreigners visit the plantation but "they aren't allowed to speak to us, they are escorted everywhere and we don't get a chance to speak to them." Instead, "they just take photos of us while we work". One maquila woman said that she felt some workers were supportive of the management and were always given "a signal to talk to the auditors therefore, other workers do not get the opportunity to talk... [the auditors] just look at us as if we are one." Other women concurred that workers are usually chosen in advance by the management, and they are always the younger and more shy. Even in the cases where the women were interviewed in private, inside the factory, they felt uncomfortable.
3. **The complaint processes are ineffective.** One said "we called the phone number that appears on the code because I was suffering a lot of psychological pressure and nobody replies."

The women made a number of recommendations to make monitoring work:

1. **Assessments should be unannounced.** "I think that companies should not be warned about visits, but they are always told by the Corporation managing the Free Trade Zone (i.e. government officials)... It would be good that the employer did not know and the people in charge of monitoring non-compliance of the codes of conduct should have free entry at anytime." One said she had already made this suggestion to the company GAP when she was invited to Canada, but that were no changes: "I think that sometimes the transnationals do not take notice of what is happening here."
2. **There should be a constant monitoring presence.** "I don't want intermittent monitoring, but a continual (follow-up) process, because the conditions maybe OK now but at a later date deteriorate and I may want to complain, but to whom do I complain?" Therefore some suggested that they "need a person or a place to take complaints to." Another worker was more specific: 'it should be an office that is independent from the company, and even from the Ministry of Labour where we could go and say freely whether the code of conduct is being implemented in this or that factory."
3. **Interviews should be conducted by people workers trust.** Some thought it important that a trade union be involved in monitoring processes although these must be responsive to women workers. Some reported that audits have been conducted with unions that were not independent of the management. Moreover, they reported that unions are not allowed in most of the factories, so many expressed their wish that MEC becomes involved in monitoring. Banana workers suggested 'a permanent commission between Chiquita and the unions' could be set up to agree on monitoring processes and implementation of activities⁵
4. **Worker interviews should be conducted off-site.** One example given was that "when the person finishes work, the [monitors] could wait outside and then interview them. Because only in this way the person is going to talk without being scared - because it is outside the factory."

Awareness and Commitment of Management

The women identified a lack of awareness and interest of factory management in codes as another reason for code non-compliance. When women ask supervisors or managers for copies of the codes that apply in the factory, they are normally ignored or told that these do not exist. A woman described how she was offered a document detailing her own obligations when she asked for the code of conduct that she saw in the toilet. One banana woman said that when she raised the issue of Chiquita's code, the plantation manager said that they were not working with Chiquita.

⁵ It is important to note here that local trade union leaders welcomed these proposals, as they were concerned that "in some cases the codes try to deny the existence of the unions, because the companies don't show interest in co-ordinating with trade unions in order to better plan" (Castro, 2001, pers com).

Consequently, the women argued that management and supervisors need to be trained in the content of the codes, how to implement them and how to ensure their employees are aware of them. In addition to this training, some women felt there needed to be more pressure from client companies, to ensure that factory management abided by the codes and trained the workers. Pressure could also come from a public campaign that would make codes known across the whole free trade zone so that management could not deny their existence. Banana workers wanted to make wider society aware of this code. One said: "this document [Chiquita's code of conduct] could be sent to a newspaper and it would be hot news because no one knows that this document exists." This, they felt, would put pressure on managers to accept that the codes exist and that they have to comply with them.

Awareness of Workers

The women identified a third reason why there is so much non-compliance with the codes, namely the lack of awareness among workers themselves, and the reticence that many women have in expressing their concerns and claiming their rights. Those trained by MEC are more likely to use codes to improve their situation by starting proactively obtaining information about the codes. One "asked everybody about the code. Even the man who cleans the manager's offices." However, they agreed that as individuals taking such action they run risks of being victimised.

They said more workers should be trained on the contents of the codes: "we did not know our rights and obligations until we came to MEC, and then we started to have more confidence and strength." A banana worker said "we don't know our rights," and the Chiquita code of conduct was not even known to some union leaders. They asked for training on the code, as well as specific aspects of particular concern, such as health and safety as well as self-esteem and assertiveness in dealing with discrimination and harassment.

Although the women thought training by organisations independent of management is important, especially for raising the self-esteem of women workers, they also believed it could and should be done by employers themselves, perhaps incorporated into the initial training. "It should be demanded that each worker receives a copy of the code so that we know... how we are protected... and what rights are being violated and which are not."

In addition to awareness-raising, some said that the reticence and fear many women have about coming forward to make use of the code would require a trade union. Maquila workers saw an important complementary role for MEC -as a women's organisation- given the situation with unions in the free trade zone. Both could play a useful role in liaising with management to ensure codes are displayed, distributed, workers are trained, and that complaints can be made safely and then addressed, given that currently there is a lack of mechanisms for denouncing code violations.

Policy Analysis

Women workers who have received training have knowledge about codes. All women workers interviewed in this research have important 'lived' experiences explaining why there is non-

compliance and providing recommendations on how to move forward in advancing the effectiveness of codes. They tell us that so far corporate codes of conduct are of little or no benefit to workers in Nicaragua. Lack of effective and meaningful implementation and monitoring mechanisms (for example by marginalisation of workers' organisations in these processes), lack of willingness on the part of local employers and lack of pressure from companies, and lack of knowledge on the part of most of the women workers, are some of the issues that have been explored by women workers in this research.

However, their voices, and those of their organisations, are marginalised and we believe this is one of the main causes why ethical trading is not effective. Therefore, our key policy finding is that advocates in the North need to listen to the supposed beneficiaries of their work. A philosophy of service and solidarity, not patronage, is important for any effective work in the field of corporate social responsibility. If we want to help, we have to start by listening. And as Edwards puts it: '... How many of us really possess the humility to learn from the poor?' (1989:122)

From the women worker's enthusiastic participation and further findings in this research (see Annex II) we believe that corporate codes of conduct will only be useful if:

- they emphasise the priorities of women such as health and safety, discrimination (in all the dimensions, for example age), sexual harassment, low salaries, long working hours, freedom of association and right to collective bargaining
- workers know about them, discuss them and can influence them
- different local organisations trusted by workers are involved in training, monitoring and complaints processes using methods and practices to empower workers (trade unions, women organisations and monitoring groups)
- monitoring effectively uncovers and addresses the priority concerns of women workers, appropriate to context
- systems are created, or those already in place are supported, for workers to monitor and report on conditions themselves, for example via a trade union or other local organisation
- suppliers must want to implement codes so retailers must provide incentives and help in the implementation.

In response we suggest a new form of monitoring be developed based on PWA⁶ (Bendell, 2001: annex II). From the findings, it appears that the local monitoring groups⁷ operating in different countries in the region are the closest to this approach, and to the worker's demands as expressed in this research, although more research is required.

⁶ Participatory Workers' s Appraisal can be briefly described as an alternative form of auditing, which focuses on empowering workers to define, monitor and report on their own priorities as outlined. PWA draws upon the insights of international development theory and practice. It is a call for a move beyond (anti-)social auditing (Bendell, 2001). For copies of the report, visit: <http://www.new-academy.ac.uk/bananas/tpwa.pdf>

⁷ There are local monitoring groups in Guatemala (COVERCO), El Salvador (GMIES), Honduras (EMI) and in the near future one will be set up in Nicaragua. Companies like GAP and Liz Claiborne are working with these groups.

Recommendations for further research

We urgently require more researchers and academics to engage in co-operative forms of action research. The following questions, among others, need to be considered in co-operation with workers and their organisations:

- What is best-practice for the local monitoring of codes of conduct?
- How can this be supported and what are the challenges in doing this?
- What forms of worker and management training are effective?
- What forms of incentives from retailers will work in supporting change?
- What institutional arrangements do and don't give a voice to workers?

Dissemination

As an action research project, this research included dissemination during the research process. The focus groups increased the awareness of women workers, and a seminar in the UK brought together people from trade unions, NGOs, suppliers and commercial auditing companies to hear and then discuss the views of women workers. The impact of that seminar is discussed in the methodological annex. A Spanish version of the report will be disseminated to stakeholders across Central America by the Central American Women's Network (CAWN). A regional seminar has been agreed in collaboration with MEC and CAWN if funds for dissemination of this research become available. There is more work to be done.

- More research needs to be made available in Spanish. The report will need to be published across Latin America. This will be the start of a wider dialogue on the issues addressed here. A web-based forum would be a useful start.
- Commercial auditors and their clients around the world ought to hear and discuss this work and the experiences and recommendations of workers through a series of seminars.
- Local monitoring groups across the globe need the resources to convene, discuss this work, exchange their experiences, develop best practices and develop joint strategies.
- Government development agencies, UN organisations and Bretton Woods Institutions should consider these findings and discuss policy implications, through an international conference.

Box 3: Recommendations to different stakeholders

Our research has implications for a diverse range of stakeholders in codes of conduct and their monitoring:

Commercial auditors must recognise the assumptions of their current conformity assessment practices, and whether they are appropriate for assessments of social issues. They need to be clear to clients that short audits are of limited value in delivering positive change. They ought to assess whether there is a viable business model for offering quality services, given the amount of internal training needed in order to provide local capacities.

Local monitoring groups should continue to increase their collaboration with each other, and help organisations that are developing monitoring activities, while learning from the expertise of women's organisations on gender issues. They need to codify their approaches and collaborate in developing best practice to gain wider recognition, adopting peer-review to maintain quality. This is important as their monitoring operations expand. They could consider whether participatory methodologies could aid the promotion of their way of working. They should continue dialogues with trade unions in order to ensure their activities support effective freedom of association.

Trade unions must recognise their past failures in representing the needs of women workers, and work with women's organisations and other potential partners. They need to consider the limitations and potential of codes so as to use them for the welfare and rights of workers. In addition, some thought could be given to the role of trade unions in training and monitoring.

Women's organisations need to strategically assess relations with commercial auditors while working with local monitors to develop monitoring capacities, where appropriate. They should continue their educational activities on codes of conduct, and maintain dialogue and collaboration with trade unions so that their efforts are synergistic.

Retailers should change their approach from one of risk assessment and supporting superficial audits to active engagement in improving working practices. They need to recognise this will require them to provide incentives for their suppliers, which may change supply chain relations and cost them some money. Social issues should be integrated into buying decisions and into the incentive systems for commercial buyers. If their market is too competitive for this, they should admit to this and argue for stronger governmental and intergovernmental regulation in order to address workplace issues.

Producers and other suppliers should embrace changing market signals on ethical practice and seek partnerships with buyers to ensure progress in the long term. They should recognise this will require them to provide incentives for their own suppliers. Moreover, they should seek to collaborate with their competitors in the supply chain so as to advocate a developmental approach to workplace issues.

Governments should explore ways of intervening in the market in support of codes. They could support the development of appropriate local monitoring capacities in the global South, including research into how this should best be done. Moreover, they should assess how national and international trade rules, for example those of the World Trade Organisation, may help or hinder codes of conduct, and adjust their policies and advocacy accordingly.

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Annex II: Draft report: Delivering Change through Codes of Conduct and Social Auditing: An Analysis of How they Work for Women in Central America. Marina Prieto and Jem Bendell

Annex III: Highlights. Marina Prieto and Jem Bendell

Annex I: Methodological issues:

Towards Feminist Action Research

Marina Prieto

*Can you love or respect the people and assist their/ our inquiry without imposition of your will
Can you intervene in the most vital matters and yield to events taking their course
Can you attain deep knowing and know you do not understand
Conceive, give birth and nourish without retaining ownership
Trust action without knowing outcome
Guide by being guided
Exercise stewardship without control...*

(Interpretations of words attribute to Lao Tzu, c 550 BC in Wadsworth, 2001:420)

Academic research literature is often concerned with issues of accuracy, validity, generality, reliability and increasingly ethical issues. However, political questions around knowledge and power in research (Keith, 1992; Park, 2001) like who owns the knowledge, and thus who can define the 'reality' and the relevance and benefits to the 'subjects' of research in the context of unequal power relations have not been given importance in much of the research literature. Moreover, the gap between knowing and doing has not been properly acknowledged. At the same time, there is no doubt that research can have an important role to play as a way of assisting and empowering people in developing countries and influencing policy making. This research has been concerned with and intends to contribute to creating both knowledge and actions aimed at improving women worker's lives in factories and banana plantations in Nicaragua. It also looks at what lessons can be drawn for other women workers, in other sectors and other poor countries.

Behind these choices in conducting research is the researcher as a human being shaping knowledge. His/Her values, beliefs, etc. are crucial in the research process. Is not research after all a way of life and a philosophical and a political choice? (Hall, 2001) Paraphrasing Rowan who in his introduction to Human Enquiry in 1981 'you do not have to accept projects you don't believe in and really don't want to. You don't have to toe the line of an orthodoxy which is in *many ways* quite illusory. You can do research which is worthwhile for you and for the other people involved in it. You can do research on questions which are genuinely important' (Reason and Bradbury, 2001, pxxviii, original emphasis). It is then in our hands as researchers, in a context of power imbalances, to make our investigation as relevant and beneficial to the people involved in our study as possible. Perhaps more ambitiously, it is also in our hands to use research to make the world a better place by helping to reduce, through both the research process and the dissemination of results, both poverty and injustice.

I have conducted this collaborative research with Jem Bendell in the United Kingdom and with Julia Vargas and Amalia Chamorro in Nicaragua. The research has followed a 'feminist action research' approach. To explain this below, I make use of the distinction made by Sandra Harding (1987) on what constitutes method (techniques for gathering research material), methodology (theory and analysis of the research process) and epistemology (the

philosophical grounding for deciding what kinds of knowledge are possible and how we can ensure that they are both adequate and legitimate)⁸. As demonstrated in the following sections, she also makes us aware that these three essentials of research cannot be separated as they are closely interrelated.

Epistemological issues

I start with epistemological issues, as I believe these are the most relevant to understanding the research undertaken. Additionally, as a feminist researcher, I believe that a crucial issue in feminist research is the question of epistemology 'as it is around the constitution of a feminist epistemology that feminism can most directly and far-reachingly challenge non-feminist frameworks and ways of working' (Stanley and Wise, 1993:189). Epistemology in the social sciences can be defined as a framework or theory for specifying the constitution and generation of knowledge about the social world that is concerned with how to understand the nature of 'reality'. A given epistemological framework specifies issues such as what 'knowledge' is and how to recognise it. It deals with who are 'knowers', by what means someone becomes a 'knower', by what means competing claims to knowledge are adjudicated or rejected, and what should be the purposes of the pursuit of knowledge (ibid.:188; Alcoff and Potter, 1993:2).

This research is informed by feminist epistemologies because of the recognition of the situatedness of knowledge⁹ and the critique to androcentric knowledge. Also because it is a challenge to this recognition with 'the privileging of women's subjective experience (however that might be framed) and the commitment to political change that recur (in admittedly divergent forms)' (Kemp and Squires, 1997:145). This latest remark is very important in terms of recognising that there is not a monolithic category of feminists but that for all there is a commitment to the emancipation of women and this role is the ultimate aim of feminist social researchers like myself (Mies, 1993:65-66). It is also important that we recognise that the researcher always influences the research process (Stanley and Wise, 1993:6). Women workers' voices have been favoured in this research with the purpose of strengthening the voices of those less powerful, but who are not 'voiceless' as women workers in this research demonstrate. This is particularly important given that the 'legitimation of knowledge-claims is intimately tied to networks of domination and exclusion' (Lennon and Whitford, 1994:1). In the specific case of debates of corporate social responsibility and specifically of codes of conduct this occurs when corporate members, social auditors, academics, NGOs and trade unions, among others in the North, have more space to have their voices heard and therefore a greater capacity to influence policy making and debates - some more than others - around corporate social issues. What is more, we have taken the decision to try to incorporate women's own experiences into the research process and for them not to be reinterpreted by us as social researchers. This builds upon a commitment to feminism that accepts 'the essential validity of other people's experiences' (Stanley and Wise, 1993:22). In this way, they are not passive objects of our research but are the key part of a process that is fundamentally about them, and their working lives.

⁸ Gibert makes the same distinction by finding three major ingredients in social research: the collection of data, the design of methods for gathering data and the construction of theory, (1999:187)

⁹ My own position in the range would be on a 'critical subjectivity' (Reason, 1988) or a 'conscious partiality' (Mies, 1993).

Within the different feminist traditions, this research is closely connected to standpoint theory.¹⁰ The classic position argues that by giving privilege to the set of experiences of certain oppressed social groups, women in particular, who have better access to the 'reality', these groups can provide the basis for new and better knowledge claims (Kemp and Squires, 1997:143). It is a celebration of the subjective and emotional aspects of knowledge with a strong emphasis on the personal experiences of women's everyday lives that provides the basis for new knowledge claims of women. This is translated in the claim that social researchers should take the 'standpoint' of the oppressed (women workers in this research) in order to find ways of transforming rather than reproducing existing social relations. However, Dorothy Smith (1987) argues that women's daily experience can generate the questions but cannot generate the answers (I would add that they can generate some of them) given that the determinants of women's daily experience are to be found somewhere else outside their experience: this is in the political, economic and social order. Therefore, as well as favouring women workers' voices, we have added our own voices and other stakeholders' views and perspectives, such as employers, social auditors, NGOs' representatives etc.

Thus, the standpoint feminist epistemological frame connects well with the commitment to the emancipation of the "oppressed" groups in this research, i.e. women workers in factories and banana plantations. Because of the commitment to political change, there are strong links with the way in which the women's movement seeks alternative ways of social organisation, trying to transform knowledge and society to achieve the emancipation of women from oppressive social relations.

Methodology

Thus, epistemologically this research is connected to feminism by emphasising women's voices, on the basis of their daily experiences and its commitment to a political change. This section looks at the theory and analysis of the research process. This research has followed a participatory, bottom-up and action-led approach. Participatory forms of research were pioneered by Robert Chambers (1983)¹¹, (the 'father' of Participatory Rural Appraisal). His work is based around the importance of grass-roots development and the importance of indigenous voices, taking into account that when it comes to research outside knowledge is valued above indigenous knowledge (Pyrch and Castillo, 2001)¹². Chambers argues that it is important to 'hand over the stick' to the local people and that accordingly they 'become agents

¹⁰ The three frames made distinctive in the literature are: empiricist/objectivist, standpoint/interpretivist, and postmodern/genealogical (Harding, 1987; Squires, 1999). There are convincing critiques to each other and they cannot be completely separate with most work by feminists encompassing various frames, and then the use of any epistemological frame being eclectic in nature, like standpoint theory in this research.

¹¹ His work has been improved by adding a perspective on gender and power (Mosse, 1994)

¹² I have been very conscious of being a white middle-class European researcher 'leading' the fieldwork in Nicaragua for this project. Because of this, Nicaraguan researchers conducted most of the fieldwork, and facilitated the focus groups. I tried to make my presence in the country for two months as collaborative as possible in terms of the power differences with collaborators and with the women workers and their organisations.

rather than objects of research'(1997:12)¹³. This enables participants to understand their situation and work out how to act upon it (Nelson and Wright, 1997:51).

Participatory research is part of a bigger family called Action Research, a family that sees itself as different form of research (a 'new paradigm research' (Reason and Rowan, 1981). Action Research is described as participative, grounded in experience, action-oriented and also with a commitment to full integration of knowledge and action in inquiry as a practice of living. It can also be understood as a 'way of being and doing in the world' (Reason and Bradbury, 2001:xxvii). Its importance rests on the emphasis given to the political aspects of knowledge production. It also emphasises the lived experiences of people. Thus, Participatory Action Research (PAR) has a double objective: to produce knowledge and action directly useful to a group of people and to empower people by constructing and using their own knowledge. People can then see the ways in which the establishment monopolises the production and use of knowledge to the benefit of its members (ibid:10). The Action Research methodology and in particular participatory forms of this, have been used in this research because it values people's knowledge, builds their capacity to conduct their own research that is in their own interests and for their own purposes, and most importantly it liberates minds for critical reflection and action.

At the same time, PAR fits very well with feminist epistemologies as seen above. Feminist research constitutes (Mies, 1993:67-73)

- a rejection of objectivity and instead a 'conscious partiality':
- a bottom-up approach;
- research for emancipation versus academic knowledge for its own sake or 'spectator knowledge';
- the objective of changing existing studies;
- 'conscientisation'¹⁴ for both the researcher and the participant;
- utilisation of women's collective experiences, as championed by the women's movement;
- an objective for women to collectivise their own stories.

Maguire argues that feminism is a challenge to the structures and practices of domination in a broad sense in all the fields and therefore action research needs to be based on feminist thought in order to be adequate for its supposed liberatory project (2001:66). In this way, the focus of this project research has been in what both (feminist epistemology and action research) have in common: favouring women workers' voices, their every-day experiences and changing power relations leads to political change.

The research process has included a process of empowerment and a contribution to action because as an activist at heart, I think that hearing the voices is one thing, taking actions as researchers which benefits those voices is another. The objective of this research is to

¹³ It is from the participatory literature in development studies that Jem Bendell draws his insights for 'participatory workplace appraisal' (Bendell, 2000; Annex 2). He proposes a new monitoring methodology in order to empower workers to become agents of change.

¹⁴ Term developed by Brazilian educator Paulo Freire (1970) who has enormously influenced work in participatory forms of action research.

contribute to the improvement of the lives of women workers in factories and banana plantations. Thus, the 'action' component of PAR provides an opportunity to combine activism with knowledge creation by supporting the work of those engaged in improving the labour conditions of women workers and therefore contributing to the expansion of knowledge relevant and of benefit to them

Jem Bendell argues for 'civic action research' in his PhD thesis (forthcoming). While, Swantz et al shows us how PAR can create space for initiatives in struggles and how it can be used by participants as a tool for reflection, action and resistance with the help of development workers and women's groups (2001). In order to achieve this, this research process involved women workers and their representatives at every stage possible, i.e. from designing, to writing and publication. A double process took place during the research, demonstrating the importance of awareness-raising. Women workers and their representatives were empowered and local capacity was built by working with two Nicaraguan researchers who have links with the local organisations (MEC, ATC). The local researchers commented on the learning experience of undertaking this research. In one of the focus groups for this research, one maquila woman, who had not received the same training as most of the other participants, had said that: "this focus group has been very interesting. Until today I did not know much about codes and I hope to know them better and now in the next few days I am going to start to investigate where the codes are displayed."

Dissemination of research findings is a key factor in contributing towards 'political' participation and influencing policymaking. According to local researchers and activists, they rarely experience this as they are never involved in the dissemination process, and often they even do not receive a translated research report. It is even less likely that women workers themselves are involved. This research has already undertaken one process of dissemination through a seminar that took place in London, during the last month of the project. Different stakeholders, trade unionists, representatives of NGOs and campaign organisations, social auditors, companies and academics were present. Two Nicaraguan women workers, Lesbia Guerrero, a maquila women worker representing the women's organisation MEC and Claudia Blanco, a banana trade unionist, representative of the ATC, participated in this seminar (and a two-week study tour in the UK). They gained new experiences that helped them to better understand external factors in the international realm which impact on their working lives and took this knowledge back to their organisations. Their voices were acknowledged with long presentations and by having an audience of 'experts' on corporate codes of conduct listen to what they had to say about their working lives, experiences with codes of conduct and monitoring. The feedback during the day was very positive. An ETI representative commented that it was very good to be constantly reminded about issues at the grass-root level. An e-mail was sent a few days later, asking for feedback from the seminar participants. It was welcomed by some of the participants whose opinions ranged from: 'how important it is that we see how much work still has to be done' to 'how do we make it real?' All agreed that this was only the beginning and that further involvement in the research project and related activities would be welcomed.

The seminar helped the processes of empowerment and influencing policy making and driving forward changes. Dissemination continues and we intend to make the results of the research available to other key stakeholders, such as corporate managers of multinationals sourcing from the factories and banana plantations in Nicaragua where participants work. Collaborative seminars by the organisations involved in this research (MEC, ATC, CAWN), specifically in

the local region with USA multi-stakeholder participants, are key in this process. The aim is to facilitate dialogue and to drive change at all levels among multiple actors (Gaventa and Cornwall, 2001:78). Sometimes this process can be a collective experience, though it could also be a two-person process. For example, a manager of a leading USA company sourcing from Nicaragua asked me at a recent conference to send him the research findings which detail widespread sexual harassment in the banana plantations. He asked for help in assessing this and issues of maternity rights, which were not surfacing as violations of labour rights in their current audits of working conditions.

Methods

This research has made use of different qualitative techniques for gathering research material. Two exploratory case studies, in the clothing and banana sectors in Nicaragua, were chosen due to the lack of a body of literature on the topic of this research. Semi-structured interviews were held with people from unions, suppliers, workers, NGOs auditing companies and women's groups in the UK and Nicaragua. These groups were carefully selected, in order to gain input from a variety of stakeholders. In collaboration with two Nicaraguan researchers, we arranged five focus groups with women workers and their representatives in Nicaragua. In addition, documents from key organisations and initiatives, such as the women's banana conference declaration, CAWN reports and newsletters, ETI base code, SAI guidance documents, and others were analysed. This work was complemented with previous research on these topics by the researchers.

Action research can be used in a very flexible way when it comes to methods. The important issue concerns how different methodological traditions are drawn upon appropriately and creatively in the context of the research project (Reason and Bradbury, 2001:449). Bradbury (2001) shows in her research on environmental issues how familiar methodologies such as interviewing can be used as part of a PAR practice. In a similar way, feminists tell us that the uncritical use of methods for social research would contradict 'the *political aims of the women's movement*' (Mies, 1993:66, emphasis in original). Liz Kelly argues that it is not strictly the methods, which are employed that make research feminist but 'the questions that we have asked, the way we locate ourselves within our questions, and the purpose of our work' (1988:6). This makes it necessary to develop distinctiveness within the methods used in order to assimilate the feminist practices of giving women a voice, rejecting hierarchical power relations, and using social research for political purposes. All the research methods, which are employed by feminists may not in themselves be distinctive but usage within a feminist methodology and epistemology distinguishes them from all non-feminist methods.

Thus, apart from gathering data, I am especially interested in the opportunity that focus groups offer for putting into practice a PAR approach and specifically in the possibilities this has in empowering women workers by allowing them to make sense of their experiences. (See Box 1 for details of the focus groups.)

Wilkinson (in Bryman, p348, 2001) argues that although not every method can be described as inherently feminist, focus groups when employed with a feminist sensitivity have considerable potential as a tool of feminist research. As Madriz states: 'I argue that focus groups can be an

important element in the advancement of an agenda of social justice for women, because they serve to expose and validate women's everyday experiences of subjugation and their individual and collective survival and resistance strategies' (2000:836).

The process of empowerment of women workers in focus groups was facilitated by the interaction among group participants. This often decreased the amount of interaction between the facilitator and the individual members of the group and therefore gave more weight to the participant's opinions and gave power to them. I believe that the focus group method limits the imposition of my own ideas and beliefs onto the women workers and amplifies the power of the participants while also diminishing my own influence on the conversations. As Madriz puts it: 'focus groups, although not a solution to the silencing of the oppressed, may help to facilitate listening. For those social scientists interested in social change, the hope embedded in the use of focus groups is that they may contribute to some individuals' recognition and awareness of their own subjugation and to actions being taken' (2001:848).

Training of participants during the focus group took place¹⁵. The 'focused' training on codes of conduct, responsibilities of multinationals and their rights helped to empower participants and encouraged them to take actions. For example, after the training women workers looked for the display of the codes of conduct of the multinationals they worked for which are supposed to be accessible to workers. Secondly, and related to this the facilitators (Nicaraguan researchers) gave assignments at the end of each focus group that served as the starting point for the formation of an action research group of approximately ten women workers as co-researchers. Participants in the focus groups were then asked to conduct research inside their factories and to write down results of enquiries and then to follow up any changes about those enquiries, without risking their jobs. Those women workers participating in the focus groups and more active in the research inside the factories were asked to participate in the action research group. It was designed so that they would then be able to use their own words and their own frameworks to be involved as change agents in the affairs that affect them (Madriz,2001:848) in their work in the factories.

An action research group of approximately ten women workers as co-researchers was set-up during the process and a dialogue was initiated based on preliminary findings with other stakeholders. These actions have not ended during the process. Thus, the actions have spiralled: planning a change, acting and observing the process and consequences of the change, reflecting on these process and consequences of the change, and then re-planning, acting and observing, reflecting, and so on.... (Kemmis and McTaggart,2000:593). Some of those women workers are still involved in the research and will be part of the dissemination in the region. Most importantly, results of this research will return to the participants. Copies in Spanish will be made available to the organisations collaborating in this research and two women workers, one in each sector is in charge of delivering the results back to where they were originated. It is hoped that, this will increase the empowerment and action elements intended in this research. Research findings will also be made available to a wide range of stakeholders to influence policy making in Nicaragua and abroad following a two-way process of empowerment at the grass-roots level to demand changes and influence structures at the top in order to make them responsible to those at the bottom.

¹⁵ Training is not included in the methodology of focus groups (Morgan, 1997) and the impact and implications need to be further researched.

Reading this explanation of feminist action led epistemology, methodology and methods, some would argue that action research cannot be defended as research because it is radical, politically motivated by outsiders and the researcher is too close to the people being studied and therefore PAR lacks scientific rigor (ibid,p568). However, we believe as researchers that we have gained more complete knowledge of the research problem using participatory analysis leading to action than we would have by following the orthodox rules of sciences (Swantz et al.,2001,p395). In the same way feminist researchers argue that traditional research methods without a feminist epistemology and methodology behind do not result in high-quality data. It is more important to us to confront injustice rather than achieve a metaphysical truth or methodological sophistication.' We believe that this should be the most important 'criterion against which the quality of action research is to be evaluated *as research*' (Kemmis and McTaggar,2000,pp592-3) (original emphasis).

It has been rightly implied that research can be conducted in a political vacuum such that it is only *after* the research has been completed that the outputs of research have an effect upon the political context of people's lives. Although, the impact in terms of empowerment and policy making influence is difficult to measure, this discussion has shown that the research process as well as the dissemination process can be made relevant to the people involved and beyond with research and researchers becoming 'agents of development and change in the process while the research is being done' (Swantz quoted in Hall,2001:172).

Box 1: Focus group Design: Sample size, structure, and parameters

- 5 focus group with 10 -15 women workers. 3 in the maquila sector and 2 in the banana sector. Around 5 hours duration.
- Homogeneous group of women workers.
- A funnel approach as described by Morgan (1995:41). We begin with a less structured approach that puts emphasis on a free discussion and then move towards a more structured discussion with specific questions.
- Purposive sample. Participants were recruited in collaboration with local groups.
- Data was coded by breaking down into component parts and given corresponding names (one of the tools of grounded theory).
- After coding, the interpretation of findings was the next step: significance to women workers, interconnections between the different codes and reflecting on the whole context of findings for the research questions (Bryman,2001:399). The analysis consisted of a grid that systematically summarised what each group said in response to each question. This allowed for comparisons among segments (Morgan,1995:59). The subsequent reports were prepared concentrating on a deep portrayal of the most important issues.

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Annex II: Working Draft

**Delivering change through codes of conduct and social auditing:
an analysis of how they work for women in central america.**

Marina Prieto and Jem Bendell

April, 2002

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Please Note: The following is a working draft that is being prepared for future publications. When reading this draft report please bear in mind that the final version will contain certain changes. Some sections are incomplete. Other sections on 'comparing issues arising', 'capacity building with, for and beyond codes', and 'complementing codes' as well as 'conclusions' are not included below. Peer-review, consultation and further documentary research is taking place at the moment. Therefore, the views and opinions expressed in this document are not final.

Introduction

We want to be respected... so that they treat us like persons not animals.

Nicaraguan woman (banana worker), 2001

There are codes on the wall, but in languages like Chinese. Don't they know that we speak Spanish?

Nicaraguan woman factory worker, 2001

We want codes to be positive for our welfare, and we want you to help us with this.

Nicaraguan woman (banana worker), 2001

The issue of socially responsible business practice is moving into the mainstream of the international development community. As a mechanism by which responsible business can be operationalised, corporate codes of conduct have a significant place in this new agenda (Ferguson, 1998). One area identified in previous research as requiring more attention is how effectively corporate codes respond to the needs of marginalised stakeholders (Blowfield, 1999; Murphy and Bendell, 1999). One group of stakeholders in the global South with specific concerns about workplace practices is women (Barrientos et al, 1999, 2000; Pearson and Seyfang, forthcoming; Hale and Shaw, 2001). They often constitute the majority of the workforce in factories and plantations producing goods for export to the North. Women workers have been caught between the logic of industrial location in a global economy, which seeks low cost production, and those societal norms that paint women as secondary citizens and inferior workers (Elson and Pearson, 1981, 1987; Lim, 1990; Enloe, 2000)

In recent years there have been significant developments with women workers organising to call on companies to respond to their concerns about environment, health and safety, sexual harassment, long working hours, among other issues, especially given the often poor implementation of governmental law on these issues (Mendez, 1999; Bickham-Mendez and Kopke, 2001; Prieto et al, forthcoming). Consumers have also been mobilised by campaigns to provide proof of ethical sourcing in line with a more generalised global trend emphasising corporate social responsibility. Campaigns in the United States (US) and Europe¹⁶ have

¹⁶ For example, organisations like Labour Behind the Label (LBL), CAWN (Central American Women's Network) and WWW (Women Working Worldwide).

focused on the rights and welfare of factory workers in Central America, including Nicaragua, who supply US brand names and retailers. In Europe campaigners have raised awareness of the conditions on banana plantations in Central America, which supplies the US.

In the banana sector, the International Women's Banana Conference in Hanover, June 2000, brought together participants from West Africa, South East Asia, Latin America and the Caribbean to develop a joint declaration. This called on companies and other agencies to address their common concerns (Women's Banana Conference, 2000). The year before in Nicaragua, women's organisations gathered to discuss codes of conduct in the clothing sector. They identified the need for more cooperation and research on how to use codes for change (CAWN, 1999). Meanwhile, one of the pilot projects of the UK-based Ethical Trade Initiative (ETI) revealed the importance of paying attention to gender issues when addressing workplace issues¹⁷. This report is our response to the need identified by these initiatives for more gender-oriented research on the design and auditing of codes of conduct.

In this paper we aim to move forward the debate about how codes of conduct — and their auditing — respond to the needs of women and where improvements can be made. Currently there is limited input into the debate about gender, codes of conduct, and ethical trade from social science scholars and there is a need for more research (Seyfang, 1999).

Our following arguments unpack the assumptions behind current practice, with the aim of supporting more effective work on ethical trade and social auditing. We seek to support those working to enhance the capacity of various groups to engage in dialogue about the role of company codes of conduct in advancing the situation of women, to aid in their effective implementation, to highlight weaknesses of monitoring approaches and to look at complementary activities.

We approached our research from a feminist action research methodology (see Annex 1). There are three key aspects to this. First, we reject those approaches to social research that inherit the methodological assumptions of natural science. In this context, such approaches objectify research subjects, reduce reality to a limited range of dependent variables, and suggest that researchers can be 'unbiased.' Instead, we recognise complexity, value the specific context of research subjects, and recognise our own role in shaping the knowledge produced. Therefore the second aspect of our methodology is that we are explicit about our motivation, which is to enable progressive change not only with the findings produced but also through the conduct of the research itself (Reason and Bradbury, 2000). Thirdly, feminist epistemologies are closely connected with this research and how it has been conducted.

The lack of a significant body of academic literature on the subject of our inquiry, suggested to us that exploratory case studies were a suitable approach to take. We conducted two related case studies, in the clothing and banana sectors in Nicaragua. We arranged five focus groups with women workers and their representatives in Nicaragua. We employed semi-structured

¹⁷ Author of this report, Marina Prieto is a member of the Board of Directors of CAWN, Central American Women's network, an organisation that has been very active in putting gender issues on the agenda of the ETI. Recently an ETI's member roundtable on issues affecting women workers took place during which discussion of a pilot project in Zimbabwe highlighted the following issues: to have women auditors, women only interviews in private locations and direct communications with women workers. Our research confirms these findings.

interviews with people from unions, suppliers, workers, NGOs, auditing companies and women's groups in the UK and Nicaragua, who were selected purposely, not randomly, because of their professional roles. In addition, documents from key organisations and initiatives, such as the women's banana conference declaration, CAWN report, ETI base code, SAI guidance documents, among others, were analysed. We then complemented this work with our previous research and work on these topics (Bendel, 2001, Prieto et al, forthcoming)

We conducted this work in Nicaragua, due to our contacts with local organisations, and their particularly relevant experience with codes of conduct. Moreover, Nicaragua offers an example of a country and an industry (textile) with workers' involvement in drawing up a Code of Conduct signed by both the government and the employers in the free trade zone (see below on 'Codes from Below'). Nicaragua is a country in Central America, with a population of 4,900.000. It is considered one of the least developed countries in Latin America, where half of the population lives in poverty and 17% are extremely poor (HDR,2000), its economy relies largely on a few exports (coffee, fish, sugar) and has an underdeveloped infrastructure (ibid, p28) . The actual situation is one of a corrupt government, and increasing poverty with deep social inequalities, gender amongst them, increasing dramatically (ibid). Rated as 116 in the 2000 Human Development Index, Nicaragua has experienced significant debt problems, with an external debt, three times greater than the GNP (ibid).

Box 1: The Banana Trade In Nicaragua

Before hurricane Mitch, which destroyed 40% of production, 2.500 hectares of Nicaragua were cultivated with bananas, for export, amounting to about three thousand boxes (Detrinidad, 2000). In addition to climatic problems, between 1999 and 2001, the banana trade was subject to political dispute, a glut in production and falling prices. Only 1445 cultivated hectares and 7 of the banana companies were operative in 2001 (COLSIBA 2001). Nicaraguan exports of bananas date from 1950, when they were under the management of the United States (US)-based United Fruit Company (which subsequently became Chiquita). In the early stages of this export trade, the transnational companies managed production of the fruit. However, after the Sandinista Revolution (1979-1990), the state took an active role in administering the banana properties. In 1981, Nicaragua signed an Agreement with the Dole company where the company took charge of the technical issues and exportation (mostly to the US). However, in 1982, due to political pressure and a US trade embargo of Nicaragua, Dole withdrew from Nicaragua and the nationally-owned BANANIC took charge of production and trade, with the aim of entering the European market. In 1993, with the Sandinistas no longer in government, the US lifted their trade embargo and Dole returned to Nicaragua. That same year, a process of privatizing industry, including the banana sector, began. An agreement was reached between the government, banana workers and companies, where the workers owned 25% of the export licenses of BANANIC, the remaining 75% being held by the companies. Consequently the workers established their own company, TRABANIC, with 4352 partners. The structure of the industry was now different from before the revolution, with locally-owned companies exclusively supplying a transnational company which provides technical assistance and oversees quality control. Such sub-contracting has been a strategy of banana transnationals, to a greater or lesser degree, throughout Central American (Perillo, 2000).

At the end of 1999 Dole ended their agreement with Nicaragua and Chiquita began purchasing from independent producers with all production going to North America. In 2002 Dole and Chiquita were locked in a legal dispute over Dole's ownership of European licenses for imports from Nicaragua, which was effectively barring Nicaraguan export to Europe. The confederation of Latin American banana unions reported that years of legal wrangling, for example at the World Trade Organisation (WTO), and increasing overproduction, was

negatively affecting the pay, conditions and security of banana workers, creating mass unemployment in traditional banana producing regions (COLSIBA, 2000, 2001).

The challenges faced by Nicaraguan banana workers are similar to those in other Latin American countries. Some of these arise from the industrial form of agriculture practiced, which entails the intensive use of agrochemicals that pose hazards to people working in or living near plantations, as well as the wider environment. Some arise from a history of labour conflict, with companies and trade unions struggling against each other within a context of political unrest. Other problems arise out of problems facing all of society, such as a machismo culture, and a dependence on foreign investment (see Bendell, 2001).

The country has struggled with a history of political and environmental problems, including a civil war and economic blockade in the 1980s and hurricane Mitch in 1998, which devastated much of the agricultural land in the Caribbean region. Bananas have been exported since the 1950's and although production was set back by the hurricane it remains important to the economy (Box 1). Since the mid-1970's the country has been host to 'maquiladoras' - factories that assemble clothing items for export to brand names and retailers in the global North (Box 2). As mentioned above, worker's organisations in both sectors have been complaining about poor labour conditions. This is despite what appears to be good national labour legislation. According to the International Confederation of Free Trade Unions (ICFTU [CIOSL], 1999) the country has ratified all the key conventions of the International Labour Organisation (ILO) and its legislation is, in general, compatible with their dispositions.¹⁸ However, they argue that the law is not effectively implemented. For example, Nicaraguan banana unions have made formal complaints to the ILO for violations of their basic rights with regard to freedom of association and collective bargaining. According to women banana workers interviewed for this project, national labour inspectors do visit the banana plantations "but only to have lunch with the employers." A key concern has been the lack of trade union rights. Abilio Castro (2001, pers com), a director of the banana worker's trade union ATC-Chinandega explained in 2001:

Trade unionism in the Nicaraguan banana sector is disappearing, of the 7 properties that remain active, 4 of them don't permit union activity... At the beginning they give union leaders work, but when they find out they let them go. For example, [one woman] who after 15 days of working, the manager came and told her 'there is no problem but I have instructions not to let you work because they say that you're a troublemaker and will make the case for many to join the union.' So, unions are being persecuted.

¹⁸ In 1967, Nicaragua ratified Convention 87 (1948) on freedom of association, Convention 98 (1949) on collective bargaining, Convention 100 (1951) on equality of remuneration and Convention 111 (1958) on the freedom from discrimination (employment and occupation). In 1981, Nicaragua ratified Convention 138 (1973) on minimum working age. These conventions shape relevant aspects of the Nicaraguan Labour Code, updated in 1996. For example, this code recognises the right of all the workers in both public and private sectors (with the exception of those in the army and the police), to form and affiliate to unions of their own choice and negotiate collectively with employers.

Box 2: The Maquiladoras in Nicaragua

The 38 'maquilas', or clothing assembly factories, provide employment to 24,000 people in Nicaragua (La Prensa, 2000). The majority of Nicaragua's maquilas are found in the Las Mercedes Free Trade Zone in Managua, the capital city, established in 1976, and reopened in 1992 after a period of state-run factories. There are already other zones in other areas and plans for expansion (ibid). Clothing production is also sub-contracted from maquilas to smaller workshops. There are 38 maquilas, of which there are some national owned factories and others are foreign owned (with US, Taiwanese and Korean capital), all almost exclusively producing clothing for export to the North American market. The main US retailers such as Wall-Mart, Sears and Gap purchase from these factories. Like similar areas in other countries and in Asia, the government facilitates the investment with tax benefits. Labour legislation does, 'in theory' apply to the maquilas.

Despite the improvements achieved in this sector many challenges remain. The majority of the workforce is comprised of young women. Many of these women are single mothers earning meagre salaries with which to support their children or other family members. They have limited employment opportunities due to the high rate of unemployment in Nicaragua, therefore they take up employment in the maquila factories.

Many women's groups and researchers concerned with the plight of women workers in factories have documented cases of excessively long working hours, forced overtime, neglect of basic health and safety, denial of social security, employment rights and maternity rights, lack of access to healthcare, physical violence and psychological harassment occurring in factories (Flores and Kennedy, 1996; Kennedy and Cardoza, 1995; MEC, 2000a; Oxfam-Solidaridad, 1997). Empirical evidence gathered for this research supports these studies.

However, we also acknowledge the progress that has been made in terms of a reduction in the instances of forced pregnancy testing and an improvement in tackling sexual harassment in the workplace. (Ramos, personal communication).

In the maquila sector and in the context of a burgeoning women's movement in Central America¹⁹ and severe limitations faced by trade unions, women's organisations have been founded with a focus on the promotion and defence of women workers and human rights in this sector (Prieto et al, forthcoming). Although the labour legislation outlaws sexual discrimination and harassment, and specifies paid maternity leave, the organisations reports ongoing abuses of the law (Box 2).

MEC is one example of the many women's organisations that are focusing on the promotion and defence of women workers and human rights, across Central America. Many of these organisations were set up by women who worked in the trade union movement. As

¹⁹ From the mid-eighties, and into the nineties, the women's movement in Central America went through a period of intensive development and expansion. New women's organisations appeared with diverse identities, many with a feminist background creating spaces for women's increasing participation and organisation around a wide range of issues.

autonomous organisations working within a feminist and/or gender-aware framework, the approach of these women's organisations differs from that of trade unions and others in that they place women's interests and priorities at the heart of their political strategy (Prieto et al, forthcoming). They illustrate how the women's movement in Central America has developed and expanded since the mid-1980s. New women's organisations have appeared with diverse identities, many with a feminist background creating spaces for women's increasing participation and organisation around a wide range of issues. (ibid). In Nicaragua, the Sandinista Revolution was a catalyst for women's organisations to play a greater role in national politics, which they continue to do (Montenegro, 1997, p.375).

Box 3: Women's Rights and the Law

In Boxes 1 and 2, some of the violations of workers' rights faced by women workers in both sectors have been outlined. Nevertheless the Labour Code of Nicaragua covers most of these issues. For example, regarding the maternity rights of working women the Code says: "pregnant workers will be entitled to four weeks leave before childbirth and eight weeks after, with full entitlement to their wage." Moreover Chapter XIII of the Labour Code, regarding work in plantations, obliges employers to provide for their field workers a range of services particularly relevant to women such as school for their children and transport to and from their place of work (when the distance is two or more kilometers). Therefore the problem is a lack of government capacity, and perhaps will, to implement existing labour law.

Unfortunately, the problems with working pay and conditions in Nicaragua are not that unusual in the global South. In recent decades researchers and activists have produced evidence of poor working conditions in factories and plantations across Latin America, Asia and Africa, as well as some parts of the global North, often producing goods for export (Elson and Pearson, 1981; Lim 1990; Klein, 2000). The experience of stakeholders in the Nicaraguan banana and maquila sectors will therefore be of interest and relevance to people working on corporate responsibility for sustainable development.

In the following sections we present the codes of conduct that have been developed by companies and organisations in consumer countries, and those that have been developed by workers' organisations themselves. We compare the issues that are covered by codes 'from above' and 'from below'. We discuss the situation of women in banana plantations and maquila factories that was revealed to us through focus groups, in the context of these codes. We then present and discuss the views of women workers on how these codes are currently being implemented and monitored, and how they think they should be. From this, and our own analysis, in the section that then follows, we deconstruct the methodology of monitoring approaches devised in consumer countries. We briefly describe those monitoring approaches that have been developed in producer countries and then we discuss the approaches to monitoring these codes that have been developed in consumer countries, and those that have been developed by local organisations, before describing a new approach to monitoring which we term participatory workplace appraisal (PWA). Then we discuss the capacity building issues that arise in order to make codes and their monitoring deliver change in women's working lives. We conclude with recommendations for the different stakeholder groups involved in this field.

Codes from Above

Corporate codes of conduct are understood here as documents that establish a company's values and intended performance on matters relating to how it operates. These can include environmental issues, as well as social issues, such as community, government and labour relations. The codes of particular importance to this study are those that cover workplace practices, such as worker health, safety, pay, conditions and rights. There seems to be a proliferation of codes, with 233 company codes counted in 1999 (Barrientos and Blowfield, 2001) and probably more than 500 at the moment. Jenkins (2001) divides them into five categories: company codes, (e.g. GAP, Chiquita), associations codes (e.g. British toy code), multi-stakeholder codes (e.g. ETI, SA8000), model codes (e.g. ICFTU and Amnesty International) and inter-governmental codes (e.g. OECD). Some view codes as a new mechanism for improving working conditions, whereas others worry that they may distract governments and activists from the importance of enforcing state regulation (Jenkins, 2001).

In the maquila sector in Nicaragua we find brand names such as Wall-Mart, Sears, Kohls, JCPenney and Kmart. They all have codes that have been adopted by the factories. According to the employers interviewed for this research, they all have adopted two or three codes in their factories. Their comments are that they all cover the same issues and would prefer only one and they are 'sometimes more demanding than the Ministry of Labour that is a local authority' (Escalona, pers. com)

These codes are very brief, with some broad statements and often vague language. One example is Wall-Mart's which includes salary, hours of working, forced labour, child labour under 14 or 15, discrimination, health and safety. I don't understand the next sentence! Sears makes a mention is made to implement laws that are applicable while Wall-Mart uses laws in the specific case of child labour. Two of the codes include the right to internal monitoring and all of them seem to give a phone number and address to write to. They are minimalist in their contents and in general there is no further commitment to improving workers lives and no information on what kind of actions would be taken if there is non-compliance, for example, Kohls mentions that it 'would only work with suppliers that treat the workers well ...(...) and Sears demands that 'these have to be satisfied as a condition to negotiate with Sears'.

Freedom of association seems absent in Wall-Mart and Kohls' code of conduct while it is made explicit in Sears' code: 'suppliers should allow workers to exercise their right to establish and be part of legal organisations that they choose, without being penalised for the non-violent exercise of this right. This raises the issue of who these legal organisations are and whether they are representative of the workforce and whether.....

Gender issues are not taken into account. For example in Kohl's code of conduct gender issues appears as: " Kohls recognise that we respect cultural differences and believe that workers should be employed because of their abilities rather than gender, race or culture or religion". However, sexual harassment, age discrimination, maternity discrimination, opportunities of promotion, are issues that are frequently left unaddressed. Also issues of special relevance to women workers such as childcare, and free transport home are absent in these kind of codes.

In the Nicaraguan banana sector, the only code that can be said to apply is that of the company which purchases all of the country's exports of that fruit - Chiquita Brands International (Chiquita). The US-based transnational corporation (TNC) published its code of conduct in 2000, in which they state "[we] aspire to conduct ourselves in an ethical, legal and socially responsible manner befitting a world-class company" (Chiquita, 2000, p. 1). They express four core values - integrity, respect, opportunity and responsibility - and describe what this means for a range of issues from compliance with labour laws to insider trading and political donations. The section covering workplace practices incorporates the SA8000 standard, verbatim, with a couple of qualifications, clarifications and additions. Therefore they commit to respect a range of international principles, as embodied in the Universal Declaration of Human Rights, the United Nations Convention on the Rights of the Child and a range of conventions of the ILO. The relationship of this code to legal regimes is clearly stated:

The company shall comply with national and applicable law, other requirements to which the company subscribes, and this standard. When national and other applicable law, other requirements to which the company subscribes, and this standard address the same issue, that provision which is most stringent applies (Chiquita, 2000, p. 7).

The section incorporating the SA8000 standard states that "the company shall establish and maintain procedures to evaluate and select suppliers based on their ability to meet the requirements of this standard" (ibid, p. 10) and then specifies a number of actions that they will undertake for this purpose. However, this commitment to require compliance from suppliers refers only to SA8000 criteria and not the whole code of conduct, which makes further commitments to training, community involvement and consultation with the workforce. Nevertheless their "ultimate goal" is to work with suppliers that meet their entire code, and to communicate this to all suppliers, while working with "principle suppliers and joint venture partners" so they can meet the standard "within a reasonable period of time" (ibid, p. 1).

The code covers women's issues in so far as it prohibits all forms of discrimination. But as in the maquila sector, little on other gender issues. Therefore "the company shall not engage in or support discrimination, in hiring, compensation, access to training, promotion, termination or retirement based on... gender..." (Chiquita, 2000, p. 9). A diligent interpretation of this criterion implies that the company would not allow tests before hiring that only affect women, such as pregnancy testing, and would ensure equality of wages, benefits, and promotion opportunities for male and female employees. Although Chiquita does "recognize the importance of family in the lives" of their employees, theirs does not make specific commitments to support female employees with the particular challenges they face due to family obligation. For example there is no specific mention of issues regarding maternity rights and childcare. This is demonstrated in research conducted by Barrientos, Dolan and Tallontaire in the horticulture sector in Africa (2001). Commonly used codes such as the ETI Base Code only include generic antidiscrimination clauses. Barrientos and Blowfield argue that in common with the labour standards they are based on, codes reflect the norms of an homogenised workforce in which union organisation is feasible (2000)

There is also a lack of Southern participation (Hale and Shaw, 2001; CAWN & WWW, 1999). Hale and Shaw argue that: 'a major criticism of the codes initiatives is that, although they are fundamentally about worker's rights, workers themselves have not been part of the process of

constructing the codes. Codes are not negotiated between employers and workers, but introduced in a top-down fashion by companies themselves' (2001:522).

This shows that some stakeholders are not heard in 'western' dominated processes. Indeed, women and women's organisations are hardly ever approached, despite representing 85% of the workers in the maquila sector. Thus, one of the main criticisms aimed at codes of conduct is the lack of consultation with groups in the South and with the workers themselves when their position should be the starting point for drawing up these codes. Moreover, workers and their representatives have reported that some actions taken in the North to defend their rights could lead to dismissal or result in factory closures and companies leaving the country. Job losses are a key concern among workers and they strongly disapprove of actions, such as boycotts, that lead to factory closure.

Codes from Below

There seem to be few examples of codes being developed from the bottom-up. Even in instances where codes have been developed in this way, they are not given the wide exposure that they deserve given the benefits that they bring to workers. In Australia, the Textiles, Clothing and Footwear Union, together with its NGO partners, has developed a Homeworkers Code of Practice for the garment industry (Hale and Shaw, 2001:525). This code contains provisions to ensure that home-workers have good the working conditions they are entitled to. It is interesting to note that the union itself monitors working conditions, and companies are required to disclose detailed information about the use of home-workers in their supply chains (ibid).

One example of a code of conduct that was developed from the bottom-up is the work done in the Nicaraguan textile sector by the women's organisation, Maria Elena Cuadra (MEC). In 1998 MEC decided to develop its own Ethical Code (see Box4) for the textile sector in a way that specifically addressed the needs of the women who make up the majority of the workforce in this industry. MEC undertook far-reaching consultation with women workers in textile factories to ascertain what specific issues they would like the code to address. The resulting Ethical Code incorporates many items of great significance to women workers such as the right to protection from physical, mental and verbal abuse and respect for women's maternity rights.

As MEC and women workers developed the Ethical Code in collaboration, not only did MEC actively campaign to have the code accepted in Nicaragua but the women themselves also directly lobbied parliament. The Ethical Code was adopted as a Ministerial Decree by the Ministry of Labour in February 1998 and was subsequently signed by employers in the FTZ in Managua. This demonstrates the power of developing a code of conduct using a bottom-up approach. The code provided an opportunity for MEC to raise awareness among women workers and it provided them with training. The experience also empowered the women to act on their own behalf to improve their working lives by lobbying government to endorse the Ethical Code. (Prieto et al, forthcoming)

Moreover, MEC has been successful in using the Ethical Code as a basis to campaign for the reform of national labour legislation. They have used the code to place issues of specific

concern to women workers on the wider public agenda. In so doing, they have put pressure on the government to bring national labour legislation in line with the demands of women workers in the textile sector. In the words of MEC's Director, Sandra Ramos: *'For us, codes are ...an instrument for raising awareness and highlighting what is contained in our national legislation'*.

Box 4: The Nicaraguan Ethical Code

Ministerial Resolution adopted in February 1998 by the Nicaraguan Labour Minister

This code applies to all established free trade zones in the national territory.

Art. 1 - Employers must ensure that employment of all workers is under the same conditions, without discrimination on the basis of pregnancy, race, religion, age, disability or political belief.

Art.2 - All employers will guarantee job security to their employees without denying their rights, particularly in regard to pregnant women. Women cannot be fired during pregnancy nor during the post-natal period, as is guaranteed by law.

Art.3 - Employers have the obligation to show consideration and respect in the work place, abstaining from physical, mental or verbal abuse. This includes all acts or omissions which could affect the dignity and self-worth of the workers.

Art.4 - Employers must create working conditions that guarantee physical integrity, observe health and safety, and minimise work-related risks in order to ensure the occupational safety of the workers. This will be done through the following:

** Medical examinations, both regularly scheduled and those specifically prescribed for the particular job;

** Ongoing health education and training designed to prevent occupational accidents and illnesses, and common illnesses which affect the population.

** The implementation of policies designed to improve general safety conditions related to sanitary facilities, buildings, lighting, noise levels, food quality and other related work place issues;

** Regular reports which could permit both employers and workers to overcome any problems encountered in complying with the measures listed above.

Art. 5- Employers must register their workers in the national social security system in order to guarantee full protection and means of subsistence in the case of disability, old age, occupational injuries, illness, maternity, and, in the case of death, that benefits be directed towards the family or in accordance with the law.

Art.6- Employers are obliged to guarantee their workers wages and social benefits in compliance with the laws.

Art.7 - All employers must respect the established workday and overtime pay in accordance with the law.

Art.8- All employers must allow workers to organise in the various forms laid down by the law, including the right to negotiate collective bargaining agreements.

Art.9 - Employing minors under fourteen years of age is prohibited.

Art.10 - This Ministerial Resolution is effective from the date of first publication, regardless of its later publication in the Official Gazette.

Meanwhile, in recent years there have been new types of global codes of conduct agreed that establish the framework within which workers and management can agree appropriate standards at local levels. These agreements between transnational companies and the secretariats of international federations of trade unions, are sometimes called framework agreements, and commit the signatories to uphold the core conventions of the International Labour Organisation (ILO) and jointly oversee, at the global level, the effective implementation of these standards at the local level. Such local level implementation involves the possibility that local trade unions may represent employees in negotiations with management about pay and conditions and sign their own collective bargaining agreements (it could be said that these are also codes of conduct). The International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations (IUF), the International Federation of Building and Wood Workers (IFBWW), the International Confederation of Free Trade Unions (ICFTU), International Federation of Chemical, Energy, Mine and General Worker's Unions (ICEM) the International Textile, Garment and Leather Workers Federation (ITGLWF), and Union Network International (UNI) have all signed framework agreements with TNCs in recent years (Bendell, 2001b). Chiquita signed one such agreement with the IUF and the confederation of banana worker unions in Latin America, COLSIBA, on June 14th 2001. The agreement states that they "acknowledge the fundamental right of each employee to choose to and belong to and be represented by an independent and democratic trade union of his or her choice, and to bargain collectively" (IUF/COLSIBA and Chiquita, 2001, p. 2). Furthermore, "Chiquita will require its suppliers, contract growers and joint venture partners to provide reasonable evidence that they respect national legislation and the Minimum Labour Standards outlined [in the agreement]" (p. 5). As the commitments on employment security are covered in a separate section, they do not apply to Chiquita's suppliers.

Women's Working Lives in the Context of Codes

In this section we discuss what the women told us about their working lives. We present these issues using the framework of the ETI base code, although some issues do not fit within this code, nor any other known to the researchers. Therefore we discuss whether such issues could be covered by codes and why they haven't been before now.

First, there is the issue of remuneration. *In the Nicaraguan* maquila sector the basic salary is generally between C\$200 to C\$350 with additional payments based on productivity. Salaries paid to workers are between a minimum of C\$500 to C\$1250. There was an agreement by maquila workers that '*calculations of salary are so complicated that we cannot know if we are paid properly*'. One woman banana worker suggested that her pay worked out at about C\$14.25 (1\$=C\$14) for 8 hours work.

The ETI recognises the important role of collective bargaining agreements between management and unions in establishing wage levels. There are no such agreements in banana operations and only one annual agreement in the maquila sector by tripartite negotiation (government, employers and trade unions). However, salaries in these sectors seem insufficient for a living wage. The following quote indicates what the workers themselves believe would constitute an appropriate salary:

For the wages to be fair it should be above C\$50 per day because a pound of rice costs C\$4, a pound of sugar C\$4... Now if we wanted to eat some meat, maybe we could only do it once a week.

Women workers in both sectors consider their salaries to be insufficient to have a decent life for them and their children. Most are single mothers with many children and other family members to maintain. One worker reported that her salary covers less than half what is considered necessary for basic food, medicines and education.

One banana worker reported that *two years of holiday-pay hadn't been paid, and another that before they can start packing trucks with bananas, they have to clear out the truck*. This additional work is not covered by the piece rate, which is based on the number of trucks filled. Extra unpaid work was reported in a factory in which women have to clean their areas of work. A woman complained '*workers have to clean the area in which they work before they start working and at other times during the day*'.

Maquila workers complain about the payment per piece, which they see as especially unfair when production is hindered by faulty or broken machines or the non-arrival of materials. One woman told us that: '*when this happen, nobody wants to take the responsibility for the bad quality of the work or the slow production*'. Several instances were reported where women workers achieving the target quota resulted in the quotas being set ever higher.

The lack of payment of social benefits was another of the main problems reported by maquila women workers. Women believed that deductions were taken by employers and that managers sometimes falsified the social benefits. They believed that the paperwork sent to the social

security office was false and had different amounts to those appearing in the payment slips that women workers received with their salaries.

Second, there is the issue of working hours. The banana workers have very long hours, well over the 60-hour week mentioned in the ETI base code (which includes 48 hours normal working time and 12 hours overtime). "As mothers our sons don't know us, for us we're like the burglar, we go out at night and we come back at night," explained one. Maquila workers work 6 days week with around 8 or 9 hours of work per day. However, they reported that sometimes they have to work more hours, especially when they are paid per piece and their basic salary is insufficient.

This relates to the third issue - time off and overtime. The women banana workers did not seem to be receiving premium payments. Furthermore, the women reported problems with gaining legitimate time off due to sickness. For example "if the doctor prescribes me 2 or 3 days of rest, then the employers tell the doctor off". Also any minor problems with the quality of the production resulted in the total incentive payment being lost. In one factory workers reported that there were often delays in paying the incentives for production.

Some maquila workers reported that holidays are made 'compulsory' in certain factories when there is not enough production rather than the workers requesting holidays when they wished to take them. Moreover, instances of compulsory working hours were reported in some factories. One woman told us that *'there is a paper where there are the extra hours to work and you have to sign this or you are fired'*. What is more, it seems that in some cases *'if a maquila women worker does not want to do overtime, she is fired'*.

A fourth issue concerns breaks during work. Women workers in both sectors did not make special mention of this issue. In the maquila, 45 minutes lunch break seems to be the average and toilet breaks seems to be allowed in many of the factories, with only one worker mentioning that workers have to ask for permission.

A fifth issue is that freedom of association and the right to collective bargaining, which should be respected. Unlike the findings in Costa Rica (Bendell, 2001), the women banana workers knew of their rights in relation to trade unions, as some had been members in the past, and some were current trade union members. Many women were adamant that freedom of association did not exist in most of the plantations, as union members were harassed, sacked and blacklisted. "Nine women were sacked recently, all leaders of the union. That is why the rest have fear. They say: 'look how they sacked them, nobody did anything for them.'" The women felt that the lack of organising was a significant handicap:

"I think that we accept [bad working conditions] because if I began to organise my women co-workers to try to improve our conditions, they will sack me and I don't have anywhere else to go to earn the food for my children."

A related issue is worker representation. One of the unions in the banana plantations was said to be "in favour of the employers" where the union leaders "earn double salaries [and] eat better food." Some felt that the unions had not been very attentive to women's concerns.

Most maquila workers are not affiliated to any trade union. They reported that in many maquilas there are no unions or that there are 'yellow' trade unions, which are not independent and not chosen by workers. A woman worker asked one of these trade unionista:

'and who chose you? Because for us in order to have a trade union, the workers have to choose'. She adds that they come 'from the manager's office'.

Another extremely important issue is discrimination, including sexual discrimination, which is prohibited by most codes, including Chiquita's, and in ILO conventions and Nicaraguan law. In banana plantations there is a clear sexual division of labour, with no women working in supervisory roles. Rather than accepting this situation, as plantations workers seemed to in Costa Rica (Bendell, 2001), one woman said that although "they don't give that opportunity to the women... we are capable of working in any post." In the maquila sector although there are women in supervisory roles, the managers of the lines of production, the engineers etc. are all men.

There is also evidence of discrimination in the hiring process on banana plantations, with women having to take pregnancy tests to gain employment. "Some are told to pass an examination to see if they are pregnant and if they are, they don't give them the job." It would appear that in some factories the pre and post natal leave is not paid. A case was recounted of a woman who was told to leave her job and then asked to return later so that the factory could avoid paying the pregnancy benefits. Also in a couple of factories, women were asked if they are pregnant or likely to be.. Illegal pregnancy tests are also carried out in one of the factories. However, these cases were not highly reported.

In the maquila sector, most women were concerned about age discrimination. Women were employed only between 18 and 25 years, with women over that age being considered too old to work.

Then there is the issue of sexual harassment. Sexual harassment was identified by the women workers as a widespread problem in the plantations where bananas were sold to the well-known multinational Chiquita. Women's testimonies in the focus groups were very clear on this issue. A woman said: *"I was transferred to different jobs and in each of them, the boss tried something with me"*, while another replied: *"not only the bosses but also middle management positions"*. An older woman reminds the youngest ones that *"sexual harassment is nothing new but that all women have had to put with that"*. The emotional costs involved are also familiar for women workers: *"I left the job because I could not stand anymore the harassment and because I was pregnant. Because of this, also my husband was putting pressure on me to leave the banana plantations"*.

The following testimony summarises the situation in the banana sector: *"about sexual harassment...we know that the bosses do it. When a woman asks for a job because she needs it, the boss tells her that if she goes to bed with him, he can give her a job otherwise no is the answer. There is widespread suffering of women everywhere, not only in the banana plantations. 'Those lions eat' the women because women need desperately to find a job. If the woman is head of household and have four or five children, then with more reason she is going to be weaker and be victim of this. This happens because of her need and the stupidity of men that take advantage of women needing to make a living"*.

As with many codes, such as SA8000 and the ETI, the Chiquita code does not permit the docking of wages for disciplinary reasons, although the women reported instances of this on banana plantations, especially when there were disputes over the quality of the packing of bananas. In the maquila sector, especially when they want to victimise a worker, they are assigned to lower, less-skilled and harder work, material for working is not made available, or a

machine is assigned to lots of workers so that they have to share the work and earn only a basic salary of, for example, C\$230.

Another issue covered by most codes is health and safety. The maquila women workers complained about dirtiness in some toilets, lack of proper ventilation in high temperatures, and a few instances of blocked emergency exits. The banana workers complained of problems with spots, allergies and fungus on their skin. There was significant worry about what the agro-chemicals were doing to them, given a history of problems. They also described problems with malformed children, sterility and various cancers.

Verbal harassment is widely reported with psychological pressure in both sectors. Supervisors in the maquila sector make comments to the women workers such as *'you pinhead work better'*. One worker expressed that *'it is like we are not human beings. We cannot even have a little mistake'*.

There are a number of issues that are important to women, which the various codes do not cover. Codes incorporate what has been called a liberal feminist perspective (Harding, 1987), so that attention is paid to treating women the same as men. As we have seen above, even this is a challenge. However, women have important obligations to their families in addition to their paid employment. Most codes do not deal with issues of particular importance to women. One such issue is childcare. This is especially important, as many women workers in both focus groups are single mothers. Many told stories of their male partners leaving them to bring up their children on their own. These are strong women: not only do they have to earn money to support their family, but they must also attend to various domestic duties. Sometimes the eldest children look after the younger siblings, therefore curtailing their own education and opportunities. At other times the women employ domestic helpers, which then uses up half of their earnings. Another example, is the issue of safe transport home. Many women felt vulnerable as they often end their shifts late at evenings. In the banana plantations they have to walk long distances and in the capital, Managua, buses stop running at certain times and women workers cannot afford to pay for a taxi as this would cost them their daily salary.

Women Workers' Views on Implementing and Monitoring Codes

In this section, we examine women workers' views on implementing and monitoring codes in both sectors: maquila and banana. Their views are very important given that very little research has been done on worker's views (Jenkins, 2001). In addition, this demonstrates that women workers have a legitimate voice that must be listened to if we want to make codes of conduct effective (see main report).

Maquila

"We know there are codes of conduct. We have received training (from MEC) ...we have asked around and looked for them in the factories to see what is and what is not implemented. But in relation to whom is monitoring this. Nobody especially - only once a year by the transnational and when this happens all the bosses put everything in order and tell the workers not to say anything bad..."

The focus groups of workers who have been trained by MEC and act as women's rights promoters demonstrate that they are well aware of codes of conduct. Some had a precise understanding of codes, defining them as "ethical norms that regulate labour practices of national suppliers by transnationals." Most agreed that "if they could be implemented, it would be very good for workers" but that they are not being properly implemented, with one suggesting "they're for decoration, as the workers don't see them being implemented." Most women knew of the general issues covered by typical codes, and that there is often a phone number to call in order to complain of any violations.

Workers reported that, in most companies there are codes of conduct on the wall, although sometimes they are only in the management offices. "A worker normally only goes to the office if they are going to be punished so how are we going to stop to read the code" asked one. The codes are often in Spanish, but sometimes only in English or a language 'like' Chinese. They are normally in visible places but difficult to read, and in some factories they are in such a high position on the wall it is impossible to read them (Figure 1). Moreover, some of the women said they did not feel comfortable stopping to read what the code says during work. Given this, it was only through MEC that women found out about codes of conduct.

Those women that knew of codes of conduct agreed that although there were some positive developments, many aspects were not conformed to. On the positive side, one woman reported that in her factory "something new that has not been done before is that there is an open space for fresh air to come in, there are also new extractors for... dust? The [production] lines have been arranged so as to allow for emergency exits and if the machines are too noisy, then protection is available for our ears. The toilets are not so disgusting anymore, as there is a woman cleaning... This was not happening before..." Another told of when a client visited her factory, one worker had the courage to tell them that he was not receiving his social security and "the client went to the management and said that what was going to happen if that worker was sick? That was a Thursday and on Friday it was sorted out." However, the women reported a range of problems they face which are not allowed for under many codes of conduct. For example, on the issue of freedom of association, a woman worker noted that "organisation is allowed in the code of conduct, but the companies do not allow trade unions." Another example is age discrimination against women over 30 years of age. In one factory in the free trade zone employing women between 18 and 25 years, the manager told one woman of 45 years, that she was too old to be employed. Other aspects of women's working lives, discussed earlier, further illustrate the non-conformity of most of the factories (that these women have experience of) with typical codes of conduct. This raises the issue of why there is such non-conformance, and what could be done to address this. The

women had very detailed views on both these questions, relating to monitoring practices, empowering workers, and raising the awareness and commitment of factory managers.

Women workers believe current monitoring practices are failing for a number of reasons. First, the visits are not a surprise to the management, and they prepare for them. "There are lots of people coming to visit the factory. When a delegation from the transnational is about to arrive, the employers put everything in order, everything is clean, they do not shout at us, or demand that we work harder and harder... The employers behave completely different." A simple example is that toilet paper and soap only appear in the toilets when there are foreign visitors to the factory. Second, those visiting the factories rarely talk to workers, and when they do, it is in the company of officials, such as the human resources manager. One woman said that she felt some workers were supportive of the management and were always given "a signal to talk to the auditors so then the other workers do not get the opportunity to talk... [the auditors] just look at us as if we are one." Other women concurred that model workers are usually chosen in advance by the management, and they are always the younger and more shy. "I have never participated in a audit but when I have asked my colleagues after one, they told me that they could not say anything bad about the working conditions in front of the representative of the employers so they did not." Third, even in cases where the women were interviewed in private, they felt uncomfortable. For example, in one factory, "they chose the women they wanted, took them upstairs and put them in front of a TV camera and asked them about overtime being compulsory, how they were feeling working in the company... when they came down one by one, they were asked [by the managers] what they had said..." Fourth, some women noted that if they talked to the auditors this would *adversely* affect their production levels, so they would be concerned about what management would then say. A fifth reason why monitoring is not working is due to the ineffectiveness of complaints processes outside of the monitoring visits. One said "we called the phone number on the code because I am suffering lots of psychological pressures and nobody replies. I just know that on the corner on the code of conduct, it says Khools'. Another two women workers said they tried calling without any success.

The women made a number of recommendations to improve monitoring.

- First, is the importance of unannounced assessments. "I think that visits should not warn the company, but they are always told by the Corporation of the Free Trade Zone... The good thing would be that the employer would not know and the people that are in charge of the implementation of the codes of conduct should have free entrance anytime." One woman said she had already made this suggestion to the company GAP when she was invited to Canada, but that she had not seen any changes. "I think that sometimes the clients do not take notice of what is happening here," said one.
- Second, some women thought that a constant monitoring presence, of some sort, is required. "I don't want intermittent monitoring, but continual, because if now it is all right and then not and I want to complain, to whom do I complain?" Therefore some suggested that they "need a person or a place to go and say what it is okay, and what it is not, because phone numbers are not good enough and often inaccessible." Another worker was more specific: 'it should be an office that it is independent from the company, and not event the Ministry of Labour...where we could go and say freely whether the code of conduct is being implemented in this or that factory."

- A third recommendation deals with problems of how workers are selected for interviews by management, and worries about the possible repercussions of talking to monitors. For this, some women thought it important that a trade union be involved in monitoring processes. However, some women reported that audits have been conducted under the surveillance and advice of people claiming to be from trade unions but who were not known to the workers themselves. They said it is important for them to be able to trust who the people involved in monitoring are representing and what their intentions are. Therefore many women expressed their wish that MEC be involved in monitoring. "I'd like it if MEC would participate in any audit that takes place," said one.
- Fourth, the women thought the problem of worker interviews could also be addressed by conducting them off-site. "When the person finishes work, the [monitors] could wait outside and then interview them. Because only in this way the person is going to talk without being scared - because it is outside the factory."

The women believe that poor monitoring is not the only problem leading to non-conformance with the codes. A second reason is the lack of awareness and interest of factory management. When women ask supervisors or managers for copies of the codes that apply in the factory, they are normally ignored or told that these do not exist. One woman described how she was offered a document detailing her own obligations when she asked for the code of conduct that she saw in the toilet. Others described how difficult it is to get permission to talk to human resources in order to find out this information.

Consequently, the women argued that management and supervisors need to be trained in the content of the codes, and how to enable their employees to become aware of them. In addition to this training, some women felt there needed to be more pressure from client companies, to ensure that factory management abided by the codes and trained the workers. Pressure could also come from a public campaign that would make codes known across the whole free trade zone, so that management could not deny their existence.

The women identified a third reason why there is so much non-conformance with the codes, namely lack of awareness among workers themselves, and the reticence that many women have in expressing their concerns and claiming their rights in the workplace. Those trained by MEC are proactively obtaining information about the codes. "I copy the codes with my pen and pencil..." said one, while another she has "asked everybody about the code. Even the man who is cleaning the manager's offices." However, they agreed that as individuals taking such action they run risks of being victimised by management.

To address these issues the women identified a number of activities that need to take place. First, workers need to be trained on the contents of the codes and their implications. "We ignored our rights and obligations until we came to the organisation. MEC, and then we started to feel with more strength and courage," said one. Although the women thought that training by organisations independent of management is important, especially for raising the self-esteem of women workers, they also believed it could and should be done by the employers themselves. They said this could be incorporated in the initial training, so that when workers are given a list of their own obligations when they start work they are also given a pocket manual detailing the codes of conduct on labour rights that apply at the factory, similar to that provided by MEC on national legislation. "It should be demanded that each worker

receives a copy of the code so that we know... how we are protected... and what rights are being violated and which are not," said one. Some suggested that the foreign clients could help by distributing copies of their codes of conduct to workers and their communities. In addition to this work to raise awareness among women workers, some said that the reticence and fear many women have about coming forward to use the code could be dispelled by appropriate interaction with a trade union. For example, they said that a trade union could play a useful role in liaising with management to ensure codes are displayed, distributed, workers are trained, and that complaints can be made safely and then addressed.

Banana

Only a few of the women in the focus group had heard of the concept of corporate codes of conduct. None of them knew what Chiquita's code contained, nor did they know of the details of SA8000. "If you had not come with this code, we would have continued without knowing of it" said one. According to Abilio Castro, 2001, pers com) of the ATC:

"In Nicaragua Chiquita's code is not known, at the lowest levels it is not known. I remember that Chiquita walked around the plantations and had discussions on Total Quality Management, telling the workers you must work better, you must work in this way - but on the code, nothing"

When the code was first explained to the women there was some disquiet. They were amazed and annoyed at how their lives were so different from that described in the code. Thereafter, some of them were very skeptical of Chiquita's intentions, believing that the code was a lie. However, after more discussion some began to consider how the code was a new development that might help to improve their situation. One suggested that "it serves as a guarantee, like a letter of recommendation that they are doing things well." They then began to discuss how they might be able to use the code. "Chiquita's code could improve our situation," said one, while another expanded this by suggesting that "Knowing the code is going to remind us of the necessity of being organized, in order to begin to claim our rights." The initial skepticism illustrates the task ahead, not only in communicating the code to all workers and plantation managers, but also in explaining why it has been adopted and why the future might be different from the past.

The women also believed that the most important step would be to make this, and any other code known to workers and their organizations. "We don't know our rights," said one. They suggested training be provided on the code, as well as specific aspects of particular concern to them, such as health and safety as well as self-esteem and assertiveness in dealing with discrimination and harassment. They suggested assemblies of workers to discuss the code, both at work and outside it, that copies of the code be distributed to every worker, and that it be put up at work in view of all the workers. Moreover, they suggested that society in general should be aware of this code. "This document could be sent to a newspaper and it will be like a hot potato because neither have they realized that this document exists." This, they felt, would put pressure on managers to accept that the code existed and that they had to comply with it. For example, one woman said that when she raised the issue of Chiquita's code, the plantation manager said that they were not working with Chiquita (NB: all Nicaraguan exported bananas were supplied to Chiquita at the time).

The code is a complex document, and it was understandable therefore that there was some misunderstanding of its contents, which coupled with skepticism meant that some of the criticisms raised were inaccurate. For example, some participants in the focus group said that the code did not reflect the laws of the country or the collective agreements made with the unions. They mentioned how national legislation states they should be paid double for overtime, while the code did not. However, the code states that whichever is more stringent, national legislation or the code, applies. This illustrates how training needs to be ongoing, and local expertise needs to be available so workers can make inquiries about the code and their situation.

"As we deepen our analysis of this code, we are going to realize that really there is not a lot of clarity in what it says," noted one woman. Others concurred that they should review the code and discuss what it might mean in the specific context of the plantations they worked in. They felt that Chiquita and the management of the independent plantations should engage with them to work out what the code meant in specific circumstances. A number suggested that the local unions should take the lead in these discussions. They suggested that a permanent commission between the Chiquita and the unions could be set up to interpret the code, agree monitoring processes and implementation activities.

The women told of their current experiences of outsiders coming to assess the plantation. Their experience of government labour inspectors was poor; they recounted stories of inspectors coming to have lunch with the management and then leaving without speaking to the workers. They also told of their experience of quality audits from Chiquita corporate staff. Everything is specially organized before an inspection but "the following day after Chiquita's visit we return to the regime of always." They also said that sometimes foreigners visited the plantation, but that it was not possible to talk with them. "The problem is that the foreigners that visit the properties aren't allowed to speak with us, they walk them here and there and they don't leave us so that we can speak with them." Instead, "they just take us photos while we work."

Given these experiences, they recommended that any monitoring of the code should take place without prior warning or coordination with plantation managers. They suggested that monitors arrive unannounced and talk directly with the workers. They also believed that monitors should approach the workers off-site, perhaps via the trade union. Local trade union leaders welcomed these proposals, as they were concerned that "in some cases the codes try to deny the existence of the unions, because the companies don't show interest in coordinating with trade unions in order to better plan the production." (Castro, 2001, pers com).

The different awareness of codes, how to implement them and how to monitor them, between workers in the maquila and banana sectors indicates the effect of the educational activities undertaken by women's organisations in the maquila sector. Over time the women workers will develop further insights into how codes should be implemented and monitored. At this stage we can draw inspiration and lessons from their initial comments, as we unpack current modes of auditing codes and develop recommendations. In the following section we analyse monitoring approaches that have been developed 'from above' by commercial auditing companies and their collaborators, and 'from below' by local human rights organisations. We conclude by introducing a different methodological approach to monitoring and making recommendations for future work.

Monitoring from Above

The discussion so far has shown that the forms of monitoring codes of conduct are crucial. Where assessments of suppliers' conformity with codes of conduct have been attempted, the majority has been conducted by the technical teams of branded goods companies and western retailers. This involves quality technicians using additional criteria to assess suppliers when they visit plantations or factories to inspect and advise on the quality of production. The second trend has been for such companies to use third parties to inspect their suppliers' conformity with an agreed code. These third parties include commercial auditing companies such as Société Générale de Surveillance (SGS), BureauVeritas, PricewaterhouseCoopers (PwC) and KPMG. Such firms have been the subject of criticism for their lack of expertise and mandate from local stakeholders to conduct audits, which we discuss further below (O'Rourke, 2000; Bendell, 2001). Some of these auditing companies are accredited by the NGO Social Accountability International (SAI) which established the management standard SA8000 for workplace practices, incorporating various conventions of the International Labour Organisation (ILO).

In recent years the conformity assessment of suppliers against codes of ethical conduct has become a distinct profession. This process has been driven by Social Accountability International (SAI), mentioned earlier. Through their standard SA8000, their Guidance Document, training modules and system of accreditation, they are helping establish what is and what is not acceptable in what they call 'social auditing.' SAI's approach has been strongly influenced by commercial auditing companies (Bendell, 2001), which have had an influence on many organisations' practices in this area (O'Rourke, 2000). Accordingly the systems for SAI accreditation and certification mirrored the norms for management systems standards such as ISO9000 and ISO14001, and the organisations involved seek to comply with ISO61 and ISO64 guides on conformity assessment. In publications, presentations and conversations, commercial auditing companies stress their objectivity, confidentiality, neutrality, reasonableness, internationality and speed, as well as their awareness of ISO approaches to management systems certification, as hallmarks of their professional approach to social auditing. In this section we suggest that each of these hallmarks of professionalism are not necessarily appropriate for analysing social phenomena such as workplace practices and can even serve to undermine the ability of the auditing process to effect positive change.²⁰

²⁰ This section is based on author Jem Bendell's participation in an SGS SA8000 Lead Auditor course, analysis of the SA8000 Guidance Document and other documents from SAI, interviews with professionals working in this field as well as critics of it, prior analysis of other organisations' approaches to labour standards including the Ethical Trading Initiative (ETI), Conservation Agriculture Network (CAN) and Fairtrade groups, discussions at seminars and conferences, a focus group of women banana workers at a plantation in Costa Rica (Bendell, 2001) and the fieldwork conducted by Marina Prieto with local researchers in Nicaragua, including five focus groups and interviews.

Speed

With social auditing we're doing things we're not used to. It's less like assessment and more like research. But we don't have 3 years to spend on it, only 3 days, if you're lucky. (SGS Course Tutor).²¹

Most commercial social auditing companies aim to do their audits in 2 to 3 days (sometimes in one day), with a team of 2 to 3 people. The short amount of time available results from the daily rates certification companies charge, often above 500 pounds, coupled with the aim of not making the audit prohibitively expensive for the client. Moreover, commercial auditors portray the speed of their audits as an advantage for clients wanting a swift solution to labour standards concerns. Yet this time pressure has a number of implications. First, it means that auditors need to reduce the potential complexity that might be faced during an audit, in order to automate the process. "Ultimately we want to have a number of checklists for different areas of the world" explained an SGS course tutor. Thus the time pressure compels a tick-box approach to auditing. When, during the SA8000 course, one issue was found to be particularly complex, a tutor (and a key author of the SA8000 standard), reminded us that "you can't spend hours and hours on something."

The time pressure also means that certain important research techniques may be ruled out, even though they might provide crucial information. One tutor noted that "if people are being threatened they won't want to talk to you." The implication therefore, is that off-site interviews would be essential. This is what the director of Verite, Heather White, argued. She recounted one case where management blocked auditors' attempts to interview workers off-site, by not letting them know where the drop-off points were. This was at a factory that had been passed by auditors from member companies of the US-based Apparel Industry Partnership. However, when Verite managed to contact the workers off-site they spoke about sexual harassment, physical intimidation and forced overtime (reported in ETI, 1998c). SGS course tutors, however, were reluctant to do off-site work as it was time consuming. "I feel that clandestine interviews are dangerous," suggested one SGS tutor. Dangerous for whom, one might ask: the client and the auditor, or the workers?

Given that commercial auditors value evidence that can be quantified we might expect they would be interested in the statistical significance of their results, and therefore consider using a questionnaire, for example. But time pressure rules these out as well. "Questionnaires are too time consuming," explained an SGS tutor. Therefore time pressure not only compels a reductionist, positivist methodology, but it also prevents rigour within that methodological frame.

To conduct a thorough investigation of all issues with on- and off-site interviews, focus groups, surveys and documentary analysis, in ways that respond to results as they arise, is an impossible task for a three-day audit. However, some general information on potential

²¹ The comments of the three SGS tutors on the SA8000 Lead Auditor Course have been anonymised out of courtesy, given the nature of this analysis. This is also because the critiques made here are not of individual auditor malpractice, but of the idea of what constitutes auditor best practice.

problems could be gained during this short amount of time if auditors collaborated with local organisations, for example in organising focus groups.

Internationality

Commercial auditors point to their multinational presence as demonstrating their ability to provide clients with a global solution, if required. However, these offices do not have the staff trained in social auditing, and many audits use staff from Western offices, with the consequent need for translators. Civil groups such as Verite insist on having local professionals on audit teams, even though they often have difficulties in identifying local expertise.

One SGS tutor argued that "you can do focus groups with an interpreter. It makes the thing a bit of a giggle." This indicates two things. First, a misunderstanding of the methodology of focus groups - the rapport you need, and the subtlety of understanding you need cannot be gained through an interpreter. Second, that SGS's approach is shaped by the need to gain economies of scale from existing human resources, rather than methodological rigour. For commercial auditors to train their staff world-wide to be proficient social auditors would be a major expense that might make their SA8000 auditing services too expensive to run.

Confidentiality

Most social auditing is done confidentially, with the results only going to the company or organisation requesting the assessment. The SA8000 Guidance Document (CEPAA, 1999, p. n/a) stated that "auditors should not identify the applicant facility. This is in order to respect the confidential nature of the audit..." They consider confidentiality to be important as a company being assessed might not want stakeholders to know that it was being assessed, as it might fail the audit. *This is a hard-hitting statement - was this stated explicitly somewhere?* Another reason expressed at the SGS course was that if they knew about an audit, external activists might try to affect its outcome. This would seem to take a negative view of activists, who could play an important role in raising standards. As Dara O'Rourke argued, "the confidential nature of [audits means that they] cannot be verified by other researchers or NGOs, and fail to support broader public efforts to improve factory conditions" (2000, p.7). Carolina Quinteros (2001, pers com) of El Salvadorean monitoring group GMIES, explained that they want "the true situation to be told, not just kept by the companies" so although GMIES (as COVERCO) allow some time for companies to make improvements, they always publish their final report. The retailers Liz Claibourne and Gap have accepted this approach in El Salvador and Guatemala so far.

Even after successful SA8000 audits, only summary results tend to be made available, providing extremely limited information that makes it difficult for workers and their organisations to engage with the process. By mid 2001 the SAI website provided no specific details on certified factories, apart from their names. With regards to the first SA8000 banana plantation certified in the Philippines, SGS referred us to Dole, who said to wait for a press release. This lack of transparency makes it difficult for other stakeholders to analyse the audit process, in order to check that these efforts are improving the situation of workers. Moreover,

it makes it difficult for workers and workers organisations to know what is being claimed about their working lives, and to enter into related debates and processes.

Objectivity

We are interested in gathering objective evidence, so what NGOs say is mere hearsay until you go into the factory and do the research yourself. (SGS Course Tutor)

This SGS tutor's assertion during an SA8000 course illustrates the belief in the idea of an 'objective auditor'. This is founded upon the assumption that there is an objective reality that can be observed by a machine-like person, who can suspend their pre-dispositions and biases. In the Annex we describe how this type of positivist/objectivist approach has been challenged within the social scientific community in the last 20 years, given our growing understanding of how the social realm is socially constructed. Therefore 'evidence' can never be 'objective' as the person viewing it is involved in deciding what it means and whether it counts as evidence in the first place. One auditor's 'evidence' is another auditor's clutter. This was illustrated by the differing opinions of tutors on the same course, about child labour:

No one has a big sign saying 'yes we exploit children, they're over here'. As no one will say there is child labour you have to become a Sherlock Holmes. You need to dig around for evidence. (Third SGS Tutor)

As auditors we check their approach and their system, so if they don't want child labour and have put in procedures to avoid it then we would be happy. (First SGS Tutor)

Unsurprisingly then, holes in the objectivity myth appeared during the course:

The auditor has to use a degree of value judgement. This meant the quality systems people had a really hard time dealing with this in the SA8000 course. One even refused to sit the exam. (Second SGS Tutor)

The significant scope for auditor discretion has major implications for the effectiveness of commercial auditors in assessing working conditions. This is illustrated by the issue of freedom of association. BananaLink Director Alistair Smith's (1999, pers com) asserted that:

The auditing companies accredited to use the standard don't understand some of the issues like freedom of association. If BVQI and SGS are allowed to interpret this issue in their own way then it will undermine the credibility of SA8000. A professional £450 a day auditor on a quick visit cant make good judgments on issues such as freedom of association and collective bargaining; they have no experience, history or credibility on this area.

The obvious subjectivity of an SGS tutor of the SA8000 course confirms these concerns:

We see [criteria 4 in the SA8000 standard]... as mainly a matter of communication between management and employees... we look at 'parallel means' as much as anything else... Mention of parallel means is missing in section 4.1... We are not as union-focused as some. We recognise that this section comes from the union on CEPAA's [SAI's] board.

This statement was consistent with the way the course was taught. It illustrates the fact that auditors are inherently subjective, like any human being. Masking this subjectivity with illusions of objectivity has served to disarm criticism of commercial auditors (and the SA8000 process).²²

The notion of objectivity also distracts us from the importance of auditor discretion. Such discretion is key, as a number of workplace issues can be analysed using different parts of the code. For example, the SA8000 and ETI codes leave open the possibility of flexibly interpreting code criteria due to cultural norms. Therefore some auditors might regard sexual discrimination and sexual harassment as part of a machismo culture, which many women are struggling to change every day, even though such practices are ruled out in the codes.

Despite the rhetoric of professional objectivity, all auditing decisions are discretionary, at every moment of the audit process, from choosing who to talk to, where to talk, what to ask, how to ask, what to follow up, what to recommend and so on. Therefore who conducts the audit is crucial and the next question to consider is what factors affect the predisposition of the auditor. Funding is key to this. Commercial auditing firms have emphasised that they are an independent third party. However they are paid by a client, and this undoubtedly shapes their approach to auditing. This brings us to the issue of 'reasonableness'.

Reasonableness

Ironically, given their claim to objectivity, but understandably, given their financial concerns, commercial auditors make a feature of their favourable disposition toward commercial clients. The Asian civil group LARIC (1999, p. 6) was concerned about their SA8000 instructor's "persistent emphasis on the 'intent' of the companies", which was assumed to be benign. In the SGS course prospective applicants for SA8000 certification also attended the course, and the tutors stressed how they used the standard flexibly, although they maintained that this was 'objective':

There is the problem that compliance with the letter of the standard might not mean compliance with the spirit of the standard. You need to approach these issues objectively.
(Second SGS Tutor)

Therefore they redefined 'objectivity' as really meaning the reasonableness, or the flexible and non-suspicious subjectivity of SGS auditors. Evidence we gathered from the maquila and banana sectors suggests that this assumption of good intent is misplaced.

²² The scope for auditor discretion is accentuated by the lack of clarity in the SA8000 Guidance Document about where the burden of proof lies - with the auditor or with the auditee. Would the auditor need solid evidence of non-conformancy to issue a Corrective Action Request (CAR), or would the auditor merely need a suspicion, so the auditee would then need to provide solid evidence that the suspicion was unfounded? This is left up to the auditor. In addition the Guidance leaves "a certain amount of licence" in determining minor as opposed to major CARs (First SGS Tutor). The only advice is that major CARs could be "life-threatening or in some way could be dangerous or present a risk to workers" (CEPAA, 1998, p. 54), which seems to prioritise health and safety issues over other labour issues.

Carolina Quinteros, of GMIES, that conducted audits of GAP suppliers explained that she always presumes that the companies are 'guilty' before doing an audit, as her experience over the years has shown this to be the case (2001, pers com). She requires a company to provide more proof if there is any evidence of non-conformancies. Therefore audits by SGS and GMIES might produce completely different results, even if using the same set of standards, with SGS claiming to be more 'objective' as it is not an NGO, like GMIES.

Neutrality

Most groups who are developing and marketing monitoring and certification services for workplace practices, present them as neutral tests of labour conditions. Although some groups such as GMIES and COVERCO provide advice on how to remedy problems in the workplaces they are monitoring, the commercial auditors adopt a more hands-off approach, in keeping with their other conformity assessment practices. According to the premiere standards setting body for conformity assessments, the International Organization for Standardization (ISO), officially, neither management should receive help from auditors on how to improve their compliance, nor workers receive help on how to improve their situation. This is because they feel it is inappropriate for auditors to give advice and then certify that advice. In keeping with this approach, the SA8000 Guidance Document states that "certified auditors cannot make recommendations, as this is regarded as consulting" (CEPAA, 1998, p. 54). This restriction on auditor advice is rooted in the practice of management systems auditing not performance standards auditing. In a performance standard looking at social relations, the idea of a neutral test is both undesirable, as this is about ensuring social change, and methodologically illogical, given that social phenomena are being investigated. *Sorry I don't understand what you are trying to say in this sentence.* We will explain each in turn.

First, the neutral test approach is undesirable as it prevents constructive advice being given to improve the situation. The pregnancy issue, which came up in the focus groups, is a useful example here. We found that some women had been asked whether they were pregnant during their interview to work on the plantation. There are two ways an auditor could view this. On the one hand, management could have been asking this to ensure they did not employ women who would then require maternity leave, costing the company money. The ILO classifies this practice as sexual discrimination against women (as pregnancy is a situation only experienced by women and as such it is restricted by most codes, such as the ETI base code, the Chiquita Code and the SA8000 standard). On the other hand, the fact management asked about this could have been because they were interested in the health and safety of the women and wanted to ensure they did not do specific tasks with potential risks (such as applying post-harvest fungicides in banana plantations). If the auditor is able to identify that the most acceptable approach would be for management to make clear women should tell them if they ever became pregnant, but not ask if they were pregnant during an interview, then the best action would be to advise the management of this. However, they are officially not permitted to do this under ISO rules, and the SA8000 system - an unfortunate situation given that codes are being promoted as an answer to labour standards problems.

The second problem with the notion of social auditing being a neutral test is that it is methodologically illogical. Commercial auditors have inherited a methodology that is suited

for inspecting 'things' like light bulbs and financial accounts, and not people and social relations. People's representations of their situation cannot be treated as concrete immovable 'facts'. Evidence from a focus group of women banana workers in Costa Rica, concerning sexual harassment, throws light on this (Bendell, 2001). At first the women said that they did not suffer sexual harassment. After some more discussion, it was revealed that they didn't perceive the treatment they received as harassment, as it was 'normal' for men to behave in that way. When it was explained that certain commonplace behaviours could constitute harassment then they agreed that they had been the victims of sexual harassment. *You might want to outline the types of behaviour you believe constitute sexual harassment to make this section a bit clearer.* One woman told a story of how a boss at another plantation had harassed her once and she ended up leaving. Thus evidence of 'sexual harassment' was produced by the team of researchers helping the women explore the issue. Commercial auditors are less likely to pursue this form of dialogue with workers, instead asking yes/no questions such as, "do you suffer sexual harassment", and tick the "no" box accordingly. That 'objective' evidence of the absence of sexual harassment from a 'neutral' test could therefore be the result of the auditors' use of uncommon terminology and consequent lack of communication with the workers.

The neutral test hypothesis also makes commercial social auditing incapable of dealing with passive and auto-discrimination issues, which stem from lack of awareness and sometimes women's low self-esteem. As John Gaventa and Andrea Cornwall (2000, p. n/a) note, "treating situated representations as if they were empirical facts maintains the dislocation of knowledge from the agents and contexts of its production." By aspiring to neutrality, auditors accept the power relations that exist in a workplace, and therefore by passing workplaces as acceptable their actions are far from neutral - they may actually reinforce those power relations.

Some development research organisations have begun to express concern about the way social auditing has been developing. The Natural Resources Institute (NRI, 1999a, p. 2/7) note that "standards have too often engendered 'exam fever' with companies eager to pass or afraid of failure, with insufficient time taken to build constructive dialogue at any level." The Ethical Trading Initiative (ETI, 1998b) argues that the most effective companies will not use monitoring to 'police' their suppliers but as a means of educating and encouraging suppliers to take ownership of decent workplace standards and their enforcement. There are alternative forms of monitoring, which do not assume neutrality, and aim to be more developmental. For example, Carolina Quinteros (2001, pers com) explains that the auditing work of GMIES's is different: "our work should help people to organise to solve problems. We do the auditing because we want to see change." However, the approaches of local monitoring initiatives like GMIES and COVERCO have not been receiving the same international profile or financial backing as commercial social auditing.

Monitoring from Below

The involvement of southern NGOs in code monitoring and verification schemes has increased since 2000 (Jeffcott and Yanz, 2001). In Central America in particular, major US brand-name apparel companies, such as Gap and Liz Claiborne, began "to recognise the added credibility that can be gained by involving southern NGOs in external monitoring of selected supply factories" (Jeffcott and Yanz, 2001, pna). The Independent Monitoring Group

in El Salvador (GMIES) has carried out external monitoring at maquila factories for both Gap and Liz Claiborne since 1997 as has the Guatemalan Commission for the Monitoring of Codes of Conduct (COVERCO). Local auditing initiatives have begun in other parts of the world. In Bangladesh, India and China local NGOs carried out off-site worker interviews for a pilot of the Clean Clothes Campaign (CCC), although a commercial social auditor carried out the audits of factory records. The NGO Phulki also carried out external monitoring in Bangladesh (although its mandate did not include verification of compliance with freedom of association). In Zimbabwe, the UK Ethical Trading Initiative ran a horticulture pilot project resulting in the establishment of a local multi-stakeholder group, including producers, NGOs, and at a later stage, a trade union, which collaborated on the planning and implementation of farm inspections. By 2000, the Agricultural Ethics Assurance Association of Zimbabwe (AEAAZ) was formed, a tripartite association of local business, trade unions and development organisations. The ETI has also helped to create similar auditing capacities through their work in South Africa

These initiatives, providing 'monitoring from below,' use a range of different approaches. Analysis of COVERCO's monitoring reports (COVERCO, 2000; 2001) reveals that it undertakes monitoring, mediation and management development. Its monitoring consists of weekly visits to the factories, as well as ad hoc investigations in response to individual issues raised by workers over the telephone, by correspondence or in person. There are two main audiences for this monitoring - the factory management and the Western buyer - although some monitoring reports are publicly available. The reports show that COVERCO are also involved in mediating between current workers and factory management, when workers raise issues. They draw the line at advocating on behalf of either the worker or the company when a worker has resigned or has had their employment terminated, although they do then make a judgement on such situations and recommend action to the Western company sourcing from the factory. The reports also indicate that they give advice to factory management about how, in their view, the factory might comply with labour law and applicable codes of conduct.

GMIES has a similar level of experience to COVERCO and shares a number of common elements to their appraisal of workplaces. For example, both insist on the right to publish at least some of their monitoring reports and to share ownership of information obtained through their monitoring. Both emphasise the need for workers to get to know the monitors, to trust them, and to learn what their role is (and what is not within the monitors' scope). They also emphasise the importance of having a regular presence at the factory, with weekly monitoring visits and various channels for workers to contact the monitors. In all these ways they differ from the 'monitoring from above' approaches of commercial audit firms. COVERCO places importance on being independent (of factories, unions and governments), transparent, non-substitutive (of unions, management, government or advocacy groups) and not-for-profit. This is important, as "a major challenge has been to define their appropriate role and relationship with companies, unions, worker support groups, and ministries of labour" (Jeffcott and Yanz, 2001). Some trade unions are concerned about the role of local monitors, particularly "when they have played, or were seen to be playing, a mediating or problem-solving role within the factory, charging that they are usurping the role of trade unionism" (Jeffcott and Yanz, 2001). At the same time, the monitors want to help improve the situation, and where there are problems arising and no unions, it is difficult and perhaps not inappropriate to mediate or give advice. Therefore some local monitors describe their work as complementary to trade unions.

In March 2001, COVERCO became the first southern NGO to be accredited to carry out external monitoring in Guatemala for companies affiliated with the US Fair Labor Association (FLA). COVERCO was able to set conditions for its participation, for example establishing its co-ownership of information produced by monitoring and its right to publish related information. However, the Maquila Solidarity Network (MSN) note that they "are increasingly being pressured by companies and the multi-stakeholder initiatives [in the West] to adapt to... less intensive global compliance verification methods" (Jeffcott and Yanz, 2001). In order to moderate this Western commercial power over the emergent profession of workplace assessments, local auditors in the global South will need to come together to agree their own forms of best practice and their own systems for quality control. They will need to consider what aspects of the established disciplines in conformity assessment, as set out in various ISO standards, are appropriate for their operations and may need to adopt systems to peer review each others' practices in order to guarantee the consistency and compatibility of the different monitoring groups. If monitoring continues to grow, local monitors will also need to consider how multilateral trade agreement's statements on voluntary standards might affect both government and commercial support for their own, and their competitors', activities in the future.

It is significant, therefore, that the Central American independent monitoring groups are sharing information and experiences on their engagement with companies, commercial auditors and multi-stakeholder initiatives in the West. They have joined with the Research Centre for Feminist Action (CIPAF) in the Dominican Republic, the Costa Rica-based Central American labour research and education centre ASEPROLA, and the Nicaraguan Maria Elena Cuadra Movement of Working and Unemployed Women (MEC) in forming the Regional Initiative for Social Responsibility and Jobs with Dignity. This work needs to be expanded so a globally consistent approach to local monitoring that meets the needs of buyers, suppliers, trade unions and other stakeholders can be developed and promoted. There is evidence that workers themselves want such groups to develop this work. Consultations with 3000 workers in the free trade zones of Nicaragua revealed that women workers wanted MEC to organise the monitoring of factories.

Towards Participatory Workplace Appraisal

We believe that there is an alternative methodological paradigm to the one used by commercial auditors, which we deconstructed in the section 'monitoring from below'. This alternative methodology needs to be established in theoretical terms (*what do you mean by theoretical terms?*), and we believe that by doing so (*doing what? Establishing the methodology? Deconstructing the 'monitoring from below'?*) we will support local monitors in further defining, developing, and defending their approach. This alternative methodological paradigm for monitoring has been described as Participatory Workplace Appraisal (PWA) (Bendell, 2001). The term indicates the inspiration drawn from the arguments and practice of Participatory Rural Appraisal (PRA), which has sought to empower recipients of development projects to determine their own requirements. There are two key aspects to PWA. First is the need to focus the appraisal on *checking* that the space for empowerment exists in the workplace, and second, by *creating* the space for empowerment through the conduct of the appraisal itself. Therefore PWA would be both a 'participatory workplace' *appraisal* and a *participatory* 'workplace appraisal.' Both involve the issue of worker participation.

First then, we need more research and debate on how workplace appraisals could check that the space for empowerment exists. There are some obvious indicators such as democratic workers committees that reflect the ethnic, age and gender mix of the workplace, the existence of active trade unions and other means of workers associating and talking about their issues. Other indicators might be good working relationships between the company and local NGOs concerned with issues such as women's health, literacy, alcoholism and so on. We need to further develop indicators of effective worker participation.

Second, and perhaps more controversially, we need more research and debate on how workplace appraisals can create the space for empowerment. There are a number of ways this could be done. For example, merely establishing people on the same footing in a focus group to discuss issues can challenge existing power relations. This may then lead them to continue to challenge those power relations and think and act in different ways after the PWA. In addition, these events can catalyse the thinking of workers. This was illustrated in a focus group of women banana workers in Costa Rica, where at first they said that they did not suffer sexual harassment but after exploring the issues with facilitators, they then realised that they had suffered from sexual harassment.

We also need to look at how workers can participate in defining what should be appraised and how. Workplace appraisal needs to be a more bottom-up process that is owned by the workers, rather than being an import from New York or London. However, there will be many challenges with such an approach, as workers may have internalised prejudices and not know their rights. Therefore we need to look at the possible role of education during PWA. As Carolina Quinteros says, workplace appraisals help can change things because they “can give the tools to help people change the situation. Knowledge is important” (pers com, 2001).

Drawing on Michel Foucault's understanding of power as something which is always ephemeral and needing to be continually rehearsed, Mike Kesby (1999, p. 10) argues that empowerment is not “a linear process of enlightenment, but... [a] repetitive performance” and so one-off PRA ‘events’ are of limited use in empowering people. From this, we can see that a PWA assessor would need to consider with the workers how to create sustainable and sustaining spaces in their everyday lives in which their empowered thinking and acting could continue to take place. This is important as PWAs will be isolated and intermittent events, where certain uncommon assertions such as ‘your participation is valued’, will produce an uncommon and potentially ephemeral situation.

Once the nature of these sustainable and sustaining spaces are co-defined, then the assessor would need to check that these were understood, respected and if need be, facilitated by management. In other words, the PWA assessors would need to adopt a participatory approach to co-defining a participatory workplace and then incorporating this into future PWAs of that company.

Finally we need to think some more about what empowerment really means, how it occurs and where it will lead us. It is interesting to note that feminist geographer Janet Townsend believes that empowerment of others cannot happen, and we can only *enable* others to self-empowerment (Townsend, et al 1999). This view of self-empowerment suggests that we, as privileged outsiders, be prepared to let workers shape their own futures.

Already, then, we see that there is much work to be done on building local capacities so that codes and their monitoring can deliver real change.

Challenges for Stakeholders

Our research has implications for a diverse range of stakeholders in codes of conduct and their monitoring:

Commercial auditors must recognise the assumptions of their current conformity assessment practices, and how they are not appropriate for assessments of social issues. They need to be clear to their clients that short audits are of limited value in delivering positive change, and work with local organisations so their audits produce better information. They will need to assess whether there is viable business model for offering quality services, given the amount of internal training needed in order to provide local capacities.

Local monitoring groups should continue to increase their collaboration with each other, and help organisations that are trying to develop monitoring activities, while learning from the expertise, for example, of women organisations on gender issues. They need to codify their approaches and collaborate in developing best practice to gain wider recognition and even adopt peer-review to maintain quality. This is important as their monitoring operations expand. They could consider whether participatory methodologies could aid in the promotion of their way of working. They should continue dialogues with trade unions in order to ensure their activities support effective freedom of association.

Trade unions must recognise their past failures in representing the needs of women workers, and work with women's organisations and other potential partners. They need to consider the limitations and potential of codes so as to use them for the welfare and rights of workers. Also to consider the role for trade unions on training and monitoring.

Women's organisations need to need to strategically assess relations with commercial auditors while working with local monitors to develop monitoring capacities, where appropriate. They should continue their educational activities on codes of conduct, and maintain dialogue and collaboration with trade unions so that their efforts are synergistic.

Retailers should change their approach from one of risk assessment and supporting superficial audits to active engagement in improving working practices. They need to recognise this will require them to provide incentives for their suppliers, which may change supply chain relations and cost them some money. Social issues need to be integrated into buying decisions, and into the incentive systems for commercial buyers. If their market is too competitive for this then they should admit to this and argue for stronger governmental and intergovernmental regulation in order to address workplace issues.

Producers and other suppliers should embrace changing market signals on ethical practice and seek partnerships with buyers to ensure progress in the long term. They should recognise this will require them to provide incentives for their own suppliers. Moreover, they should seek to collaborate with their competitors in the supply chain so as to advocate a developmental approach to workplace issues.

Governments should explore ways of intervening in the market in support of codes. They could support the development of appropriate local monitoring capacities in the global South, including research into how this should best be done. Moreover, they should assess how national and international trade rules, for example those of the World Trade Organisation, may help or hinder codes of conduct, and adjust their policies and advocacy accordingly.

ANNEX III HIGHLIGHTS:

Women speak about corporate responsibility from factories and plantations in Central America.

MARINA PRIETO AND JEM BENDELL

Codes of conduct are currently failing to meet their potential to improve the lives of many workers because they are not being developed, implemented and monitored in partnership with their intended beneficiaries. Instead they have been shaped by a narrow set of commercial interests. It is particularly important for women workers that codes are implemented and monitored effectively and that they participate in the process if provided with initial training. Therefore advocates of corporate responsibility in the global North need to listen to the intended beneficiaries of their work. A philosophy of service and solidarity, not patronage, is important for future work on ethical trade.

CONTEXT

The effectiveness of corporate codes of conduct in improving the lives of marginalised stakeholders in international value chains has been questioned. Women workers's views are particularly important as they often constitute the majority of the workforce in Southern export-producing factories and an important percentage in plantations. Despite this, the views of women workers on codes and monitoring have rarely been solicited or responded to by researchers and practitioners of ethical trade and social auditing. Across Central America women workers have been organising to call on companies to address their concerns, including health and safety, discrimination, sexual harassment, low salaries, long working hours, freedom of association and the right to collective bargaining, especially given weak enforcement of national and international labour legislation. Therefore these women have a valid and informed voice on ethical trading and social auditing that must be heeded by any individual or organisation claiming to work on their behalf. Based on a feminist action research methodology, this work amplifies their voices, moving forward the debate about how codes — and their auditing — can respond to the needs of women.

FINDINGS

- Although most codes address key issues they are not being implemented properly and are monitored poorly. Key issues that are not effectively tackled are age discrimination, sexual discrimination, harassment, freedom of association and collective bargaining
- After initial training on codes is received, women workers provide an important contribution on how codes of conduct should be implemented and monitored.
- Women workers believe current monitoring practices are failing because: the management are forewarned of visits, and they prepare for them, those visiting the factories and banana plantations rarely talk to workers, and when they do, it is often in the company of officials,

and the complaints processes are ineffective. They have therefore, made a number of recommendations to improve monitoring.

- The women identified a lack of awareness and interest of factory management as another reason for non-conformance with codes and argued that management and supervisors need to be trained in the code content.
- They also identified a lack of awareness among workers themselves as a problem. Those trained by local women's organisations are more likely to use codes to improve their situation.

LESSONS

Corporate codes of conduct will only help when:

- they emphasise the priorities of women such as maternity rights, freedom of association and collective bargaining, discrimination (in all the dimensions, for example age), sexual harassment, low salaries, long working hours, sexual harassment, and abusive behaviour.
- workers know about them, discuss them and can influence them.
- different local organisations trusted by workers are involved in training, monitoring and complaints processes using methods and practices to empower workers (trade unions, women's organisations and monitoring groups)
- monitoring effectively uncovers and addresses the priority concerns of women workers, appropriate to context.
- systems are created, or those already in place are supported, for workers to monitor and report on conditions themselves, for example via a trade union or other local organisation.
- suppliers must want to implement codes, therefore retailers must provide incentives and help in their implementation.

In response we suggest a new form of monitoring be developed, which has been called Participatory Workplace Appraisal (Bendell, 2001; Annex I). It appears that the local monitoring groups operating in different countries in the region are closest to this approach, although more research is required.

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