The Role of Worker-Driven Regulation in the Global Fashion Industry

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SIT Study Abroad
Putting Workers First:
The Role of Worker-Driven Regulation in the Global Fashion Industry

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Abstract

The global fashion industry continues to exploit workers at the bottom of its supply chains. Multinational brands pressure manufacturers to churn out products at increasingly fast rates for increasingly cheaper costs. Severe problems persist in enforcing labor standards in these factories, and methods like voluntary corporate social responsibility are aspirational at best. A newer method of enforcement, worker-driven regulation (WDR), shows promise in its improved enforceability methods and focus on worker voices. The main research question of this paper is: What are the conditions that trigger and sustain worker-driven regulation at the factory level in the apparel industry?

Research methods include secondary source review from journals and grey literature and primary research through three interviews with experts. Findings show that two main conditions that trigger and sustain WDR are crisis events and stakeholder ownership, respectively. Further, findings show that these factors vary depending on context, making it difficult to draw absolute conclusions from examples. Thus, this paper offers illustrative examples to outline possible determining factors in the creation and sustainability of worker-driven initiatives, but by no means a comprehensive list. This research contributes to the ongoing pursuit of ensuring adequate and dignified jobs for all garment workers.
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Introduction

The fashion industry today is a global business. A single garment can pass through the hands of workers in several different countries before reaching a customer. Multinational fashion brands continuously scour the earth for factories that can produce their apparel cheaper and faster. What often comes at the expense of this high speed and low cost is workers’ rights. With increasingly complex global networks, it is becoming more difficult to monitor and enforce labor standards across the supply chain. Both traditional private and public regulatory efforts have failed at creating impactful, lasting labor reform. Activists and pro-labor reform organizations are looking for new ways of regulating labor in the industry. One method is giving workers themselves the power to monitor and change working conditions. While worker-driven regulation (hereafter referred to as WDR) seems like a logical method of improving standards, the power to dictate working conditions has nonetheless historically rested in the hands of corporations. WDR is an attempt to reduce this power imbalance between global fashion corporations and factory workers by giving workers a platform to use their voices. To better understand where WDR can be a valuable method of regulation, this paper examines the factors that contribute to its success or failure. The main research question is: What are the conditions that trigger and sustain worker-driven regulation at the factory level in the apparel industry?

To answer this question, this paper will synthesize information from the current literature and from interviews with practitioners in the field. The analysis will highlight two examples of WDR: the Bangladesh Accord and the Better Work (BW) initiative. The Accord is an enforceable brand agreement (EBA), which is a legally binding contract between brands and worker unions to enforce monitoring and remediation. The Accord emerged in response to the 2013 Rana Plaza collapse, which killed over one thousand garment workers. Better Work is a
joint initiative of the ILO and IFC that partners with governments, fashion brands, and workers to improve labor standards in the apparel industry. Rather than a single agreement, it is a program that currently operates in 12 garment-producing countries. It focuses on capacity-building and empowerment at the factory level, improvement in national labor laws at the government level, and training of firms to implement BW methods in supply chains beyond its reach. While they vary in scope and purpose, both the Accord and Better Work involve workers—in addition to brands, governments, production facilities, and civil society organizations—in holding each other accountable.

The objective of this study is to contextualize the fashion industry within the broader field of global health and development. Labor standards directly affect workers’ health and well-being, as many workers experience health problems such as respiratory diseases, physical injuries, and exhaustion. Further, the current model of garment production in the Global South for sale in the Global North both fuels and undermines development in Global South countries. In other words, while foreign investment from the apparel industry can fuel economic growth, it often comes at the cost of worker health and safety. A government’s desire for this investment can hinder it from prioritizing its citizens’ well-being with more stringent labor standards. In this increasingly complex business, labor reform is more important than ever to ensure all apparel workers have access to dignified and safe jobs.

This paper will begin with a review of the current literature, followed by analysis and conclusions. The analysis will first break down the regulatory environment that WDR emerges from. Then, based on information gathered from interviews, it will outline two main factors in the development and success of WDR: crisis events and stakeholder ownership. Examples from the Bangladesh Accord and Better Work will help illustrate these factors. This analysis does not
attempt to cover all the factors that could contribute to successful WDR. As the primary research will show, context is of utmost importance in understanding how worker-driven methods function. Rather, this research serves as a starting point to organize some of the factors that cause a shift towards WDR to understand how to implement worker-driven strategies more effectively in the future.

**Research Methodology**

**Methodology**

This is a qualitative research study using information from interviews and secondary source material. Interviews served to contextualize current literature and provide new insights on the research topic. Secondary sources were identified through keyword searches in Google Scholar and EBSCO databases with priority for frequently cited articles. Grey-matter materials such as reports and declarations were sourced from organization websites. After an initial list of sources, additional articles were identified through advising sessions with a professor at Washington University who has authored some of the articles. The research question was developed during the literature review and edited throughout the interview process. The initial research question was broad: “Whose role is it to ensure fair labor practices in the fashion industry?”. Conversations with advisors helped narrow this question down in scope, breaking down different actors that could be focused on. The final question focuses on the role of workers in labor regulation, as research and regulatory efforts are currently limited on the topic.

Potential interviewees were identified using two different methods. First, authors of relevant journal articles from the literature review based in Geneva were noted and contacted. Other experts were identified through a conference brochure from a conference in fall 2022 in St.
Gallen, Switzerland, on enforceable brand agreements in the apparel industry. In total, nine people were contacted, and all but one responded. One person redirected the request to a colleague (who had already been contacted individually), two ceased communication before agreeing to interview, and three people agreed to an interview. In addition, two people agreed to meet informally to offer general support and suggestions for contacts. Potential interviewees were selected based on their demonstrated knowledge on worker-led social responsibility and due diligence in the fashion industry. Of the final three informants, one focused on worker-led governance schemes for the garment industry (Dr. Antonella Angelini), one on Better Work (Jeff Eisenbraun) and one on due diligence law in Europe (Dr. Nicolas Bueno). This set of interviewees covered the different aspects of the research question, offering both general insights and case examples.

**Ethical Considerations**

Ethical considerations were made in the research process. The research project was given clearance by the SIT Institutional Review Board for Human Subjects Review, as it included interviews with human subjects. Before each interview, the interviewee was asked if they agreed to being recorded (audio only), have their name and professional affiliation shared, and having the information they shared be used in the final report. A final draft of the report was given to each interviewee for review and edits were made accordingly. The paper consent form was waived by SIT, so only verbal consent was necessary. Considering future use of this data, it may be used in an undergraduate thesis. Each informant will be informed of this intent and asked for permission before their data is used in another study. Further, the research done for SIT will go through the Washington University IRB as well.

**Limitations**
The most constraining limitations to this project were time and available informants. The preliminary literature review for this project happened over the course of three months; however, the intensive period for research, interviews, and writing was one month. This limited the scope of the study and the depth of analysis. Network constraints limited access to interviewees, as research began with only one on-the-ground contact in Geneva. If there was more time, the snowball method to gather more contacts would probably have opened the door to more interviews. Finally, this project was limited in its data collection geographically. Because it is examining factory-level compliance in low-income countries, there were not opportunities to collect data from factories themselves. However, future research may include analyzing data collected by factories or organizations working with those factories to gain a more in-depth picture of current labor standards compliance and issues at the factory level.

**Literature Review**

**Regulation Weaknesses in the Fashion Industry**

Up until the 1990s, multinational fashion brands did not pay much attention to the workers in their supply chains. Only after several industry disasters near the end of the century did brands begin to develop corporate social responsibility (CSR) initiatives (Bartley et al., 2015; Vanpeperstraete, 2021). However, these initiatives have fallen short of enforcing adequate labor standards. Though brands finally recognized an ethical responsibility for worker rights, that responsibility did not translate to action due to a lack of legal enforcement (Bartley et al., 2015). Fine & Bartley (2019) explain that “intense price pressures, complex subcontracting networks, poor quality auditing, and the continued movement of orders to new locations” also make it
difficult to regulate labor standards (p. 257). The complexity of the increasingly globalized fashion industry has made enforcing labor standards even more challenging.

In particular, one popular form of CSR, auditing, has proven to be ineffective. Research shows that private auditing practices are weak, with brands not following up on remediation of identified issues (Oka et al., 2020). Even third-party auditing, which should produce less biased reports, has not proven to be much better than auditing by firms themselves (Kuruvilla, 2020; Vanpepperstraete, 2021). Further, auditors often face pressure or even accept bribes to turn a blind eye and ‘check off’ a factory as safe (Bartley et al., 2015). When auditors overlook hazards and threats to worker safety, there are serious consequences— one factory in Pakistan, Ali Enterprises Factory, burned down in a fire only weeks after receiving a SA-800 certificate of compliance from a third-party auditing firm (Vanpepperstraete, 2021).

Another failure of private initiatives in promoting labor standards is not listening to worker voices. Pike (2020) argues that the private initiatives that have arisen out of a lack of a global legal regulatory framework, including codes of conduct (CoCs), international framework agreements (IFAs), and multi-stakeholder initiatives (MSIs) have had “partial success at best” (p. 914) in using worker voices to influence action. These arrangements often treat workers as a group to be managed, rather than a partner in the regulatory effort. Further, past research has mainly focused on the role of the collective worker union voice, and not individual workers. However, initiatives such as Better Work are beginning to target worker voices at a more individual level, which has led to improved conditions and worker empowerment (Pike, 2020).

In addition to private failures in regulation, a lack of government enforcement has also contributed to poor labor standards. Often, national governments overlook labor issues in their factories for fear of losing foreign investment. For example, if a government enforces labor
standards such as raising wages, the market may become less competitive and incentivize firms to look elsewhere for production (Bair et al., 2020). Fine & Bartley (2019) corroborate the importance of government willingness in an article comparing private- and public-led labor regulation in the United States. They attributed the success of the Seattle government’s Office of Labor Standards to the “political power of unions, worker centers, and progressives in government” (p. 262). This political power is hard to find in the context of the apparel industry, where production hubs are often under the jurisdiction of governments that are unwilling or unable to improve standards.

**A Shift Towards Worker-Driven Regulation**

Considering the failures of both private and public actors in regulating labor in the fashion industry, advocates for labor reform have pushed a new model of social responsibility—one that puts workers at the center. Worker-driven regulation give worker and community organizations a say in setting standards and monitoring compliance at the production level (Fine & Bartley, 2019). This “smart mix” approach strengthens private, CSR-style regulation with the inclusion of workers’ voices. Often, WDR can come in the form of an enforceable brand agreement, which includes an element of public regulation with legal consequences for noncompliance (Vanpeperstraete, 2021). In the current literature, there are two main aspects of WDR that sets it apart from other initiatives discussed previously: partnership and capacity-building.

First, the partnership aspect of WDR makes labor regulation a joint effort, rather than one-sided firm management. Vanpepperstraete (2021) reiterates this point in an article on negotiated and enforceable agreements: “The crucial point is that the definition, implementation, and monitoring of these commitments is done jointly between worker organisations and lead
companies” (p. 165). Thus, workers have a role in all steps of the regulatory process, from creating standards to ensuring they play out. Fine & Bartley (2019) contrast this ‘worker-driven’ approach with ‘checklist auditing,’ emphasizing how the involvement of worker groups helps prevent issues with auditing practices such as false reporting. In addition, their research on the Fair Food program in the Florida tomato industry showed that with more locally grounded enforcement from workers, civil society organizations (CSOs), and full-time investigators, the program was able to establish and maintain better working conditions for the agricultural laborers. The local enforcement that comes from a partnership between firms and workers has shown to improve conditions more than with one-sided regulatory efforts.

Second, WDRs encourages capacity-building through information sharing, worker empowerment, and training. WDR marks a shift from the policing model of factory auditing to a model of sharing information and responsibility between firms and workers (Oka et al., 2020). Some examples of worker empowerment initiatives include training on fire and building safety from the Bangladesh Accord (Vanpepperstraete, 2021) and Better Work’s soft skills training to help women overcome self-doubt on the job. Better Work research shows that empowerment programs like these have positive spillover effects into workers’ confidence and empowerment outside the factory as well (“Understanding Impact,” 2022). Apart from training, WDR encourages social dialogue through worker-firm negotiations. While many examples of WDR, such as EBAs, listen to the worker voice at the union level, some initiatives like Better Work have started to encourage dialogue between individual workers and managers. They introduce Performance Improvement Consultative Committees (PICCs) into factories where both unionized and non-unionized workers can build dialogue with managers (Pike, 2020; “Understanding Impact,” 2022).
As opposed to purely public or private enforcement, WDR often includes elements of government enforcement for a primarily private form of regulation (Bair et al., 2020). Taking the example of Better Work, the initiative requires approval from the national government to begin working in factories in that country. Additionally, the global authority of the ILO, which created Better Work, gives it more credibility compared to other initiatives that do not have this multilateral backing (Pike, 2020). Looking forward, Fine & Bartley (2019) argue that “[g]overnments could help worker-driven social responsibility take hold where industry structures are more challenging for activists to navigate” (p. 270). Thus, when market buy-in is low, governments (and multilateral agencies like the ILO) can serve as another push factor for encouraging worker-driven regulation.

While WDR has proven to be more effective at improving labor standards in the apparel industry than other methods, problems remain. Worker-driven efforts can often be limited by scope, loss of public attention, and stakeholder buy-in. The Bangladesh Accord, for example, made waves in improving worker safety in Bangladesh, but it was limited to only building and fire safety. It also lost traction as public attention waned in the years after the Rana Plaza collapse, as will be discussed later (Bair et al., 2020). For Better Work, there are issues of sustainability after program implementation. For example, its program in Lesotho lost traction after BW pulled out, with factory managers reverting to old patterns of behavior (Pike, 2020). Considering both the successes and failures of WDR, there is a research opportunity to understand and organize the factors that trigger and sustain WDR, as well as those that lead to failure. Referencing both primary data from interviews and secondary source comparison, the next section will explore these factors to provide insight on the conditions that help this method of regulation thrive.
Analysis

The Race to the Bottom & Its Effect on Workers

The regulatory environment in the fashion industry centers around the buying practices of fashion brands, which directly affect worker safety and health. As established, the fashion industry is known for extremely poor working conditions at the factory level of the supply chain. A report by Human Rights Watch outlines some of the most common labor abuses in apparel production facilities, including shortening or removing breaks, training during breaks, and verbally abusing employees to work faster. Some factories also pressure workers to increase production output by reducing each ‘hour’ to 45 or 50 minutes while keeping hourly production targets the same (Kashyap, 2019). Garment workers also face physical hazards, working in structurally unsound buildings with dangerously high temperatures and inadequate ventilation. Disasters such as the 2013 Rana Plaza collapse in Bangladesh or the Ali Enterprises factory fire in Pakistan show how garment jobs can truly be a matter of life or death (Hobson, 2013; Wills, 2023a). While these issues persist, much of the responsibility does not lie with factories, but their customers: multinational fashion brands.

With the phaseout of the Multifiber Agreement by 2005, apparel brands no longer faced quotas that limited how much they could produce in any one country. This catalyzed competition among brands searching for the lowest production costs in the world. Known as the ‘race to the bottom,’ this process prioritized maximizing profits over respecting workers’ rights (Bartley et al., 2015). As fashion brands race to feed growing consumer demand, pressure mounts on suppliers to keep up. Anner (2020) categorizes this pressure into a “price squeeze” and a ”sourcing squeeze.” The price squeeze decreases wages and increases work intensity, while the sourcing squeeze leads to forced overtime work and outsourcing to unauthorized factories.
However, many brands are not willing to budge on production time or costs (Wills, 2023a). A 2016 ILO survey of 1454 suppliers across different sectors found that 52 per cent of apparel suppliers said brands paid prices lower than production costs. Further, turnaround times are too short, as brands often delay delivery of technical specifications or order approval to start production. Factories also face extreme volatility in changes in order volumes or specifications, making it difficult for them to plan regular and overtime work (Kashyap, 2019). The race to the bottom in the fashion industry has made it nearly impossible for production facilities to uphold fair working hours and wages.

Beyond hours and wages, the race to the bottom has worsened occupational safety in many factories. As the industry grows rapidly, suppliers rush to get their production facilities up and running without ensuring building safety. For example, in Pakistan and Bangladesh, suppliers repurposed old buildings into factories, disregarding unstable structures, electrical issues, inadequate escape routes, and equipment defects (Vanpeperstraete et al., 2021). As discussed previously, factories like these easily pass auditing checks as many auditors accept bribes to turn a blind eye or simply fail to report safety violations (Bartley et al., 2015; Wills, 2023a). Current labor standard enforcement mechanisms, such as auditing, are failing at protecting the health and safety of workers.

From a regulatory perspective, it is very difficult for governments, civil society organizations, or workers themselves to combat the pressure from these pricing and sourcing squeezes. Vanpeperstraete (2021) explains this issue: “Buyer-driven markets characterised by outsourcing, subcontracting and offshoring, and the price pressure that results from them, undermines both the regulatory role of the state and the potential for collective bargaining” (p. 137). This strategy of squeezing the highest profit out of workers makes adherence to codes of
conduct only an afterthought for factories. With this extreme power imbalance, it is easy to understand how voluntary codes of conduct and corporate social responsibility schemes play out very differently in practice than in theory.

Voices in Labor Regulation

**Multilateral, state, and corporate voices.** There are several actors that influence labor regulation in the industry, including multilateral organizations, national governments, and corporations. Often, the interests of each of these actors do not align, making it very difficult to achieve standardized and cohesive regulation across the industry. At the multilateral level, there are a few main documents published by organizations that provide guidance for corporate and state behavior in promoting good practices for both labor and the environment. These include the UN Guiding Principles on Business and Human Rights (UNGPs), the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy (MNE Declaration), and the OECD Due Diligence Guidance for Responsible Business Conduct (OECD Guidance) (Wills, 2023b).

Combined, these documents speak to the roles of governments, corporations, and affected groups or individuals in upholding labor standards in all industries. The UNGPs advise governments to have a “smart mix” of regulatory measures, combining both voluntary business practices and mandatory rules. These guidelines provide a framework for mandatory due diligence laws at the national level (“Guiding Principles,” 2011). The MNE Declaration, on the other hand, focuses on the role of multinational enterprises in regulating their own supply chains. It explains standards for different aspects of work life, including access to employment, forced and child labor, job training, wages, benefits, occupational safety, and the right to unionize and engage in collective bargaining (“Tripartite Declaration,” 2022; Wills, 2023b). Finally, the
OECD Guidance provides a six-step process for businesses to implement due diligence and uphold labor standards. This process includes putting good policies in place, identifying ongoing issues, tackling those issues through remediation, and tracking improvement (“OECD Due Diligence Guidance,” 2018; Wills, 2023b).

All three of these documents provide important guidelines on the responsibilities of businesses and governments in regulating labor; however, they stop short of being legally enforceable. Some scholars refer to the lack of legal liability in theses documents as the “accountability gap,” highlighting a discrepancy between companies’ social responsibility ideals and actions (Bueno & Bright, 2020). However, over the past decade, there has been a push to close this accountability gap with mandatory due diligence (MDD) legislation, especially in the European Union (Wills, 2023b). In one article on MDD in France and Germany, authors Gustaffson et al. explain how national law implements multilateral guidance: “By translating international soft norms on due diligence into binding law, MDD laws hold the promise to contribute to ‘foreign corporate accountability’ in global supply chains, understood here as the accountability of companies for negative impacts caused abroad by their subsidiaries or suppliers” (2022). In essence, MDD laws provide legal incentives for companies to carry out their due diligence process to ensure labor standards.

In an interview with Dr. Nicolas Bueno, Professor of Law at UniDistance Suisse, he explained that in addition to the strong enforcement mechanism of MDD laws, they also give more agency to workers affected by poor labor practices (2023). For example, the French Duty of Vigilance Law passed in 2017 allows affected parties to file a civil lawsuit in French courts to receive remediation. However, problems persist with this complaint mechanism, especially if a single worker or production firm is up against a multinational corporation (Wills, 2023b).
Nonetheless, this acknowledgement of workers themselves in MDD laws is a step towards more worker-driven social responsibility. Worker-driven initiatives at the factory level take this a step further by putting workers voices at the center of regulatory decisions.

As a complement to due diligence laws, worker-driven regulatory methods can serve as a link between these laws and private sector codes of conduct. In an interview with Dr. Antonella Angelini, Senior Research Fellow at the University of Pisa, she explained that one form of WDR, EBAs, can be a useful tool in carrying out due diligence because they encourage good baseline practices (2023). In an interview with Jeff Eisenbraun, Technical Officer at the Better Work program, he explained how research has shown that the program has a complementary effect on regulation, rather than replacing the state or private role. Better Work can help reduce audit fatigue by promoting a single assessment based on international labor standards and national labor law, rather than each firm conducting their own audit (2023). The program serves as a link between private sector codes of conduct and MDD regulations, acting as an agreement between governments, brands, production facilities, and workers.

**Worker voices.** At its core, worker-driven regulation allows worker and community organizations to have a say in setting standards and monitoring compliance. Workers have a large stake in the standards-setting process as they directly experience the effects of regulatory changes. Some forms of WDR, such as EBAs, give workers a platform to use their voices through “legally enforceable binding agreements” between workers and corporations that ensure corporate representatives listen to worker concerns. The Bangladesh Accord on Building and Fire Safety is an example from the apparel industry, and it includes over 200 brands, IndustriALL Global Union, the Worker Rights Consortium, and several Bangladeshi worker organizations in its agreement (Fine & Bartley, 2019). Outside of EBAs, other WDR initiatives
such as Better Work use various capacity-building methods to ensure factory managers and brand representatives hear workers’ concerns.

As mentioned previously, WDR has historically focused on the worker voice at the union level. With EBAs, unions engage with brands to negotiate their wages, hours, and working conditions. However, recent research has shown the importance of individual worker voices as well. A study by Pike (2020) on the Better Work program in Lesotho revealed how their Performance Improvement Consultative Committees allow non-union workers a seat at the table and help all worker members to develop individual relationships with managers. These committees make workers “active stakeholder[s]” rather than “passive objects” in identifying problems and finding solutions to them (p. 918). Thus, rather than private checklist auditing, WDR provides a stronger co-government mechanism for labor standards (Bair et al., 2020). This mechanism also contributes to long-term sustainability of standards—Pike (2020) explains that worker voice is “essential to long-term sustainable improvements in labor standards compliance” (p. 913). Because workers have a say in how they are treated, it is harder for brands to brush noncompliance under the rug. Essentially, WDR provides another mechanism of accountability, from workers themselves, instead of simply government-enforced or corporate voluntary regulation.

**WDR & Crisis Events: Creation & Continuity**

The previous section contextualized different voices within the regulatory environment, including workers’ voices. This section will examine one factor that can trigger a shift towards WDR: a crisis event. In her interview, Dr. Angelini confirmed that a crisis event could spark action for better working conditions (2023). As outlined previously, apparel firms exert considerable power over their supply chains with price and sourcing squeezes (Anner, 2020).
However, these brands do face a high reputational risk, so when a tragedy like the Rana Plaza collapse happens, they feel the need to respond. Reactionary advocacy for labor reform after an event brings the role of civil society organizations into the conversation as well. These organizations can play a pivotal role in getting a regulatory initiative off the ground.

Thus, crisis events can trigger action with a combination of increased advocacy from CSOs, public interest, and fears of reputational damage from brands. When Rana Plaza collapsed in 2013, killing 1,133 people and injuring thousands more, it triggered a wave of reform in the fashion industry (“The Bangladesh Accord,” n.d.). Over 200 brands signed the Bangladesh Accord, unprecedented in its lead firm participation and legal enforceability. It implemented a Steering Committee (SC) that is chaired by an ILO employee and represents lead firms and unions equally. The SC decides budget and financial reporting, appoints a Safety Inspector and Training Coordinator, and manages dispute resolution. Brand signatories agreed to fund a fire and building safety inspection program as well (Vanpepperstraete, 2021). It was originally a five-year agreement and continued until 2021 when it morphed into the International Accord (“The Bangladesh Accord,” n.d.). The Accord gave unions the power to engage in collective bargaining by holding brands legally accountable for ensuring this platform.

The Rana Plaza collapse triggered the creation of the Accord, but its impact has lost traction as time goes on. There are legal obligations of the Bangladesh Accord, including firms financing factory renovations for worker safety and worker pay while factories are closed for repair. However, compliance is hard to monitor as enforceability relies on civil society watchdog groups and public interest (Vanpepperstraete, 2021). The purchasing power of brands began to erode the built-up concern for fashion industry workers that emerged right after the Rana Plaza collapse. In an article on private regulation in post-Rana Plaza Bangladesh, Bair et al. (2020)
explain, “When it became clear that brands were placing more, not fewer, orders with Bangladeshi suppliers, and that the European Union would not withdraw trade preferences, the balance of forces shifted away from those seeking pro-labor reforms” (p. 23). Even though there was strong initial support for more extensive and continuous reforms beyond building safety, big brands won out in the end.

Another example of a crisis trigger event is the COVID-19 pandemic. Dr. Angelini’s interview shed light on initiatives like the Pay Your Workers campaign that emerged from the pandemic’s economic crisis. It highlighted issues in the apparel industry caused by the pandemic, including wage theft, layoff and severance pay (2023). The campaign has secured over ten million dollars in unpaid wages and severance that workers did not receive when they lost their jobs during the pandemic, and it is backed by 283 trade unions and labor rights organizations. Pay Your Workers is another example of how a crisis event and its consequences (in this case, worker layoffs) can trigger mass support for reforms.

Apart from triggering social support for reform, crisis events also affect existing programs to varying degrees. While commercial auditing was forced to a halt during the pandemic due to travel restrictions, the Bangladesh Accord proved to be more resilient due to its locally grounded enforcement mechanisms. Because more actors have a stake in a legally-binding agreement such as the Accord, factory monitoring and compliance was less likely to completely end during the pandemic. The system of investigation looks completely different than commercial auditing because the stakeholders involved in monitoring—workers, auditors, and managers—are all locally grounded (Angelini, 2023). This insight from the pandemic signifies the relative strength of WDR, which are rooted in the ownership of several stakeholders rather than a third-party checklist auditor.
WDR & Stakeholder Ownership

After considering one way in which worker-driven regulation emerges, this section will focus on what factors contribute to the longer-term success of WDR. Worker voices are central to WDR, but they cannot function on their own. Ownership from different stakeholders is one important factor in the development and sustainability of worker-driven initiatives. The capacity of governments, brands, and other stakeholders to sustain the initiative can greatly influence its success. With the example of enforceable brand agreements, Dr. Angelini notes that the role and importance of each actor can vary in contributing to the success of an EBA, depending on the context. She emphasized that EBAs are not a silver bullet for labor governance in the apparel industry as they vary greatly in scope and context. Nonetheless, understanding the role of each stakeholder helps paint a fuller picture of how different EBAs might function. In addition, the context of one brand’s connections to other brands, unions, and producers influences their EBA strategy. Unions also must understand when it makes sense strategically to pursue an EBA based on capacities such as funding and stakeholder interest (Angelini, 2023). Beyond EBAs, stakeholder ownership is important in any kind of worker-driven regulation, as exemplified by Better Work.

Better Work offers an example of valuing ownership in their country selection process. In the interview with Jeff Eisenbraun at Better Work, he highlighted the importance of ownership from all actors in reaching effective agreements. Eisenbraun explained BW’s criteria in selecting countries to partner with, which include willingness from the government in supporting labor reform, commercial interest from brands to source from those countries, and the ability to reach a critical mass of factories in that location to achieve change. In addition, Better Work’s strategy on the ground is to work with tripartite advisory committees made up of government, employer,
and worker representatives (Eisenbraun, 2023). It is evident in both BW’s selection and implementation processes that they value different stakeholders’ willingness and ability to take ownership of labor reform. The next section will break down ownership from different stakeholder perspectives to understand how it affects the success of WDR efforts.

**Government ownership.** Though WDR primarily functions through private agreements, governments often play a pivotal role in creating a hospitable environment for worker-driven social responsibility to thrive. In an article on co-enforcement models of regulation in the United States, Fine and Bartley (2019) argue that “[g]overnments could help worker-driven social responsibility take hold where industry structures are more challenging for activists to navigate” (p. 270). The main idea here is co-enforcement, again emphasizing the willingness of each stakeholder to uphold standards. Examples of successful co-enforcement include current Better Work programs, some of which require that the national government mandates that all production facilities in that country join the program (Eisenbraun, 2023). Better Work has seen real improvements in worker wages and hours, working conditions, and gender equality through their factory-level research (“Understanding Impact,” 2022). Because of government ownership in mandating factory compliance with BW, the program can make a broader impact.

On the other hand, there are many examples where the government is not as willing to support WDR. One example is the Bangladeshi government, which hindered the progress of the Bangladesh Accord. The Accord outlines lead firms’ commitment “to the goal of a safe and sustainable Bangladeshi Ready-Made Garment (‘RMG’) industry in which no worker needs to fear fires, building collapses, or other accidents that could be prevented with reasonable health and safety measures” (qtd. in Vanpeperstraete, 2021, p. 152). While limited in scope to building safety and occupational health, the accord was successful in outlining tangible steps for
improvement. In addition to a building fire and safety inspection program funded by brands, these steps also included worker safety education programs and mandatory publishing of inspection reports within six weeks (Wills, 2023a). The Accord offered a promising improvement plan, and it did find success in improving building safety.

However, the government limited the Accord’s reach to building safety, preventing any major improvements on labor rights. The Bangladeshi government did also create a publicly governed Sustainability Compact that focused more on labor rights, but because of state reluctance to improve conditions, the Compact found even less success. Bair et al. (2020) attribute weak labor protections to the incompetence of national governments and their fear that improved labor standards will increase costs and decrease their competitiveness in the industry. While the Bangladeshi government did not oppose past private auditing programs, the Accord was different because it challenged the status quo of power relations between workers and employers (Bair et al., 2020). In this example, building safety was a less risky option for the government to support than worker rights. The government only took ownership of reform in the industry up to the point where it could still protect its own economic interests. In Dr. Angelini’s interview, she reinforced the point that the Bangladesh case shows how crucial the role of the state was in the function and reach of the agreement (2023). With strong industry pressure, the government pushed back on the Accord, undermining its reach.

**Firm ownership.** Continuing with the example of the Bangladesh Accord, its limited success can also stem from to a lack of firm ownership. In a study on buyer engagement in apparel supply chains, Oka et al. (2020) find that the Accord is “just one of many CSR activities for global firms” (p. 1). This finding highlights the fact that global fashion brands juggle so many different CSR obligations that they may not be willing to invest time or energy into one
agreement limited in both geography (Bangladesh) and scope (building and worker safety). In addition to this lack of interest, firms’ buying practices continue to make it difficult for workers to advocate for better standards. As discussed, the pressure from short timelines, changes in orders, and cost cutting that lead firms exert on production facilities undermines the ability of the government and workers to enforce adequate standards (Vanpepperstraete, 2021). Within the framework of ownership, these examples show that all actors involved in the regulatory environment must be willing to improve standards to see change.

However, there are cases of lead firms taking ownership of improving labor standards and seeing results. One example is the Better Work Academy, a newer initiative of the BW program. BW started the Academy because it recognized an opportunity to scale up its work past its own current country partnerships. Because brands have supply chains that go beyond where BW works, the BW Academy educates firms on how to implement its practices in those other supply chain settings. The program promotes the use of dialogue and joint problem-solving techniques among lead firms to help them improve labor standards in their supply chains (Eisenbraun, 2023). By expanding the BW model without expanding its full program, BW gives more agency to brands and retailers to extend the reach of the program (“Understanding Impact,” 2022). Research on its effectiveness is limited, but the Better Work Academy shows promise in engendering more shared responsibility among fashion brands and retailers in improving labor standards.

Circling back to the reputational risk large corporations face, it does incentivize brands to protect their reputations by establishing new initiatives and agreements that may show more commitment than a voluntary CSR strategy. However, it is clear that simply entering into an EBA or joining a new program is not always enough. Brands still may not invest the time and
resources needed into generating dialogue with workers or supporting worker education programs, as seen with research by Oka et al. (2020). Thus, for brands to truly take ownership of WDR, they must continue investment in capacity-building, beyond the initial reputational damage control, for the method to pay off.

**Factory-level ownership: management & workers.** The factory environment is where WDR plays out, as factory management and workers are the ones who experience the everyday realities of apparel production. With WDR, workers and management ideally see each other as equals so that workers can raise concerns and collectively bargain for improved wages, hours, or working conditions. One example of effective ownership by both managers and workers is Better Work’s Performance Improvement Consultative Committees, briefly discussed previously. These bipartite committees bring workers and managers together to discuss workplace issues and how to solve them. In a study on Better Work in Lesotho, Pike (2020) argues that PICCs “effectively [break] down the barriers to labor standards compliance that had been created by poor supervisor relations” (p. 926). In his interview, Eisenbraun (2023) described that there is evidence that if a committee is of a certain quality, such as having proportionate gender representation, democratic member elections, and transparency, it correlates with better working conditions in the factory. PICCs help workers to speak up, and they can change both workers’ and managers’ mindsets about who can be an agent for improvement.

The case study of Better Work in Lesotho shows how management and worker ownership is crucial for the program’s success. This case is particularly helpful in understanding the effectiveness of BW because there is research from before, during, and after the implementation of the five-year program (Pike, 2020). Better Work started the program in 2010 and shut it down by June 2016. Main research findings show that the PICCs improved
communication between managers and workers. This improvement led to better relationships and subsequently better problem-solving. These changes gave way to improvements in occupational safety and health (OSH) and spillover of BW impact on workers’ home lives, such as resolving conflict with partners. Workers felt empowered by PICCs to voice their needs and concerns, both at work and at home.

However, by 2015, improvements seemed to stagnate. Though the biggest improvements were in OSH, that is also where most problems remained. Employees reported managers falling into old patterns, such as providing personal protective equipment “for buyer visits only” (p. 928). Though Better Work aimed to conduct surprise visits to monitor factories, it became easy for workers at one factory to send messages to their contacts at other factories to warn them of an upcoming inspection. Pike also found that high supervisor turnover meant that BW’s training did not carry over to new employees. After the shutdown, focus groups reported that PICCs were either nonexistent or dysfunctional. One employee described the effect Better Work had on their factory in the end: “Before BW came, things were pretty bad. BW came, it fixed everything, things were good, we were happy. Now that BW has left, we are going back to square one” (p. 929). The case of Better Work in Lesotho shows that factory managers and workers are both able to change their approach to problem-solving to improve labor conditions. Yet, when their buy-in waned and Better Work pulled out, they lost traction. This example shows again how WDR requires ownership from multiple stakeholders—in this case workers, managers, and Better Work itself—to work.
Conclusions

This study has examined the role of worker-driven methods in the enforcement of labor regulation in the apparel industry. WDR shows promise for prioritizing the voices of workers, an historically overlooked group, despite their centrality to labor standards issues. The research question sought to identify which conditions trigger and sustain worker-driven regulatory methods at the factory level in the apparel industry. The findings show that first and foremost, WDR depend heavily on context. The examples show that there are many factors that can interact in different ways to affect how WDR programs and agreements function, including whether stakeholders take full ownership. The examples of the Bangladesh Accord and Better Work programs offer illustrations for how these both ownership and crisis events influence WDR. Crisis events offer an energetic starting point for WDR, with heightened public interest and corporate reputational risk. Once a worker-driven initiative is off the ground, it requires that multiple stakeholders take ownership to succeed. The accountability mechanism of WDR relies heavily on collaborative conversations between workers, lead firms, factory management, and governments.

While this paper succeeds in answering the research question, there is a need for more comprehensive research into other factors that may affect the success of WDR. Because they are so context-dependent, future research could examine the transferability of worker-driven programs from one setting to another. What aspects of the environment that one initiative emerged from are necessary for the creation of an initiative in a different environment? Further, how might we be able to standardize a WDR-style approach in labor regulation in the apparel industry? Currently, there are many initiatives like Better Work or the International Accord that
work in parallel but mostly separately. Understanding which elements of these programs are similar could help streamline future interventions and scale them up more rapidly.

Finally, this paper has focused on only one aspect of fashion industry abuses. Aside from poor labor standards, the fast fashion industry is one of the leading polluters on Earth. Consumer practices are generating more and more apparel waste. Current initiatives, including Better Work, make the case for brands to sign on because better working conditions lead to higher production output. However, increased production is antithetical to environmental sustainability. Thus, there is a need for research on how labor reform initiatives can ensure better working conditions without ensuring increased production, and eventually, pollution.
Appendix

Abbreviation List

BW—Better Work
CoC – Code of Conduct
CSR – Corporate Social Responsibility
EBA – Enforceable Brand Agreement
IFA – International Framework Agreement
IFC – International Finance Corporation
ILO – International Labor Organization
MDD – Mandatory Due Diligence
MNE – Multinational Enterprises
MSI – Multi-Stakeholder Initiative
OECD – Organization for Economic Cooperation and Development
OSH – Occupational Safety and Health
PICC—Performance Improvement Consultative Committees
SC—Steering Committee
UN – United Nations
UNGPs – UN Guiding Principles
WDR – Worker-Driven Regulation
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