

Activist Capitalism and Supply-Chain Citizenship

Producing Ethical Regimes and Ready-to-Wear Clothes

by Damani James Partridge

In this article I examine the new forms of citizenship that have resulted from the connections between the emergence of new corporate ethics (including fair trade) and outsourcing. The process I call “supply-chain citizenship” is based on a collection of long-distance promises of care that are economically and politically backed by transnational corporations. I analyze the trend toward what the *New York Times* recently called “activi[st]-capitalism” and how this move is changing relationships between corporations and consumers and consumers and people working along global corporate supply chains. This study builds on my previous research on workers’ bodies, citizenship, and sovereignty, now examined along global corporate supply axes. I observe the kinds of political mobilization that are coming into being as the result of links between corporate governance, negotiations between corporate and nation-state sovereignty, and the related setting and enforcement of global labor and environmental standards. In my investigation, I trace ethical production from design houses to factory floors, from showrooms to department stores, and from NGO monitoring agencies to consumer protest networks.

This article examines the changing nature of citizenship since the fall of the Berlin Wall amid the emergence of new corporate practices such as fair trade, social responsibility, and what organizations such as the World Bank call “development.” From state-based forms to increasingly corporate-organized realities, citizenship is shifting, and sociocultural anthropologists are critically equipped to understand the everyday implications of these transformations. This article expands my previous research on workers’ bodies, citizenship, and sovereignty, which I now examine along global corporate supply chains. I have conducted this research since 2004 in places such as New York; New Delhi; Mumbai; Managua, Nicaragua; Ann Arbor, Michigan; and Bonn, Germany, and visited design houses, showrooms, factory floors, NGO offices, compliance agencies, and five-star hotels. Ultimately, I ask what kinds of political mobilization are coming into being as the result of links between corporate governance, negotiations between corporate and nation-state sovereignty, and the related setting and recent enforcement of emerging labor and environmental standards.

The aftermath of the Cold War has been critical to what I

identify as a global shift: “What will come next?” (Verdery 1996). That is, what will come after socialism and the Cold War, with its violent global hot spots, as neoliberal expansions increasingly seem the inevitable future, with pronouncements of third ways that entail clamping down on welfare provisions, asylum rights, and immigration while structural-adjustment-loan conditions demand more open markets and (in effect) the economic disparity between “us” and “them” persists? Boats sinking in the Mediterranean, filled with people hoping for a better life in Europe, have become iconic examples of the intensity of globally produced and transnationally managed inequality.

As I have examined life after socialism, my work has become less centered on the nation-state and more and more on how nonstate paradigms and institutions increasingly shape the future of social, economic, and political existence. I have discovered that transnational corporations increasingly intervene in nation-state sovereignty, sometimes using NGOs or private compliance agencies to enforce minimal labor and environmental standards, in which the balance of power depends in part on the strength of nation-state versus corporate sovereignty, the ability to make and enforce soft laws versus hard laws, the availability of labor and environmental resources, and the desire for foreign capital investment and jobs in arenas where people have few alternatives after generations of land dispossession and little hope for immediate redistribution.

Damani James Partridge is Assistant Professor in the Department of Anthropology and Center for Afroamerican and African Studies at the University of Michigan (101 West Hall, 1085 South University Avenue, Ann Arbor, Michigan 48109-1107, U.S.A. [djpartri@umich.edu]).

In this emerging context, if citizenship is what social scientists imagine as social, economic, and political inclusion (see Marshall 1992; Ong 1996, 2003; Turner 1993), its parameters are being transformed as social, economic, and environmental lives outside of rich nations are increasingly directed by transnational corporate initiatives involved in organizing production for higher-paying export markets. On the basis of pressure from activists, journalists, NGOs, and rich consumers (see also De Neve, Luetchford, and Pratt 2008), corporate entities are shifting their own logics of production toward new standards for social, economic, and environmental justice and new means for development.

Development stands in for any pretense of equality. In practice, transnationally active corporate entities are working out new modes for governing their global supply chains (see also Dolan 2005), which I argue are resulting in new forms of citizenship.¹ Gay Seidman (2003) has recently written that “if states view economic growth as dependent on corporate investment decisions, and if workers feel that any industrial job is better than nothing, governments tend to scale back attempts to protect their citizens in the workplace” (382). On the basis of international pressure to do more than take advantage of the nation-state’s failure to protect its citizens, the gap produced by the failed enforcement of existing laws has begun to be filled by a range of voluntary regulations and monitoring practices that are effectively producing this new kind of citizenship. These voluntary regulations are also a result of the guilt among rich-nation consumers about colonial and postcolonial participation in producing global in-

1. In her work, sociologist Gay Seidman (2003) sees the roots of the trend toward corporate social responsibility and socially responsible investment (see also Welker and Wood 2011) in the corporate adoption of the Sullivan code, a voluntary corporate code of conduct developed by a General Motors (GM) director from Philadelphia, an “African American Baptist minister” (389) appointed under pressure from Ralph Nader and others to have black members on the GM board. The code would make it politically feasible for American corporations to stay invested in South Africa and initially stave off the more radical calls for total divestment during the apartheid era. It was ultimately divestment and U.S. government sanctions, according to Seidman, however, that broke the system. Countering the American multinational corporate arguments for sustained investments and more moderate transformation based on the code, she adds, “South African unionists understood that full economic sanctions would cut jobs for their members; but in contrast to contemporary debates about transnational companies in most developing countries, a larger goal—undermining the apartheid state—prevailed in their thinking” (Seidman 2003:398). In the introduction to their edited volume, *Hidden Hands in the Market: Ethnographies of Fair Trade, Ethical Consumption, and Corporate Social Responsibility*, De Neve, Luetchford, and Pratt (2008), paraphrasing Dinah Rajak, point out that “companies’ continuous insistence on ‘empowerment’ and ‘partnerships’ with local communities is experience on the ground as a powerful extension of corporate control. In the process, an ideal-type citizen is fashioned, one who is able to respond to the entrepreneurial demands of the market and hence to use the market to ‘uplift’ themselves out of poverty. Paradoxically, market capitalism itself emerges as the celebrated vehicle for economic empowerment, social upliftment, and, ultimately, legitimate citizenship” (21).

equality (see also Dolan 2005, 2007). Counter to the nation-state model, the grounds for citizenship, as well as the associated terms of governance, are shifting. While the nation-state may be becoming more corporate (see Comaroff and Comaroff 2009), the transnational corporation is becoming more governmental.

Corporate Governmentality

John and Jean Comaroff have recently recalled “Marx’s once-scandalous thesis that governments are simple business agents for international capital” (Rancière 1999 quoted in Comaroff and Comaroff 2009:117). Looking at the recent congressional bailout of corporations in the United States and China, the claim seems apropos. The corporation acts as a kind of supracitizen who can rely on not only government help but also total devotion. On the other hand, as the transnational corporation intensifies its own practices of global governance, one wonders to what extent it is less like a citizen and more like a governmental body, raising serious questions of legitimacy. These include not only whether transnational corporations should have so much power to set and regulate transnational environmental and labor standards but also whether these standards should be voluntary. But even if they were mandatory and democratically formed (with the people they most directly affect having the most significant voice in creating them), who would enforce them?

Increasingly, corporations operate transnationally without equally robust counterweights or regulators. Regulation need not come from nation-states, but even consumer NGOs are voluntary (as opposed to democratic), often enforcing detached values in remote locations and collaborating with transnational industry. The corporation impedes regulation or too much activism by being activist itself. This is not necessarily its intention but inevitably an effect, as it does not begin with the improvement of social life and the collective but instead with the business plan. Even the consumer is invested not centrally in global equality but primarily in the desire to consume with less guilt (see Dolan 2005).

Moving from the logic of governing the family/state to governing the corporation, I understand corporate governmentality as a transnational governmental rationality that exceeds its own institutional, geographical, and legal limits, establishing its own “techniques of government” (Foucault 1991 [1978]), its own standards for social and environmental justice, and simultaneously enforcing nation-state laws (at a minimal standard) and superceding nation-state sovereignty. In “Market Affections,” Catherine Dolan (2007:241) writes about “ethics as a mode of governmentality” inasmuch as global producers (including the people doing the physical labor) must adjust the conditions of their production to international standards primarily set in rich nations but enforced at the sites of global production. In this arena, one can see how (graduated) membership is established within corporate net-

works to include the management of outsourced labor, factory-owner compliance, labor organizers' complacency, NGO collaboration, top management survival and promotion, and consumer satisfaction, as well as how transnational corporate entities suggest, implement, and monitor global labor and environmental standards to deploy their own versions of social justice and social change.² In this investigation, one should note the shift from legal, political, economic, and social responsibility to ethical volunteerism (see Comaroff and Comaroff 2009) from nation-state protectionism (e.g., in pre-1989 India) to voluntary compliance in a field of much more open markets.³

Some might argue that the corporation (as a legal entity) precedes the nation-state and was always involved in forms of (colonial) governance, but it is important to understand how these forms have shifted with recent moves by corporations, journalists, NGOs, activists, and wealthy consumers to emphasize human rights, development, and environmental justice as primary goals. To what extent are corporate and anticorporate activists from rich nations unwittingly on the same side of capitalist expansion and global development, modifying capitalism's harshness and thus enabling its expansion and lessening possible resistance than the contemporary conditions might otherwise allow? There is still much more to be understood about the forms through which corporations negotiate nation-state boundaries and govern physical environments and laboring subjects even if governance is not an explicitly articulated corporate goal.⁴

2. In her work in the mid-1990s, Aihwa Ong (1996) used the term "graduated citizenship" to describe the unequal process of becoming a citizen for East Asian versus Southeast Asian immigrants. In her work centered in northern California, she found that Cambodian refugees were on a trajectory toward becoming black, whereas Chinese immigrants were on a trajectory toward becoming white.

3. In *Ethnicity, Inc.*, writing about the neoliberalization of state (as opposed to corporate practices), Comaroff and Comaroff (2009) argue that "the rise of neoliberal voluntarism in many places—Britain and Italy are anything but alone in this—transforms modernist conventions of social responsibility into postmodern idealizations of ethical responsibility" (130). They add that "neoliberal ethnics are focused less on securing a state that nurtures human freedom or equality than one that underwrites and abets the 'entrepreneurial and competitive behaviour of economic-rational individuals'" (Comaroff and Comaroff 2009:130). While their focus is on the neoliberalization of the nation-state and the move toward what they call "Nationality, Inc.," my investigation has focused on how corporations are acting like not only entrepreneurial individuals but also governmental institutions with ethnical programs but without wide-scale local participation. In many cases, as I will show, these are programs that make claims not only to do the minimal harm but even, increasingly, to make lives better.

4. As opposed to governance, language such as "managing risk," "setting standards," or "compliance" is more common in the everyday parlance of ethical production (see also Dolan 2008). A recent annual report by the trade organization Organic Exchange writes about one of its signature programs: "CottonConnect was created in December 2009 as an independent company that will provide retailers with a much-needed holistic view of their supply chains (including an opportunity to manage the risks and leverage the opportunities within them; to better mitigate the social and environmental impact of their activities; and to reduce

Background

Since 2004, through interviews, observation, and an investigation of relevant legal and planning documents from the perspectives of corporate and NGO management, I have examined the trend toward what the *New York Times* recently called "activi[st]-capitalism" and how it is changing relationships between corporations and consumers and consumers and people working along global corporate supply chains (see also Dolan 2005, 2007, 2008). Charity, as Dolan (2007) points out, is clearly engaged in unequal relations of power, so avoiding its invocation also means avoiding the accusation that colonial forms are reemerging in fair trade or socially responsible guises, in which an impoverished, uncivilized, human burden is being addressed via episodic acts of European kindness. In this research, I have investigated the claim that, as one production manager put it, this is not charity but a sustained (and sustainable) form of persistent financial and social investment in development.⁵ What are the stakes and strategies for political action when it exceeds nation-state rationality and typical regimes of government or activism? How are ethical standards managed under the rubric of what Anna Tsing (2009) called "supply chain capitalism"? What types of subjects/citizens do these corporate-NGO-consumer networks produce?

In the milieu I describe below, corporate practices, while following and creating ethical logics, are involved in constant negotiation with a range of actors, including people who work along their supply chains; consumers; global corporate executives; NGO heads; managers; and local factory owners, farmers, and mills. These relationships have produced forms of intervention and forms of citizenship that Marx's critique of capitalism did not predict, even if commodity fetishism, now as fair trade consumption, does persist (see De Neve, Luetchford, and Pratt 2008). With the emergence of the ethical regimes I describe below, there is neither pure free-market rationality nor more open democracy but a negotiated rationality based on local and global economic and social relations. This does not mean that the negotiation is harmless or without effect.

costs embedded within the chain) and help farmers convert to producing sustainable cotton (benefiting from associated lower input costs, health benefits and better long-term soil fertility" (http://organicexchange.org/oecms/images/stories/publications/OE_2009_annual_report_080610.pdf; accessed August 18, 2010).

5. I, following authors such as Escobar (1995), am critical of the use of "development" as a term that both implies global hierarchies between the underdeveloped and the developed and also assumes an already defined (implicitly superior) path toward the future. The central argument about business, social impact, and sustainability seems to be that sustainability comes through having not only a social model that is ethical but also an economic model that can survive over time. The question, however, is to what extent the economic model of sustainability includes a value chain (see Gereffi, Humphrey, and Sturgeon 2005) that requires differentiated global economic standards for everyday existence.

Corporate Sovereignty

Increasingly, corporate networks enforce national labor and environmental standards along their supply chains in cases where the nation-states themselves fail—most obviously to negotiate better conditions for labor and the environment but more fundamentally to redistribute access to national resources such as land and mineral rights. The new corporate standards are based not only on national laws but also on global industry and labor standards with new thresholds for zero tolerance. Consumers in rich nations are increasingly savvy activists in their own consumption, with their own monitoring organizations and technical expertise and their commitment to fair wages, no slavery, and no child labor (as a recent preliminary NGO standards document stipulates, not for children under 15; see also Dolan 2005; Esbenshade 2004; Seidman 2007). All the stakeholders are supposed to be involved in the global production of ethical regimes and in how the corporation sets, implements, and monitors directly employed and subcontracted subjects. The new forms of citizenship this global network produces include new notions of accountability and new terms for negotiation and protest.

In this context, I understand what I have begun to think of as supply-chain citizenship as a collection of long-distance promises of care that are economically and politically backed by transnational corporations. These relations of citizenship, while sometimes relying on the more stringent transnational corporate enforcement of national laws, are detached from nation-state forms of belonging even while the nation-state claims, in the case of India, to be the world's largest democracy. In New Delhi and its metropolitan extensions, I have found that there are higher stakes for factory-owner compliance to the transnationally enforced global compliance standards (set not by one general body but by different kinds of corporations) than for compliance with the national laws or the demands of labor unions. Local NGO activists recognize that factories are more likely to comply with national laws if transnational corporations adopt local laws as their own minimal standards.

In my investigations, it is clear, as others have also suggested (see De Neve, Luetchford, and Pratt 2008; Rabinow 2004:47), that the moral landscape being produced is directly connected to issues of power and sovereignty. Anthropologist Paul Rabinow (2004) argues that “even when it is not absolute, national states and institutions remain funnels, as it were, through which things must pass on the way in or the way out” (48). He pointedly suggests that “sovereignty in most domains remains national” (Rabinow 2004:48). On the other hand, in *Neoliberalism as Exception*, anthropologist Aihwa Ong (2006) points to spaces within nation-states, such as free-trade zones, in which the normal laws of national protection are excepted to allow for the more unregulated flow of capital and goods and the management of laboring bodies. I have found that such exceptional spaces are part of the everyday life of transnational capitalism. In all these spaces, including

the normal factory floor, social scientists, journalists, and activists need to look more intensely. From contemporary mercenary armies such as Blackwater (more recently known as Xe; see AP 2009) in Iraq to multinational clothing production in India, China, Latin America, or Africa, the funneling capacity of the nation-state is not globally consistent (see also Ferguson 2005). In fact, the proliferation of fair trade, new compliance standards, NGO and private regulators, and activist consumers suggests the need for a new definition of citizenship in our typical understanding of government, social justice, and democracy.

Rabinow (2004) states that “in *Empire*, Tony Negri and Michael Hardt . . . argue that military intervention is only one form of imperial intervention. . . . Judicial and moral forms provide potent vectors as well. In fact, Negri and Hardt argue, the softer, ‘moral’ forms are frequently deployed first. Following Weber, we might say that such moral intervention is less costly in both economic and political terms” (49). In other words, the moral claims create the grounds for economic and political intervention. Among these are the promise of work and the claim of future economic prosperity. I have found that the corporately produced ethical regimes managed in part in collaboration with NGOs are directly connected to decisions about what constitutes the good and the fair life and implementation of these decisions on a global scale. The emphasis on the ethical softens potential resistance from local actors, including nation-states.

Fair trade initiatives demand that the extra financial premium generated by fair trade consumption not be simply paid to the workers but also invested in the local community, a form of accountability that was also used by American corporations in apartheid South Africa to counter the call for total divestment (see Seidman 2003). Bená Burda, the head of an organics clothing firm I interviewed, remarked that “this is an arrogant, white, First World attitude that says to a company in a developing country . . . that you’re working with huge factories in developing countries: ‘We know that you need to spend money on education, so we’re only going to give you this money if you agree to spend it on something in the communities there.’ I said, ‘Give it to the friggin’ workers and let them decide how to deal with it.’” Implicitly, the fair trade ethics produced in rich consumer nations are attempting to fill the gap of local government failures. In fact, the local is itself in flux. In New Delhi clothing factories, for example, many workers are migrants who work seasonally in factories only to support family lives elsewhere.

A New York–Based Clothing Firm Started to “Help People in Africa”

My investigation began in 2004 in New York with a high-end clothing firm I call “Righteous.”⁶ Righteous refers to the Gap

6. I have also changed the names of the specific individual actors in order to have the space to be critical without potentially jeopardizing their jobs.

and other large American companies' labor and environmental compliance standards as a "cover your ass" mentality, but I see that "covering Gap's ass" is part of the broader spectrum in which new modes of citizenship are being created. Righteous was started by an international celebrity. As it prepared its first season, I spoke in the trendy downtown headquarters with the person in charge of production strategy and placement. She said that the company was more invested in social impact as opposed to environmental impact. She went on to note that in 2005, all of the factories in Africa would shut down because the quota laws that had opened up space for African imports into the United States and Europe were ending.⁷ She pointed out that before 2005, the main reason manufacturers were producing in Africa was to get around quota restrictions that limited the number of garment exports from China, not because of cheaper wages.⁸ She went on to note that many of the factories in Africa were owned by Chinese multinationals.

I asked her why her business strategy was focused on Africa, and she said, "Because that's where [the celebrity's] focus is in terms of development work." She pointed with some skepticism to the celebrity's vision, and she saw Africa as a potentially difficult place for high-end production.⁹ Then she returned to the company script: "Let's partner with partners and accelerate that level of expertise." She emphasized local production and focused on African cotton: "We're focusing in Southern Africa—Lesotho for knit production. . . . In Tunisia . . . we're trying to focus on nonsubsidized cotton."¹⁰ Arbitrarily, it seems, "local" in this case means African as

7. Because Righteous was just starting, it did not have as much leverage as it might in a few years to say where the cotton it bought should come from. In the conversation, she pointed me to the African Growth and Opportunity Act, which would end in 2005. The Chinese quotas (which limited Chinese exports to the United States and Europe to give other countries the opportunity for more trade) would also go away in 2005, meaning that a large portion of manufacturing would move to China and away from Africa and other places that could compete in terms of expertise or (low) cost. According to the current Web site, "The African Growth and Opportunity Act (AGOA) was signed into law on May 18, 2000, as Title 1 of The Trade and Development Act of 2000. The Act offers tangible incentives for African countries to continue their efforts to open their economies and build free markets" (<http://www.agoa.gov/>; accessed June 13, 2008).

8. Quoting numbers from a 2000 International Labour Organization report, Esbenshade (2004) notes that "in 1995, Africa and Oceania accounted for just over 3 percent of clothing production and just under 3 percent of footwear production" (123). The implication in this report and in the strategy of Rise is that Africa has mainly been involved in primary-resource extraction and not the more valuable trade of manufactured goods (G. Gereffi, "A Commodity Chains Framework for Analyzing Global Industries," unpublished manuscript).

9. While production can be moved throughout the world, does the fact that it is more difficult in Africa demonstrate a different type of social commitment? Is there also a market rationality for this move?

10. As the author of *The Travels of a T-Shirt* (Rivoli 2005) has noted, the connection of American cotton production to land-grant universities that work to maximize efficiency has made American cotton some of the cheapest in the world. The fact that land-grant institutions are also public, however, makes this an indirect subsidy.

opposed to Chinese. The emphasis on using unsubsidized cotton was new, she said, and would have significant benefits for "African" farmers who could not compete with European Union and American subsidized cotton.¹¹

She continued by saying that "[the celebrity] said that instead of just promoting charity work . . . the best way to foster true growth and true economic well-being was to provide job creation, and he felt that the fashion industry was appropriate." Interestingly, in other interviews with production managers and NGO activists, one of the recurrent themes was that this is not charity work. "This is a business," an NGO manager who helped start a cooperative factory in Nicaragua told me, emphasizing the sustainability and longevity of these networks.¹² Finally, I asked the strategist about Righteous's global impact in terms of the number of people it will employ in Africa: "I don't know if you could quantify it, because we're working with an existing facility. I think the bigger impact will be acting as a catalyst within the industry."

In a later conversation, in winter 2005, the Righteous strategist told me that she believed in development and that she saw the corporation as an effective means of achieving it.¹³ She had also worked for the Commerce Department of the U.S. government but felt that it was not as effective. When I asked her how she defined development, she told me that for her it meant the alleviation of poverty. One could argue that in the way that she chose to fight poverty, she was also (unwittingly) creating the conditions for its sustenance—the dynamics of the supply chain require that factory owners be paid less than executive managers and that cotton-farm workers be paid less than factory workers.¹⁴ Even with ethical sourcing in the supply chain, profit is contingent on there being major differentials between the price of goods sold and what mainline producers get paid. People who work in factories are often relatively poor. As Rabinow (2004) argues, "Once rights language exists in public consciousness it sets

11. I put "African" in quotes here because of the undifferentiated way in which Africa is often discussed. Of course, it is also not clear who these farmers are in the context of social justice and postcolonial histories.

12. In their work, Michael Porter and Mark Kramer (1999) have contrasted foundations and charities: "When a donor gives money to a social enterprise, all of the money goes to work creating social benefits. When a donor gives money to a foundation, most of the gift sits on the sidelines. On average, foundations donate only 5.5% of their assets to charity each year, a number slightly above the legal minimum of 5%. The rest is invested to create financial, not social, returns" (122). On the other hand, while making a general argument about how to add value to the kinds of social investments that foundations make, Porter and Kramer (1999) also note that "the permanence of a foundation's asset base means that it has an appropriately long time horizon to tackle social issues and develop expertise in its field" (123). In saying that their business is not charity, the activist capitalists seem to be making a related claim about their potential impact.

13. See Escobar (1995) for a critique of development.

14. Reading like an international aid policy statement, the language of a recent industry pilot-phase fair trade document emphasizes workers' basic needs. One of the central tensions in this notion of "basic need" is the international distribution of profit along the entire supply chain.

up a dynamic directed at the inevitable gap between what a society practices and what it preaches.' That gap is its engine, its steam, its normativity" (47). The gap in this case between the ethical claims of corporate agendas and the lives of the actual people who work in factories, on farms, or in mills is also instructive in seeing the production of corporate ethical regimes and their social effects. Corporate forms of governance require a retheorizing of governmentality (i.e., the techniques and practices of governance; see Dolan 2008; Foucault 1991 [1978]) that is distinct from the theorizing that is already emerging in the relationships among NGOs, nation-states, and local communities.¹⁵

Because of the demands on corporations by consumers (via media representations, activist sentiments, and purchasing power), there is a new type of governmentality concerning factory workers distinct from that first implemented by corporations in the initial phases of European colonial expansion. Now, corporate interests are mediated through the prism of consumers, NGOs, compliance agencies, and people working in factories and in agricultural fields who have wishes and demands expressed not only via media representations of labor exploitation and activist demonstrations but also by new techniques of regulation and exposure. Anthropologist Arjun Appadurai (2002) has recently observed what he calls "new models of global governance and local democracy" (22). He concludes:

But among the many varieties of grassroots political movements, at least one broad distinction can be made. On the one hand are groups that have opted for armed, militarized solutions to their problems of inclusion, recognition, and participation. On the other are those that have opted for a politics of partnership—partnership, that is, between traditionally opposed groups, such as states, corporations, and workers. (Appadurai 2002:22)

One should note the ways in which interventions into nation-state sovereignty happen not just through grassroots networks and coalitions but often in spite of them. Political movements such as antisweatshop demonstrations have led to situations in which corporations manage what they think of as antiexploitative conditions, often in negotiation with consumers and NGOs but not with the people who work in the factories, in the dying houses, in the mills, or on the farms (see also Dolan 2008; Esbenshade 2004).

This can be seen in part in the financial value-added language of fair trade. About consumers, a recent pilot-phase fair trade document from a major international-standard-setting NGO notes that "evidence shows that they are willing to pay more for Fair Trade Certified products—pushing more money back into the value chain." While one might think of the value added to fair trade production in terms of the sustainability of higher standards and higher worker pay, one

15. One should not forget that the social effects are not limited to the industries' own criteria for measurement of success.

might also think of this cynically in terms of the ability to earn higher returns simply by adding a concern for global workers to the marketing strategy of garment production.

While Righteous wanted to set up regulatory practices through local NGOs, in our initial conversations the production strategist admitted that they were not yet in place.¹⁶ In other words, the intention and claims for development preceded their enforcement, not to mention the unproven claim that the term "development" itself makes for a better future (see also Escobar 1995). The standards for fair trade in this industry are a work in progress. In this case, the social and environmental imperatives are driven by the celebrity's own social and environmental conscience (not a democratic, locally agreed-on vision). One should think of this as a kind of voluntary justice, based, in part, on favorable market conditions. In the end, the logic of this corporate management of labor and environmental practices is based not on national citizenship, which might be described as protecting the rights and will of the local citizens (via a process in which they participate directly), but on protecting or creating the image of the corporation, which is linked to consumers feeling good while buying its products (see Dolan 2005) and to its employees in New York who think of themselves as global social activists while receiving high salaries.

A March 15, 2005, *Newsweek* article (Childress 2005) is titled "Green and Still Chic: Forget Birkenstocks: The New Generation of Eco-fashion Even Works with Blahniks"—that is, Manolo Blahnik shoes, which on the Bergdorf Goodman Web site started at \$545 for sandals in the summer of 2008.¹⁷ Further emphasizing the popularity of this trend, I learned from an NGO activist from Nicaragua that before an organic fabric mill representative could make it to the cooperative factory, he stopped at Walmart, and they took almost all of his sample fabric. It was apparent from an NGO activist's presentation at Whole Foods in Ann Arbor, Michigan, that Gap and Nike were also moving in the direction of organic apparel. In the arena of fair trade, the negotiation over the definition of the terms happens most intensely between the small, more idealistic companies and the much larger corporations.

Given these trends, I began to ask how capitalist rationality intersects with environmental and labor-conscious corporate practices. What are the potential effects on people who work in factories, fabric mills, or farms and on managerial rationality? To be fair, I should point out that on the basis of my interviews and observations, many of the strategists, regulators, and planners, even at major corporations, were genuinely interested in working for a company that cares about labor

16. More recently, work with a transnational network of NGOs has made monitoring possible, although a factory owner with whom I have been in conversation accused the NGO of calling to ask for bribes to pass the factory for the compliance criteria.

17. <http://www.bergdorfgoodman.com/store/catalog/template/catB6a.jhtml?itemId=cat100007&parentId=cat50001&masterId=cat261003&cmCat=> (accessed June 17, 2008).

and the environment. But what are the effects of this form of care?

Ramping Up Production to Save a Lake

At an early stage of my research, I went to a presentation at the flagship Ann Arbor, Michigan, Whole Foods Market. The story, as told by Bená Burda, begins with an urgent call from a Ben and Jerry's ice cream store manager: "Where are my T-shirts?" The next call followed from a garment factory in Alabama: "I just want to let you know that we're not going to get this order delivered on time." Burda: "I said, 'Neil, this order is for a concert. You can't tell the band to keep jamming until the shirts get there. You have to have the shirts done on time.' He said: 'Nope. I'm telling you: the shirts ain't going to be there.'"

Although he had all of the materials, he was basing his estimation on his knowledge of previous attempts: "We've never sewn more than a thousand shirts a day at my shop," he said. Burda hung up the phone and

did what any normal person would have done who didn't have a seventh-floor window to jump out of. I got off the phone, drove my car to metro airport, flew to Chattanooga, Tennessee, drove three and a half hours to this guy's plant, and started working in the production line. . . . I started flipping T-shirts, sleeves right-side out. I started delivering bundles of sleeves to the person who made the body so that they could put the sleeves in. I started clipping threads. I started doing anything I could do to speed up production. And the women who worked there didn't really embrace me. They just kind of, like, looked at me, but they didn't kick me out, either, because I was helping them to speed up production, and they got paid by the piece.

But the owner of the plant told me to get out of his plant. And I told him I wasn't going to get out of his plant and that I needed my order. . . . I kept saying to him, "Let me talk to the women. Let me talk to these women. Let me explain to them why I'm here." And he kept saying, "No, you can't talk to these women. These are my women, and you can't talk to them." But then the three o'clock bell rang, and then he looked at me and said, "Okay, you've got five minutes." So I gathered as many of the women around who would stay, and I explained who I was. And I explained that these were very special T-shirts because they were made from organic fiber and organic cotton, and they were for a very special project, that there was this band called Phish . . . and I said, "They live in Burlington, Vermont, and they're these college kids. And they met, and they play this great music, and they have this cult following, and they're really becoming a popular band. And, you know, in this town where they grew up, Burlington, there's this lake called Lake Champlain, and it's this huge lake, and virtually everybody in the community has something to do with the lake, and, you know, kids swim in the lake. They get their employment from the lake . . . their lives are affected by the lake. And

this band . . . all the proceeds from these T-shirts and this concert are going to go to clean up this lake. This band is just doing this, you know. And so I need these T-shirts, and I need to get them out on time. And I've been told it's impossible. I mean, I know you can't sew more than a thousand shirts a day, but I need you to sew more than a thousand shirts a day, because if you can sew eleven hundred shirts a day, I can get this order out on time."

So, the women didn't sew eleven hundred shirts that day. The women sewed twelve hundred and fifty shirts. They sewed twelve hundred and twenty-five shirts the next day. And they got the order shipped a day early, on time, complete, and the quality was excellent. I have a shirt here, you can see it.

And the coolest part, for me, of the story was watching these women working through the break, with their phone on their ear, saying things like, "You're just going to have to make a peanut butter sandwich for dinner. I can't come home. I have a lake to save." That's what they said. They said, "I have a lake to save." They didn't say, "My boss is making me work overtime, and I might get the best paycheck I've ever gotten, because I'm getting paid by the piece." They didn't say, "This crazy woman from Michigan is making me stay here, and she's flipping sleeves." They said, "I have a lake to save." And so it was at that moment that kind of a lightbulb went off for me, and I realized that what our real job was, in addition to saving acres of land from chemical cultivation, was to connect the women who sew our shirts to the people who wear our clothes. And that if we could get those two people to start talking to each other . . . that there wouldn't be anything like labor abuses any more. There wouldn't be garment sweatshops anymore.

And the other big lesson from that story was watching the owner of that plant sitting in his cubbyhole office with his calculator, saying, "Oh, my God, we can make twelve hundred shirts a day now. These are my new production quotas."

She noted that the message of this experience went over the factory owner's head. After raising his production estimates, he went out of business within 6 months.

This account complicates the global production and regulatory story. Relating it to Nancy Scheper-Hughes's (2003) and Lawrence Cohen's (2003) work on the global organ trade (see Scheper-Hughes and Wacquant 2003)—in particular, the global economic disparity that leads to people selling kidneys and parts of livers—in my work on garment production and supply-chain citizenship, I see alienation arise when the gift goes unrecognized as a gift (when people donate their organs or labor power anonymously) but also how the relationship changes when one explicitly links the gift giver (or donor/laborer) and the recipient (or consumer; see also Foster 2005). This is a reversal of the normal aid/development paradigm.

The potential connection between donor and recipient or laborer and clothing consumer is further complicated by the

distance produced by the persistence of economic disparity and the politics of (in)security. In an extended visit to a development NGO in Latin America that was run by Americans who had helped local residents start several cooperatives involved in global clothing production, I noticed that even when in close physical proximity, there was nevertheless a persistent social distance between the Americans and the Latin Americans.

When I asked about security, I was told that American volunteers who visited the NGO compound (it was surrounded by walls and barbed wire) were advised to walk only in the housing settlement directly across the street. One of the female NGO activists told me that people told her that her kids could be kidnapped if they played outside the gate. She also said that when they first came to Latin America, they did not have walls and barbed wire, but they began losing thousands of dollars of equipment. Now they had 24-hour security and locked the gate of their communal house before they went to sleep.

She told me that she could not head the clinic anymore because she could not work in a situation in which she would have to refuse medical care to some people in order to sustain their funding structure. Her husband, who jokingly called himself “the visionary,” told me that cancer was a death sentence for the Latin Americans who visited their clinic. Apparently, it was not for the Americans who worked there.

While there were always friendly greetings between the Americans who had been living there for more than 15 years and the people who were originally from the country, I noticed that few close friendships had been established. Even though the Americans spoke fluent Spanish, had started the clinic, and had contributed significantly to changing the lives of the people in the region, the Americans and the Latin Americans did not hang out with each other in their time off. Most of the cooperative members who owned the cut-and-sew facility and the emerging ginning plant lived in a nearby area with many informal settlements and some government-built housing but also with dirt roads and less glamorous modes of everyday transportation. I was surprised, for instance, when I learned that at the Thursday night communal dinners, at which people who no longer lived on the NGO compound were invited to eat, one of the former American volunteers who had married one of the Latin American staff members was not allowed to bring her husband to dinner. The other Latin American staff, I was told, would be upset and feel unfairly treated. “Why not invite everyone to the dinners?” I asked. “They wouldn’t want to come,” I was told.

The conversation went on to reveal that most of the local Latin Americans with whom they became friends eventually got jobs on the compound, which meant that there had to be a professional distance between them. The visionary explained that this had to do with the fact that the Americans could always leave. This fact apparently reduced trust between the Americans and their Latin American counterparts. I had the feeling that the distance was also unwittingly self-imposed.

The extent to which the social barriers can be broken down seemed difficult. As Dolan (2007) points out, even while fair trade activists make claims to the contrary, it is difficult to get away from the relationship between charity giver and charity recipient. The imbalance in power of these relationships produces its own hierarchies as exemplified by the persistent need for gates, fences, locked doors, and security bars on residential windows, although I should also note that this seemed to be a feature of almost every house in the region.

In the global context, one has to think of the difficulty of connections. Consumers and workers have no direct attachment; the gift of labor is not understood as a gift but simply as a rational component of monetary exchange. Money, in fact, produces the alienating effect (see also De Neve, Luetchford, and Pratt 2008). Corporate governmentality, even in its ethical dimensions, does not seem to be changing these relationships. While Foster (2005) argues that “the goal of this sort of analysis, put in the marketing terms examined here, would be to replace one love relationship with another: that is, to replace the erotic and romantic love of a consumer for a branded object with the love between fellow members of a deterritorialized economic community” (12), the problem becomes how to get beyond love as a voluntary (charitable) enterprise.

It is clear that the “save the lake” story is part advertising pitch,¹⁸ but even so it is an important and new reality that points toward the shifting nature of corporate rationality and the changing dimensions of who and which institutions contribute to the production of supply-chain citizens. To what extent can worker motivation be derived from an ability to participate in social and environmental justice? As Anna Tsing (2009) has recently argued, workers of color and nonmale workers may be less inclined to identify themselves as workers (read as “white male” subjects) and more inclined to identify themselves as entrepreneurs and consumers. It is perhaps on this basis that people working in factories can forge more equitable global relations to their consumer counterparts. Even in a Latin American cooperative free-trade-zone cut-and-sew facility, it was clear that the worker/owners could not consume like their NGO American counterparts (who lived frugally and were environmentally aware), nor could they consume like their primary customers in North America and Europe. In the “save the lake” example, the process of making T-shirts is linked to the performance of a social service for which one also gets paid. The rationality is not centered on work or pay but on the resulting social good. On the other hand, the ethical chain that ties Ben and Jerry’s to a clothing supplier, to a factory, and ultimately to the people working in the factory (who can potentially help save a lake) is a process that produces them not only as potential environmental activists but also as more compliant and more efficient workers. But an emphasis on efficiency alone misses the point.

18. In other instances, I heard clothing industry managers talking about “the story” as critical to the success of new ventures.

A base level of equality between producers and consumers and between the organics clothing head and the women working in the factory has to be in existence at the outset for the factory women making T-shirts to be considered environmental activists. This equality has to do not only with determining the agendas of the activism but also with living conditions and pay.

A Third Case

Before arriving at the final section of this article, I will pose a brief (more obvious) counterexample to the logic of ethical production. When I met with people at “Rise” (pseudonym), another New York–based high-end fashion company (that has since gone out of business), they pointed to their good will in terms of labor and environmental practices as expressed in the company’s mission statement: “The company is based on more humanitarian ideas than most companies. We’re doing business very ethical, loving, honest. We’re incorporating some of the spiritual principles from our daily lives into our business practices. From the manufacturer, to the supplier, to the store, everybody matters.” But then the owner admitted that she had never visited China (where the company was producing most of its clothing) and did not, in fact, know what the factories there were like. “We have the agents that we’re dealing with. But we haven’t ever actually been to China. . . . How would we know? It’s not our factory. We will be going to China so that we can find out,” she told me. In the meantime, she was making a good pitch to those who would not ask questions—consumers marginally invested in less exploitative conditions of production. But in reality, there were very serious tensions involving payment, the quality of production, suppliers, and department stores. Given the poor quality of a (then) new cycle of production from Gurgaon (near New Delhi) and the inability to deliver to the department stores with whom it had contracts, this company went out of business. Even if it had been able to substantiate its claims about love, honesty, and ethics, clothing production is a volatile industry.

New Risks

There are new questions arising from this research. What are the new risks involved in globalized ethical manufacturing? Capitalism does not work without risk, and even ethical clothing production does not work without making a profit (or at least breaking even). These factors, in addition to changing tastes and fashion, are part of the reason for the intensification of the globalization of clothing production. Even though risk in the supply chain has been transferred to distant global mills, factories, dye houses, and farmers (e.g., clothing companies in the United States do not own their own means of production), what social and environmental opportunities lie under this new regime of risk? Has the treatment and the living standards of people who work in globalized factories, in fabric

mills, and on farms changed as production moves farther away from the sites of consumption? What are the chances for wealth redistribution in the new manufacturing centers?

What is interesting about Righteous is that it uses the form of the supply chain itself to argue for ethical intervention. If the supply chain is based primarily on capitalist rationality, can we trust the ethical claims? Alternatively, are the practices of Righteous a way to make the supply-chain form of capitalist organization necessarily an ethical regime, creating the conditions for an economic sustenance that will ultimately help Africa? Might the help mentality not just be another way of differentiating between us and them (see Dolan 2007)? Are we still the (superior) helpers, while they remain the (grateful) helped? Are these helping gestures not ultimately undermining the fight for a more just and equitable world?

I want to conclude with some of my methodological concerns. I will begin with an ethnographic account of returning to Ann Arbor, Michigan, from an extended trip to a Delhi factory where my wife, my daughter, and I stayed at the owner’s home.

It’s amazing being back home from New Delhi. It’s snowing like crazy here. Jasmine [my daughter] has a big smile on her face and keeps pointing outside and saying, “Snow, snow, snow, snow.”

The factory owner’s younger son was really sad to see us leave. He ran to the store to buy pasta for Jasmine for our last dinner there. I have been thinking about how difficult it will be to be critical of the factory, given the warm hospitality of the owner and his family. I am also wondering to what extent the hospitality is based on business rationality (my wife is a potential customer) and not on true feeling.

As it turns out, I hear from another source that the factory owner complained about our use of his car even though he offered it willingly. In addition, he threatened a U.S.-based customer from whom he did not receive payment after hearing complaints about the quality of the goods his factory produced. He had built a new factory with airy, well-lit, clean, and well-ventilated working conditions, but when he lost his working relationship with Righteous, it mysteriously burned down. Some suspected that the insurance benefit was greater than the risk of no clients for only potentially ethical production. He was used to working with massive quantities for millions of dollars at low profit margins. While the margins for high-end production are much higher, so are the demands for quality and consistency in production.

The Righteous production managers and designers actually did not want to leave him. They were committed to family-run businesses (as opposed to multinationally managed enterprises) and to staying with the same suppliers over an extended period. They would build the supplier up and create systems that could be replicated in other places. What was not clear, however, was the extent to which “family-run” necessarily meant more ethical or more just.

Designers and managers in the (family) factory complained

about filthy bathrooms, workers not being paid on time, and bribes given to union leaders. I saw people huddled in a corner while doing beadwork in the basement. On a tour of the factory, the owner's older son joked that one of their large and well-known American clients required them to play music on the production floor, so they played music in one of the production rooms to stay in compliance. In most others, they did not. (In another case, a former global production manager told me that what music to play can be a source of tension among the people working in factories.) While the higher-end companies such as Righteous moved away from this factory, the large multinational high-profit companies stayed even while beginning new ethical initiatives with global reach. Perhaps this is the difference between the "save your ass" mentality versus the lesser impact of more idealistic producers. But in my observations, even with smaller higher-end companies, there were never direct relations with the people who worked in the mills and factories or on the farms, only ideals and principles that could not always be followed when it came to meeting deadlines.

Five-star hotels, global travel, good food, and even "hedonism," as one of the India-based designers who worked for an Indian export factory described it, are the perks. But factory workers are still migrating from places such as Bihar on the far eastern side of India to work seasonally in factories on the outskirts of New Delhi. Their potential labor power is more valued than the social impact that international production managers and high-end firm owners imagine themselves making. They do not have the same access to capital or wealth as do the local (New Delhi) middle-class factory owners who gain new economic opportunities as a result of the factory work that has shifted from the United States and Europe and the availability of cheap labor. Even the factory owners work on Saturdays, and some even work 7 days a week, often late into the evening, sometimes remarking that a life with servants (at home) allows them to concentrate exclusively on their work in the factory. In other words, global production is also producing them as different types of subjects working much harder and much longer hours than executives in the United States and Europe, but it is also making them rich. It is reifying, if not augmenting, local and global social hierarchies.

In a commentary called "The False Dilemma of the Sweatshop," Sanjay Reddy and Christian Barry (2006) quote Nicolas Kristof from the *New York Times*: "Anyone who cares about fighting poverty, should campaign in favour of sweatshops, demanding that companies set up factories in Africa" (13). They add that "such critics seek similarly to persuade us that workplaces in which workers may be put at great risk, paid very low wages and subject to physical intimidation or sexual harassment are tickets out of poverty for the global poor" (Reddy and Barry 2006:13).

Under present international trade rules, companies can profit by choosing to operate in a country in which labor standards are more lax or are unenforced. Such diversion of

trade and investment would not occur if global trading rules instead rewarded countries that promote labor standards by offering them additional access to export markets in rich countries through providing them with financial assistance that could be used to neutralize the cost-raising effects of worker-friendly reforms (measures such as wage subsidies paid to employees that improve labor standards; Reddy and Barry 2006:13).

The use of the term "poverty" in this example refuses to address the history of its own production (e.g., colonialism, land grabbing, slavery, and forced labor; see also Escobar 1995). Such an argument still operates under the logic of capitalist work (in this case factory work) as freedom and progress. This is no less flawed than the argument that these authors critique. There is not a false dilemma but a refusal to challenge contemporary relations of power. On the other hand, in NGO discourse and compliance-company activism, there is a proliferation of fair trade initiatives, monitoring agencies, and standard setting.

While popular debate, academic speech, and political rhetoric make reference to outsourcing, Aihwa Ong (2006) has recently called it more accurately the business of "labor arbitrage." It is clear to me that "outsourcing" is a term stuck in the logic of nation-states already potentially privileged by the inequality of global production. It is not labor in general that is a concern but national labor in particular. Within this discourse of outsourcing, one imagines that commodities are produced nationally and that by ending practices of creating jobs abroad, one can maintain the local nature of what is always actually global production. If one begins not with the commodities themselves but with the raw materials tied to their production (such as cotton, silk, linen, or wool in the case of garment production), then one realizes that there is no escape from the global market. The way we live our daily lives already necessitates and underscores the wars and killing that take place over diamond mines, land-use rights, and the control of oil fields.

To protest outsourcing or globalization is to protest what one cannot imagine life without. It is to suggest that those in certain parts of the world already tied to the drudgery of mining or picking cotton should stay in these positions, that they should serve only these global functions and not inhabit the working spaces and conditions won by labor unions in wealthy nations.¹⁹

19. Aihwa Ong (2006) writes about an intensifying competition between what she calls U.S.-based sweatshops and manufacturing centers in other parts of the world. Increasingly, she argues, Chinese workers in Los Angeles are in competition with Chinese workers in China, meaning that workers in Los Angeles must work for similar wages (when one takes into account the time it takes for goods to get from China to the United States). In a conversation with an Organics CEO who has made special efforts to continue producing some product lines in the United States, she pointed out the resistance of one particular fair trade initiative to work with American-based factories because of the strength of American laws in securing worker rights. She said that this was the case even

In order to undo the inequality ensconced in the deep history of globalization, one needs to think globally. This is already happening in the desires and laboring minds of those who work in the outsourced factories and in the boardrooms and five-star hotel rooms of buyers on business trips. Unemployment is now a global reality that has turned nearly everyone into some type of actual or potential labor. On the other hand, as Anna Tsing (2009) suggests in her recent article on supply-chain capitalism, the failure of workers to organize globally might be based on the fact that they do not necessarily identify as workers but as farmers getting extra cash to support their future dreams of entrepreneurship and consumption or as flexible part-timers working for extra cash for the family right now. In this sense, corporate ethical regimes are increasingly intervening where labor unions and nation-states are not (even if environmental and labor laws are on the books). The question, again, is what kind of future does this type of globalized management of ethical global production hold for people in the world? To what extent is it sustaining contemporary relations of power? Or is it making lives slightly better but also more dependent and more vulnerable? What are the alternatives?

I conclude with the words of a compliance-standards research manager at a major standards-setting NGO based in Europe:

So I entered [the NGO], as well, because I wanted not a distant relationship with trade, having understood this formula for development. But to come to an organization that was interested and whose mission statement was also about helping poorer producers in the South access markets in the North that guaranteed a minimum price for their trading goods and insisting that a premium had to be paid to access these commodities. And that premium would be decided by a joint body made up of workers and management on how this premium could be fed back into the system for development. So this was, indeed, an incredibly useful formula.

Earlier in our conversation, she had contrasted this trade formula with aid (a kind of charity), which she saw as the distribution of goods largely produced in the United States and Europe but without the benefit of recipients being able to set the terms or benefit financially or systematically from the handouts paid by Western governments to Western industries and then distributed in third locations. Trade, she suggested—much like the Righteous production manager in New York or the NGO advisor to the cooperative in Nicaragua who said “this is a business” (not a charity)—provided the possibility of a more systematic and sustainable relationship that shifted the flow of capital and the possibility of transformation, unlike the aid paradigm that paid for Western

when she pointed out all of the recent labor violations in Los Angeles or the kosher food scandal in the Midwest.

workers to make voluntary, humanitarian gestures without reconfiguring the relation to resources or the access to capital.

It is not clear to me that trade will work either or that it will work beyond making lives minimally better while creating new wealthy groups at critical nodes along the supply chain. It could be that the cooperative form is the answer, but as we see in the work of Gabrielle Vargas-Cetina (2011), there are also problems there.

After the fall of the Berlin Wall, in what some called the “period of transition,” Katherine Verdery (1996) asked, in the title of her book, “What was socialism, and what comes next?” We might now ask, “What is contemporary capitalism, and how might it be transformed?” Does the answer lie in new relations between consumers and supply-chain workers? But who would enforce them? How might communication and negotiation be transformed? Can we imagine more direct relations without middlemen/women, NGOs, or incorporated compliance arms? What techniques might be invented to strengthen accounting and accountability?

In calling attention to supply-chain citizenship as a limited and limiting form of global belonging, it makes sense that one should also begin to call for more supply-chain democracy—that is, political, social, and economic accountability—particularly from the perspective of those for whom ethical standards are being created without their input and without significant improvement of their lives. On the other hand, one might ask to what extent any of these options are equivalent to apartheid-era corporate accommodation. What economic alternatives exist that would make possible a more robust system of social transformation?

Acknowledgments

I thank all those who participated in the Wenner-Gren/SAR symposium, including collaborators Rebecca Hardin and Marina Welker and the two foundations that sponsored us. I would also like to thank Aihwa Ong for reading an early draft, the three anonymous reviewers for *Current Anthropology*, and my writing group at the University of Michigan (including Rebecca Hardin, Gayle Rubin, Eduardo Kohn, Nadine Naber, Julia Paley, Elizabeth Roberts, and Miriam Ticktin).

Comment

Bená Burda

Founder and President, Maggie’s Functional Organics, 306 West Cross Street, Ypsilanti, Michigan 48197, U.S.A. (benab@organicclothes.com).

I am very invested in the questions that Damani Partridge is raising in his work regarding this new movement around fair trade, especially relative to the true effect any of the effort is

having on the workers themselves. I have spent 18 years in the organic-apparel industry running a small for-profit brand. We have produced products in the United States, Ireland, Costa Rica, Israel, Turkey, Nicaragua, and Peru. Because of the requirements of an organic chain (segregation of inventory, special equipment cleaning, etc.), I have been exposed to every step of our supply chains in most of these countries.

When working in these industrial settings, it does not take long to notice the consistent isolation and microview that each worker has regarding his or her job. Most workers seem completely disenfranchised from the finished garment they are helping to make. In addition, the poor treatment they receive, the inadequate pay, and the bad working conditions result in not only a workforce that is exploited and unmotivated but also poor-quality production and late orders. In the past 10 years I have seen a direct link between exposing workers to the role they play in providing a finished product and the ultimate quality of each garment.

I point this out as though I agree with Partridge that there is an identified segment of journalists, activists, and “rich consumers” demanding “supply-chain citizenship.” However, I believe there is a business case for this effort as well. For us, as for the NGO advisor quoted in Partridge’s article, “this is a business”—and in fact a viable sustainable business. So we have both an ideological basis and an economic basis for this work. The real question we need to ask is, What actual value are we adding and to whom through all of this effort?

We have spent the past 10 years developing three production chains (one each in the United States, Central America, and Peru) and have worked in various ways to increase worker investment in each. We initially pursued the cooperative model, creating a three-legged stool between workers, an NGO, and us (representing the market). Relative to worker equity, the cooperative model was easiest, as it took responsibility for fair wages and working conditions away from us and placed it in the hands of the worker-owners. After inspiring the creation of three worker-owned cooperatives, I do believe this model holds promise. However, we also have experienced many of the problems Vargas-Cetina (2011) points out in her work, and I now express concerns similar to Partridge’s regarding the promise of this co-op model as “the answer.”

It was the experience we had in this cooperative model of fair production practices that ultimately led us to pursue independent third-party certification. We do believe some type of on-the-ground verification is necessary, both to ensure credibility and to progress further toward a stated goal of improving wages and working conditions. Ultimately, supply-chain citizens, even the most transparent and values driven, are simply customers. No matter how often we witness a production line in action, we are not really aware of daily working conditions. Therefore, we feel we need an audit system to check and validate between our planned visits. We also see the wisdom in capitalizing on the experiences of other NGO stakeholders relative to their decades of work in labor

rights. They could help both rate our efforts and pass on their recommendations. Our experience has taught us that there is no perfectly run factory or co-op and that we need to engage all actors in this chain in order to strive for continuous improvement.

We are now actively participating in two separate labor certification pilot projects. One is being run by the U.S. subsidiary of an international NGO. It has a fairly developed model based on more than 20 years certifying agricultural food commodities (coffee, chocolate, bananas) to a fair trade standard, which it is now beginning to apply to multistage production chains such as apparel. Most notable in its standard is a social premium, paid by licensed brands and based on a percentage of the cost of goods. The administration of this premium is to be done by a worker committee, and the funds are to be used to improve social programs in local communities. The second labor certification program we work with has already certified one of our three supply chains. This is a U.S.-based for-profit entity that has extended its many scientific and input certification programs to include a new labor program.

Our involvement in both programs means we are currently testing many of the ideas Partridge proposes in his writing. As an academic, I am not sure whether he really understands the impact his work could have on what is currently happening on the ground. The overreaching goal of fair trade certification is, particularly in the apparel sector, to make work more equitable, to level the playing field for all workers in the chain. I think that his conclusions, in terms of anthropology, are one thing. Their potential impact on the way ethical production develops in practice is most important to me.

A great deal has happened to change my feelings about fair trade and certification along the clothing production supply chain since we began this certification effort. I recently completed a fair-labor certification trip to Central America. We have just been certified and have sent out a press release, which means I am now engaging the stakeholders in this process, those at the center of this work. These include NGOs, labor rights groups, and the people who are writing the fair trade standard. This process is making me understand how much of the effort is still not sorted out. The stakeholders and people studying these issues can affect the outcome dramatically. I think there is much more of an understanding among the auditors/inspectors of the ambiguity that still exists in the process.

This notion of “voluntary justice” and Partridge’s recurring question fascinate me: how just is it really? Regardless of how it came to be and what motivated various players to develop it, the point is what are the results? Does it simply promote the status quo and reinforce the production and branding system that ultimately (supposedly) created its need? Partridge raises that question throughout this document, and I think that it is very timely. What needs to happen now in order to make any of this real is to publish findings transparently,

evaluate pilots thoroughly, and look at results in larger societal terms.

Partridge's "Righteous" example seems typical to me of how this whole movement, if we can call it a movement, bears out in real life. It is usually a high-profile individual or a celebrity or a high-profile brand that gets involved in this work. Someone creates a status brand, encapsulating this particular individual's stated values relative to saving the world. Our goal, I believe, is not to allow the adulation of the celebrity or the loftiness of the stated values to hide or gloss over the actual effect on the workers or the accomplishment of the goal.

The Certification Process

As we have just been through the process, here is a brief overview of how it works: We receive a dollar bid from the certifier of the entire cost of the certification. Once the bid is accepted, the certifier schedules audits and sends auditors to each supplier in our production chain. The auditors spend a day at each facility and review everything from payroll practices to health and safety regulations. Then the auditors interview a random selection of workers in order to validate the records and practices they have reviewed. One of the two standards we are testing includes a 1-day training session for a representative number of workers at each facility, explaining the concept of workers' rights, the fair trade certification, and their social premium. The auditors present a report of their findings to the certification company along with a list of items needing correcting. (The list our chain received included everything from marking a fire exit more boldly to providing proof that an overdue Social Security payment had been made.) Once the certifier receives assurances that corrections have been made, certification is granted. We of course then start our PR/marketing campaign of the certification, as do all suppliers within our chain. (One factory added the certifier's logo to its business cards.) We are now in the midst of responding to media, customer, and stakeholder reaction, requests for interviews, participation in forums, etc.

Of course, all of this occurs in the middle of a rush to market. There are deadlines. Brands push to get through the process. Certification companies rush to get invoices sent and bills paid. And in the case of the NGO certifier, brands pay 1% of the selling price of each garment sold as fair trade to the certifier as a licensing fee.

A "Fair" Premium?

The fair trade premium, the idea that worker pay stays the same and that workers instead are rewarded with a group bonus and then set up a committee of workers charged with deciding how to spend this premium, is worth examination. Does it in fact improve the lives of the workers? Do workers truly decide how to spend it? Do they feel pressure to spend the premium according to what management says? Or perhaps

worse, will it be spent in a way the brand (i.e., customer) thinks it should be spent? Does it promote equality or a hierarchy, because only the workers on the committee have a voice in the decision of how the premium is spent? How is a social benefit to all workers qualified? What if the workers live in different towns, do not all have children, and so on? We have found in practice that the certifier approves the decision made by the worker committee. In our experience, workers are confused by the idea of a premium and repeatedly ask why any bonus is not simply translated into higher pay.

In the end, does the concept of a social premium work against democratization in a workplace? Is the ruling class making the decisions for the working class about how to improve their lives? Again, Partridge's essay speaks to this concept as it examines the effectiveness of the entire concept.

Other Questions within Certification

The two sets of standards we are being certified for speak to specifics within Partridge's overview. The NGO's program certifies only the agricultural stage, at the beginning of the apparel supply chain, and the sewing stage, at the very end. Social premiums, proposed as the sole benefit to the sewers, and an additional benefit to a high fair trade commodity price paid to growers are not delivered to any of the midchain workers. The hands that gin the cotton, spin the yarn, knit or weave the fabric, and dye the fabric are left out of this process. The question is, Can this model attain the ultimate goal of leveling the playing field for all workers in the chain? In our particular chain, if we were to add a 10% premium at all of the stages of production, our products would be priced out of the market.

Another issue is how to make this validation work in all countries. The NGO does not currently offer certification to any supply chains in the United States, western Europe, or Canada. The model was developed to improve the lives of workers in the world's least developed countries. In his essay, Partridge also notes the labor abuses in the United States. Are these workers' lives not important? How does this model encourage development of supply chains in the United States and elsewhere? Is an apparel company actually discouraged from entering the marketplace with products made in the USA because those products would be at a competitive disadvantage to products made in India, for example?

The non-NGO certification company's standard is a very different model. There is no premium being paid to workers at all. Basically, it is a guarantee of conditions, that there are not filthy bathrooms and some of the other things Partridge mentioned. This certification audit includes an examination of the enforcement of employment and safety laws in the country and then a comparison of living wages on a very basic level. They also examine every player in the supply chain so that no stage is overlooked. Ten percent of all workers are interviewed at every stage. Auditors write up different levels of noncompliance to the standard. When the most critical

violations occur, certification is denied until they have been corrected. Secondary and tertiary violations require a plan to rectify, which is checked at annual reaudit. The term of the standard is 3 years.

This audit process had an effect on all participants. In some instances, workers viewed the violation as frivolous. But in most instances, there was a responsiveness and willingness to correct the problem. And the workers did seem to respond with a sense of pride once certification was granted.

I relate one final anecdote regarding our participation in this first certification. We invited a representative from an internationally known labor rights NGO to observe our audit process. She had nothing to do with the process, but she was present at each meeting and all worker interviews. Her organization has actually been very critical of both sets of labor standards—those of the NGO and those of the private for-profit company. After the trip, the certification organization relayed that the labor rights representative reported being “very impressed” with our production chain. The labor rights representative has since told me herself that the benefits our Costa Rican factory offers its employees are something she had never seen and that she was very impressed. Somewhat ironically, this validation meant more to me than any of the certification reports.

After receiving preliminary notification that indicated we would receive fair-labor certificates for our entire chain, I was relieved and celebratory for approximately 48 hours. Surprisingly, what followed was a sharp letdown. I felt as if I needed to go back to Central America to talk to the workers. I was left with the strong feeling that none of this meant anything in terms of the workers and their lives.

As Partridge postulates in his article, the workers were mostly ignored during this entire process; they had not been integral to any of this happening. I felt a strong urge to ask each of them, “Why are we really doing this, and do you feel as if this could affect the work you do and the conditions under which you do it?” The issues within these pilot programs become more significant because, as Partridge points out from a sociological perspective, this may not be a model that works.

The first experience I had of describing the entire audit process and showing the pictures was at a staff training for the certification at Maggie’s. The team’s first questions were “What does this mean to the workers now that we have this?” “How do we answer questions for consumers and retailers?” “What does their health care really provide?” “What materials is their house made of; is that tin or is it brick?” and “Why aren’t there any women in that manager’s meeting?” They were very basic questions about workers’ lives. I was left feeling very unfulfilled. I was experiencing this big sense of pride, that we got this validation from a third party, and now I felt, “So what?” I mean, to me, it is such “First World” thinking. This is all supposed to make me sleep better at night, because some company provides a certificate that my production chain is approved and nobody is going to get killed in these

factories and these people are making decent money? It just does not do anything. And so, overall, the concept of voluntary justice is really interesting because it ends up not only producing products for a small percentage of the world’s consumers, the “rich consumers” that Partridge refers to, but also helping those consumers feel good about their purchases.

Again, the question is raised: “Does this just reinforce the exploitation of the workers that we’ve created out of this production system so far?” If you end up being able to produce only products that go to such a small segment of the world’s population, then aren’t you just a self-fulfilling prophecy? Aren’t you just redoing and reinforcing the system that created the severe injustice in the first place?

For me, as Partridge suggests toward the end of his piece, it is about leveling the playing field. I really do not feel as if this whole idea of a premium is going to flesh out, to carry weight long term. To me the question is, How can we level the playing field without arrogance and deception, for ourselves and for our stakeholders?

Finally, I think that this new form of corporate governance, through soft law and hard law, is hypothesized to result in not only the continuing exploitation of supply-chain workers but also the equal exploitation of supply-chain management and factory owners. I think Partridge brings this point out, but I think it needs further examination. What effect is this having on all of the actors in the chain? And how does the role of each also serve to encourage change versus supporting the current system? Partridge writes about the owners of factories in India often working on Sunday and definitely working on Saturdays. They lack personal time and require servants so that they can devote their entire lives to their business. And so the exploitation extends beyond factory workers or others working along the supply chain; it also extends through the validators, through the certifiers, through the high-end brands (note the example of the brand that is no longer in business), and even through the ethically based brands. And so, again, I ask, is the net impact going to be simply to keep the system in place? To preserve what is already status quo? This example is the same as self-preservation of the Wal-Mart business model, one that pushes the suppliers very hard, continuously, for very low prices, keeping supplier workers in low-paying jobs and preventing supplier managers and owners from moving ahead. These workers, managers, and owners, both in developing and developed countries, can afford to shop only at Wal-Mart. And so the chain sustains itself.

On the other side, if the cost of doing the “right work” is so taxing on the entire production chain, then the stakeholders need ultimately to turn themselves into a “critical wealthy node” in order to rise above the game. That is what I see happening at the inspector level, at the certifier level, and at the entrepreneur level. I end up feeling that myself: “I have to get something out of this, because it’s unsustainable. I’m just killing myself.” If that is what we are really doing, creating so much pressure on all players in this chain that they have to exploit the others in order to turn themselves

into some sort of wealthy partner so that they can rise above it all, then again, what we are doing does not really change anything.

References Cited

- AP (Associated Press). 2009. Blackwater changes its name to Xe. *New York Times*, February 13, U.S. sec.
- Appadurai, Arjun. 2002. Deep democracy: urban governmentality and the horizon of politics. *Public Culture* 14(1):21–47.
- Childress, Sarah. 2005. Green and still chic: forget Birkenstocks: the new generation of ecofashion even works with Blahniks. *Newsweek*, March 15.
- Cohen, Lawrence. 2003. The other kidney: biopolitics beyond recognition. In *Commodifying bodies*. Nancy Scheper-Hughes and Loic J. D. Wacquant, eds. Pp. 9–29. New York: Sage.
- Comaroff, John, and Jean Comaroff. 2009. *Ethnicity, Inc.* Chicago: University of Chicago Press.
- De Neve, Geert, Peter Luetchford, and Jeffrey Pratt. 2008. Introduction: revealing the hidden hands of global market exchange. In *Hidden hands in the market: ethnographies of fair trade, ethical consumption, and corporate social responsibility*. Geert De Neve, Peter Luetchford, Jeffrey Pratt, and Donald C. Wood, eds. Research in Economic Anthropology, vol. 28. Pp. 1–30. Bingly: Emerald.
- Dolan, Catherine. 2005. Fields of obligation: rooting ethical sourcing in Kenyan horticulture. *Journal of Consumer Culture* 5(3):365–389.
- . 2007. Market affections: moral encounters with Kenyan fair-trade flowers. *Ethnos* 72(2):239–261.
- . 2008. Arbitrating risk through moral values: the case of Kenyan fairtrade. In *Hidden hands in the market: ethnographies of fair trade, ethical consumption, and corporate social responsibility*. Geert De Neve, Peter Luetchford, Jeffrey Pratt, and Donald C. Wood, eds. Research in Economic Anthropology, vol. 28. Pp. 271–296. Bingly: Emerald.
- Esbenshade, Jill. 2004. *Monitoring sweatshops: workers, consumers, and the global apparel industry*. Philadelphia: Temple University Press.
- Escobar, Arturo. 1995. *Encountering development: the making and unmaking of the Third World*. Princeton, NJ: Princeton University Press.
- Ferguson, James. 2005. Seeing like an oil company: space, security, and global capital in neoliberal Africa. *American Anthropologist* 107(3):377–382.
- Foster, Robert J. 2005. Commodity futures: labour, love and value. *Anthropology Today* 21(4):8–12.
- Foucault, M. 1991 (1978). Governmentality. In *The Foucault effect: studies in governmentality*. G. Burchell, C. Gordon, and P. Miller, eds. Pp. 87–104. London: Harvester Wheatsheaf.
- Gereffi, Gary, John Humphrey, and Timothy Sturgeon. 2005. The governance of global value chains. *Review of International Political Economy* 12(1):78–104.
- Marshall, T. H. 1992. *Citizenship and social class*. London: Pluto.
- Ong, Aihwa. 1996. Cultural citizenship as subject-making: new immigrants negotiate racial and ethnic boundaries. *Current Anthropology* 37(5):737–762.
- . 2003. *Buddha is hiding: refugees, citizenship, the new America*. Berkeley: University of California Press.
- . 2006. *Neoliberalism as exception: mutations in citizenship and sovereignty*. Durham, NC: Duke University Press.
- Porter, Michael E., and Mark R. Kramer. 1999. Philanthropy's new agenda: creating value. *Harvard Business Review* November–December:121–130.
- Rabinow, Paul. 2004. Midst anthropology's problems. In *Global assemblages*. Aihwa Ong and Stephen Collier, eds. Pp. 40–53. Malden, MA: Blackwell.
- Rancière, Jacques. 1999. *Disagreement: politics and philosophy*. Minneapolis: University of Minnesota Press.
- Reddy, Sanjay, and Christian Barry. 2006. The false dilemma of the sweatshop. *Financial Times*, July 25.
- Rivoli, Pietra. 2005. *The travels of a T-shirt in the global economy: an economist examines the markets, power, and politics of world trade*. Hoboken, NJ: Wiley.
- Scheper-Hughes, Nancy. 2003. Commodity fetishism in organs trafficking. In *Commodifying bodies*. Nancy Scheper-Hughes and Loic J. D. Wacquant, eds. Pp. 31–62. New York: Sage.
- Scheper-Hughes, Nancy, and Loic J. D. Wacquant, eds. 2003. *Commodifying bodies*. New York: Sage.
- Seidman, Gay. 2003. Monitoring multinationals: lessons from the anti-apartheid era. *Politics and Society* 31(3):381–406.
- . 2007. *Beyond the boycott: labor rights, human rights, and transnational activism*. New York: Sage.
- Tsing, Anna. 2009. Supply chains and the human condition. *Rethinking Marxism* 21(2):148–176.
- Turner, B. 1993. Contemporary problems in the theory of citizenship. In *Citizenship and social theory*. Bryan S. Turner, ed. Pp. 1–18. London: Sage.
- Vargas-Cetina, Gabriela. 2011. Corporations, cooperatives, and the state: examples from Italy. *Current Anthropology* 52(suppl. 3): S127–S136.
- Verdery, Katherine. 1996. *What was socialism, and what comes next?* Princeton, NJ: Princeton University Press.
- Welker, Marina, and David Wood. 2011. Shareholder activism and alienation. *Current Anthropology* 52(suppl. 3):S3–S16.