International Development

ISSN 1470-2320

Working Paper Series 2019

No.19-193

Multi–stakeholder initiatives in Bangladesh after Rana Plaza: global norms and workers' perspectives

Naila Kabeer, Lopita Haq and Munshi Sulaiman

Published: January 2019

Department of International Development

London School of Economics and Political Science

Houghton Street **Tel: +44 (020) 7955 7425/6252**

London **Fax: +44 (020) 7955-6844**

WC2A 2AE UK **Email: N.Kabeer@lse.ac.uk**

Website: www.lse.ac.uk/InternationalDevelopment

Multi–stakeholder initiatives in Bangladesh after Rana Plaza: global norms and workers' perspectives

Abstract

The collapse of the Rana Plaza building in Bangladesh in April, 2013 resulting in the death and injury of more than 2000 workers from the country's export garment industry was one of the worst industrial disasters in recorded history. The tragedy galvanized a range of stakeholders to take action to prevent future disasters. Prominent in these efforts were two multi-stakeholder agreements which brought together lead buyers, trade unions and NGOs in a concerted effort to improve health and safety conditions in the industry. These initiatives represent a move away from the buyer-driven compliance-based model that continues to dominate CSR to what is being described as a 'cooperation-based' model which brings together multiple stakeholders who affect, and are affected, by the business operations of lead MNCs in global value chains. This paper is concerned with the experiences and perceptions of workers with regard to these new initiatives. It examines competing interpretations of stakeholder analysis within the CSR literature and uses these to frame its key research question: has the shift from compliance to co-operation as the basis of CSR a promising way forward or merely a shift in rhetoric? We use a survey of garment workers to explore the extent to which these initiatives have brought about improvements in wages and working conditions in the garment industry, where progress has been slowest and why.

Keywords

Global value chains, export garment production, corporate social responsibility, stakeholder theory labor standards

Naila Kabeer, Lopita Haq and Munshi Sulaiman

1. Introduction

1.1 The objectives of the paper

On April 24th 2013, the Rana Plaza Tower, an eight story commercial building located on the outskirts of Dhaka, Bangladesh collapsed. A municipal engineer had visited the previous day in response to complaints about cracks in its structure. He deemed the building unsafe and recommended evacuation. The various shops, a branch of BRAC Bank and five export garment factories that were all housed in the building were closed that afternoon but the garment workers were instructed, on threat of dismissal, to report for work the next day. 1133 workers died when the building collapsed and around 1800 were left injured, making it the 'worst industrial disaster in recorded history' (Sobhan, 2014). One of the questions raised in the aftermath of the tragedy was why it was this group of workers, and not the others working in the building, who reported for work that day. We will come back to this question in the concluding section of the paper.

The scale of the tragedy of Rana Plaza galvanized a range of concerned stakeholders into coordinated action to address the challenge of health and safety in Bangladesh's export garment industry. Prominent in this response were two multi-stakeholder initiatives - Accord for Fire and Building Safety (Accord) and the Alliance for Bangladesh Workers' Safety (Alliance) – which brought lead retailers and brands into alliance with a range of other actors to tackle the problem in the factories that supplied their garments. These initiatives have been described by many as 'historic' and 'game-changing' (UK Parliamentary Committee, 2013): they represented a move away from the buyer-driven compliance-based model which had hitherto dominated CSR to what has been described as a 'cooperation-based' model with multiple stakeholders.

The opportunity to explore this new form of governance in global value chains provided the impetus for the research project on which this paper is based[1]. The project brings together scholars from Bangladesh, UK, Australia, Germany and Sweden to research the views and experiences of three key sets of institutional actors with a direct stake in the industry: lead firms in UK, Germany, Sweden and Australia who signed the Accord and Alliance agreements, the managers in the export factories in Bangladesh that supplied these firms and the workers in these factories. Interviews were also carried out with other relevant stakeholders, such as government officials, concerned donors and civil society actors. This paper focuses on the views and experiences of workers with regard to the new initiatives. The rest of this section of the paper explores some of the different ways in which CSR has been conceptualized and whose interests have been given prominence in these different approaches. We will use this discussion to frame the main questions that will be addressed in the paper. Sections 2, 3 and 4 present the findings from our survey data while

1.2 The promise of CSR in global value chains: optimists, skeptics and cynics

While there are different strands within the CSR literature, theorizing what it means and assessing its potential, we can broadly distinguish between those that conceptualize it in positive terms and those that are skeptical, even cynical. Early formulations of CSR offered a normative vision of the business entrepreneur as agent for social change with the potential to introduce new and progressive values that could challenge and transform the existing social order (Falck and Heblich 2007). Subsequent attempts to reconcile CSR objectives with shareholder interests shifted the emphasis from this normative rationale to an instrumental one. The idea of 'strategic philanthropy' (Porter and Kramer, 2002), for instance, argued that by engaging in socially responsible activities, a company could enhance its reputation and increase the value of its brand. Stakeholder theory further expanded this focus by bringing in the external environment in which the range of actors who could affect, or be affected, by a company's activities and hence had a stake in its performance (Freeman, 1984). Corporations needed to take account of stakeholder interests in order to maximize their current and longer term success but to distinguish between 'key' stakeholders who had direct power to affect corporate profits, and 'minor' or 'emerging' stakeholders who could be accorded varying degrees of importance, depending on the extent of their influence.

The arguments for CSR took on fresh life in the context of globalization as the pursuit of cost-cutting strategies by multinational corporations led them to relocate the production or sourcing of labor-intensive goods and services away from the socially regulated and high wage economies of the global North to low-wage and poorly regulated economies in lower income countries. The resulting 'race to the welfare bottom' sparked off widespread civil society activism, primarily based in the North, aimed at exposing the violations of internationally agreed labor standards entailed in these strategies. The threat to their reputations and profitability posed by this emergent category of stakeholders helped to shift MNC strategies from seeking to exploit the governance gap in supply

chain capitalism to attempting to fill it by developing their own private regulatory mechanisms. Corporate codes of conduct, backed up by periodic audits, set out the minimum labor standards with which suppliers would have to comply in order to do business with the global buyers and brands in question. Corporations were thus positioned in this compliance-based model of CSR as bearers of the social responsibility for enforcing labor standards among their supplier firms.

The adoption of this new model since the 1990s has seen a proliferation of corporate codes of conduct but evaluation studies have generally proved disappointing. Impacts tended to be limited to 'outcome' standards rather than 'process' rights and rarely went beyond first-tier factories that dealt directly with MNCs to addressing conditions prevailing in lower tier factories that worked on a subcontracted basis (Barrientos and Smith 2007; Egels-Zandlen 2007; Locke and Romis 2007; Lund-Thomsen et al. 2012). In addition, the top down approach embodied in the compliance model led to considerable resentment on the part of suppliers accompanied by efforts at evasion and deception (Barrientos and Smith; Oxfam 2013).

A reformulation of stakeholder theory to take account of these findings saw a shift from the instrumental concerns of individual corporations to a broader 'developmental' perspective which emphasized the converging interests of multiple stakeholders as the basis for more collaborative efforts. One example of this 'win-win' framework was spelt out in a World Bank publication by Kotikula et al (2015). They argued that despite their different interests, the main stakeholders involved in the global garment trade stood to benefit from an improvement in the working conditions of supplying factories. While lead firms might make their sourcing decisions on the basis of profit maximization, they also had an incentive in improving conditions in the factories they sourced from in order to avoid reputational risk. Their suppliers might baulk at the costs of improving working conditions in their factories, but if such improvements were shown to increase worker productivity or give them a competitive edge in gaining orders, it could help to overcome their reluctance. Governments also had a stake in improving working conditions in their export industries, not only because of the concern they might have for their working population but because it would help them attract foreign investment and boost their exports. And finally workers had an unambiguous stake in good working conditions because it increased their quality of life and might also increase their productivity.

The UK Ethical Trading Initiative (ETI), Dutch Sustainable Trade Initiative, Danish Ethical Trade Initiative, and Norwegian Sustainable Trade Initiative are some examples of collaborative approaches to CSR, bringing together firms, NGOs, trade unions and others in order to build longer-term, trust-based relationships between buyers and suppliers within global value chains (Lund-Thomsen and Lindgreen, 2013). The Accord and Alliance Initiatives in Bangladesh can be seen as the latest examples of this collaborative approach.

However, the shift from compliance to co-operation as the basis of CSR has not silenced all its critics. Skeptics point out that for all its rhetoric about shared stakeholder interests, CSR initiatives operate in a wider political economy in which the raison d'etre of corporations continues to be defined, first and foremost, in terms of shareholder dividends. Consequently, the normative justifications for CSR generally has to be backed by economic gains for the rhetoric to translate into practice (Margolis and Walsh 2003).

Others question whether co-operation between unequally positioned stakeholders operating within intensely competitive global markets is ever possible. As Lund-Thomsen and Lindgreen point out, international consumers dictate the price and quality of particular goods and services, MNCs place

orders for these goods and services in the quantity, quality and price range demanded with vast networks of suppliers in low wage economies who engage in fierce competition for this business: 'In this competitive context, there is very little scope for cooperation, beyond the limits set by international consumer markets that demand simultaneously constant price decreases, shorter lead times, and maintenance of product quality' (p. 18).

The other critique levelled at both compliance and co-operation based models is that very few 'Southern' voices have taken part in their evolution (Banerjee, 2018; Khan and Lund-Thomsen, 2012). Both emerged mainly in response to advocacy efforts by Northern-based consultants, academics and NGOs. As Lund-Thomsen and Lindgreen (2013) point out, the absence of Southern voices means that shift from compliance to co-operation has done little to alter suppliers' perceptions that 'CSR in global value chains is a form of economic and cultural imperialism'. Economic because lead firms insist that their local suppliers adopt the changes required by CSR but are not willing to share the costs. And cultural because the norms and values underlying CSR rhetoric originated in Europe and the USA and may be perceived as impositions by country suppliers who are located in very different contexts. The question we might ask is whether they are also perceived as cultural impositions by workers in these countries.

These debates help us to formulate in greater detail some of the questions that will be address in this paper. Given that improvements in working conditions provide the major rationale for CSR initiatives, we are interested in what has been achieved on this front by the Accord and Alliance initiatives in Bangladesh in the five years after Rana Plaza. We will be asking how the new multi-stakeholder initiatives in Bangladesh envisage the interests of workers in the RMG sector, whether these resonate with the priorities of workers themselves and the extent to which these initiatives have made progress in terms of these different sets of priorities.

1.3 A brief history of the export garment industry in Bangladesh: from laissez faire to multi-stakeholder collaboration

The history of the export garment industry in Bangladesh has been a remarkable one. According to estimates by the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) (2015), the number of garment factories rose from 384 factories in the mid-1980s to over 4000 factories in 2015 while its share of the country's exports have grown from 4% to 80% over the same period. It is now the world's largest exporter of garments after China. Unlike some other garment-exporting countries, domestic entrepreneurs dominated the industry from the early years of the industry, primarily because of the active role played by the government to incentivize local capital as part of its drive for export growth.

As in the export garment industry elsewhere in the world, it was largely women who took up jobs in The scope of the Labor Act was huge, and has been made applicable to all establishments with few exceptions (ILO, 2006). Clearly specified stipulations about wages, including setting up of wage boards to establish minimum wages, paid leave, overtime rates and so on, set working dat at 8 hours and max overtime, required appointment letters and ID cards, provision of health and safety inspection, trade union rights

the new industry, despite strong cultural norms on women's mobility in the public domain and historically low rates of female labor force participation (Kabeer, 2000). High rates of poverty combined with lack of work opportunities in the countryside led to a steady migration of young women into urban areas in search of these jobs. Estimates of the labor force in 1985 ranged from 80,000 and 250,000, with around 85 per cent of them female. By 2012, the labor force was estimated to be 4 million workers but its gender composition has been changing with the growing importance of knitwear within the industry.

Knitwear exports have been rising since the mid-1990s following the introduction of stricter rules of origin in EU trade policy which required greater backward linkages for less developed countries to gain duty free access to its markets (Curran and Nadvi, 2015). These rules favored knitwear because knit fabric making is relatively less capital intensive than woven fabrics and more easily produced locally, often in integrated facilities. The rise of the knitwear sector has been accompanied by a rising share of male employment in the industry, partly because knitwear firms operate their knitted fabric making sections through the night and partly the widespread use of piece work makes it possible to achieve higher earnings, attracting male workers. Current estimates suggest men made up 54% in of the labor force in the garment sector in 2016 (Farole and Cho, 2017).

While the government played an active role in encouraging domestic capital in the garment sector, it has been less supportive of its labour. Bangladesh is a signatory to most of the ILO's core labour conventions: freedom of association, the right to engage in collective bargaining, elimination of forced and compulsory labour and elimination of discrimination[2]. However, enforcement has been weak, deliberately so in the RMG sector. Enforcement has also been made difficult by the widespread practice of first tier firms that deal directly with global buyers of subcontracting some of their orders to smaller, often unregistered second and third tier firms. These have lower wages, longer working hours and more dangerous working conditions but they escape the regulatory scrutiny associated with compliance requirements and allow exporting firms seeking to compete in global markets to meet deadlines and lower costs.

Nor has there been much scope for improvement. Transparency International Bangladesh (2013) noted strong links between the leadership of the BGMEA and the political elite, including 10% of parliamentarians with a direct business interests in the RMG sector (p. 17). Such connections have enabled employers to influence legislative processes of the country, creating favorable tax regimes for themselves, but blocking efforts to promote the rights of workers. For instance, it took over a decade of negotiation between government, employers and trade unions to approve a new Labor Law in 2006 which was intended to consolidate and update 25 different pieces of legislation that had, till then, dealt with labour conditions in the country (Mahmud and Kabeer, 2006).

Although trade unions are legally permitted in Bangladesh, except in its Export Processing Zones[3], they do not have a very active presence in the garment sector - or in the rest of the country. Most unions are poorly resourced, subject to restrictive labour laws and efforts to organize within factories met with dismissal and frequently violent repression (Bangladesh Institute of Labour Studies, 2010). In 2013, according to the Labour Directorate, there were 157 registered trade unions and 34 trade union federations in the RMG sector with a membership that made up of less than 4% of the work force (TIB, 2013)[4] while according to Human Rights Watch (2015), less than 10% of the country's 5000 or more garment factories had trade unions.

At the same time, it is not only employers who are politically connected. All the major unions are affiliated to political parties and have a history of disruptive politics in which party interests generally dominate over those of their membership. As Rahman and Langford (2012) point out in their analysis of the mainstream trade movement in Bangladesh, the subservience, corruption and nepotism of the trade union bureaucracy and the lack of a democratic trade union culture are best understood in terms of the historical forces that explain the continued underdevelopment of Bangladesh within a capitalist world-system. The low 'social acceptance levels' of unions among the general public (Zajak, 2017), their internal divisions and ideological rifts, together with the hostility of employers and the state explain why the trade union movement has made very little headway in the garment sector.

A great deal of the industry has therefore been characterised by the absence of written contracts, routine violations of health and safety regulations, long hours of overtime often without pay, low levels of unionisation and high rates of turnover in the work force. Not surprisingly Bangladesh has drawn a great deal of attention from anti-sweatshop campaigns against poor labour standards and seen has the proliferation of codes of conduct among the lead buyers and brands seeking to do business in the country. Government and employers have also come to recognize that compliance with these corporate code were as important to the industry's ability to compete in the global market for clothing as low wages and short delivery times. However, what was largely overlooked in these efforts were critical aspects of health and safety: this is evident in the list of industrial accidents in the sector since 2005 compiled by Reuters.[5] It took the collapse of Rana Plaza to bring these issues to the forefront of the agenda of various stakeholders.

The EU, together with the Bangladesh government, the US and the ILO, launched the Sustainability Compact in July 2013 whereby the government agreed to take immediate and long term action to address health and safety in the RMG sector. It also agreed to improve the legislation and regulation of working conditions, beginning with the amendment of the 2006 Labor Law to bring it more in line with international labor standards.

The other prominent outcome of these renewed efforts was the adoption of the two multi-stakeholder initiatives referred to earlier. The Accord was signed by more than 200 international brands from 20 mainly European countries, two European-based international unions (UNI Global Union and IndustriAll Global Union), eight of their associated labor federations in Bangladesh along with four international NGOs as witness signatories. It represented a departure from past agreements of this kind, not only in the range of actors it brought together, but in its legally binding nature: all signatories agreed that arbitration awards or the enforcement of fees could be pursued in the relevant national legal systems. A counterpart agreement, the Alliance, was signed by 28 mainly US-based firms: it had limited union participation and, due to the reluctance of US firms, was not legally binding[6].

The two initiatives were envisioned to last for five years to 2018[7]. The Accord required members to participate for five years with some obligation to maintain order volumes for the first two years. The Alliance required members to participate for at least two years. Funding for the initiatives was provided through annual contributions by buyers. The objective of the agreements was to list all firms supplying the signatory companies, send inspection teams to ensure that the fire, electricity and structural conditions of factory buildings complied with the Bangladesh National Building Code and to draw up Corrective Action Plans where necessary to be implemented by managers within a prescribed time frame. The agreements also provided for the setting up of Health and Safety

committees and worker safety and empowerment training. Factory compliance reports were published on Accord and Alliance websites. As of April 2018, Accord had inspected 2022 factories while Alliance had inspected 836 factories, around 50% of which were shared with Accord (Barrett et al., 2018).

While there has been a great deal of discussion about the new approach to CSR embodied in these agreements, and detailed documentation of their activities, there are as yet few studies on their achievements. One of the few reported that progress on workers' rights had been slow, but that in the area of health and safety, 'the Accord model [had] been a success because it was negotiated between buyers and trade unions, because it holds suppliers as well as buyers responsible for the cost of safe buildings, because it is legally binding and because it is transparent' (Anner, 2018 p. 15). Another study maintained that main gains from the Accord agreement had accrued to 'elite, well-funded federations of unions and NGOs in the global north who are key stakeholders in the Accord' and to global brands and retailers whose CSR claims had been given an additional sheen of legitimacy by their participation in the initiatives (Alamgir and Banerjee 2018 p. 21).

However, neither of these studies was based on a systematic analysis of workers' experiences of these efforts[8]. By contrast, our project included a purposively designed survey, carried out as a collaboration between the BRAC Institute of Governance and Development and the LSE, precisely to capture the views and perspectives of workers. While it is not the first survey of workers to have been carried out after Rana Plaza (see CPD-RMG Study http://rmg-study.cpd.org.bd/2016), it is the first to attempt to explore what difference the new multi-stakeholder initiatives have made to the stakeholders located at the bottom of the global supply chain.

1.4 Methodology and description of sample

The BIGD/LSE survey was carried out in 2017 with 1500 workers from 240 factories in five sites located in and around Dhaka[9]. We had initially hoped to include workers from the 152 factories covered by the project's survey of managers but realized that relying on managers to select our sample of workers would introduce obvious biases into the selection process and influence workers' responses. We therefore selected specific locations in Savar, Ashulia, Gazipur, Narayanganj and Dhaka where there was the greatest concentration of the factories included in the management survey[10]. We then focused on five neighborhoods where the workers in these factories were most likely to be resident. 300 garment worker households were identified in each of the five neighborhoods from which 200 women and 100 men were then randomly selected. This gave us a sample of 1500 workers (1000 women and 500 men) evenly distributed between the five sites. The survey was carried out in workers' home with their consent and by prior arrangement.

It quickly emerged in the course of the survey that many of the workers surveyed had not heard of either Accord or Alliance. There was also some confusion in their responses to questions about factory size with some workers reporting on the size of their factories, as the question required, while others reporting on the number of workers on their floor. We therefore consulted data from Accord, Alliance and government websites to check and fill in this information. We classified our sample of factories into small (0-599 workers), medium (600 to 2499) and large (2500+) in accordance with BGMEA criteria.

Table 1 provides some basic information on the factories in our sample. 40% of factories, but just 17% of workers, fell into the small category; 39% of factories and 37% of workers were in the

medium category while 21% of factories and 46% of workers were in the large category. The mean number of workers was 342 in small factories, 1171 in medium factories and 7464 in large factories.

The distribution of Accord and Alliance affiliation varied considerably by factory size. Only 32% of workers in small factories were in AA affiliated factories compared to 86% and 96% in medium and large factories respectively. We should note here that the 29% of workers in the entire sample were affiliated to Accord, 52.5% to both Accord and Alliance and only 1.5% to Alliance on its own. 17% were in factories not affiliated to either. When we discuss possible impacts of Accord and Alliance in this paper, it should be borne in mind that we are referring primarily to factories affiliated to Accord on its own or in combination with Alliance (AA) rather than to factories affiliated only to Alliance.

We noted earlier that many of the workers in our survey had not heard of Accord or Alliance. The table tells us this varied from around 80% of workers in small factories to 50% of those in medium factories and around 40% of those in large factories. It is also evident that workers in affiliated factories, particularly in the larger ones, were more accurately informed about affiliation status of their factories than workers in non-affiliated factories who were more likely to say that they did not know. Only 31% of workers in small factories that are AA affiliated believed that their factory was affiliated to Accord, Alliance or both compared to 49% and 60% in medium and large AA affiliated factories respectively. Even so, only 53% of workers in all affiliated factories were accurate in their reports. Overall, 12% of the workers of non-AA affiliated factories (wrongly) reported that their factories were AA affiliated.

What is worth noting is that the concept of 'compliance' was more widespread and more accurately reported than AA affiliation status. 82% of workers in AA-affiliated factories correctly identified their factory as compliant while 50% of workers in non-affiliated factories were (probably) correct in saying that their factory was non-compliant.

We asked questions about number of visits by buyers, auditors and inspectors in the past year to get a sense of engagement by Accord and Alliance, but here too there were major difficulties, both in distinguishing between these visitors as well as the number of visits. Given their apparent frequency, many said that they did not know how many visits had been made while others said these visits occurred 'practically every day'. Given that the inspection process is a key element of AA strategies, and given also that workers were more confident about whether they had spoken to inspectors rather than how many visits they had made, we used direct interaction with inspectors in the past year to capture AA oversight.

Table 2 summarizes some of the basic characteristics of our workers. Our sample was purposively selected to be made up of 66% of women and 33% of men. We find this composition to be generally maintained across factory size and AA affiliation. The mean age of workers was 26.5, 77% were married and the mean years of schooling was 5.9. The vast majority of workers (99%) had been born elsewhere and the majority (87%) said that they had migrated to their present location explicitly in search of garment work. Around 65% of workers joined the industry before Rana Plaza while 35% joined after. Around 42% joined their current factory before Rana Plaza while 58% joined after. The workers in our sample have spent an average of 5.6 years in the industry and 3.6 years in the current factory.

Together these findings make a number of points. First of all, factories have become larger. In earlier studies, factories were classified as large if they had 500+ workers and there were far fewer of them (Zohir and Paul-Majumder, 1996)[11]. Secondly the characteristics of the workforce appear to have changed. While workers in the export garment sector in Bangladesh have never completely conformed to the stereotype of the young, single women that featured in the early literature on export-oriented industries (Kabeer, 2000), they are now even less likely to do so. We know, for instance, that men now constitute a larger share of the garment workforce than they did in the early decades of the industry – although this does not show up in our survey sample because of our sampling strategy. The age of workers has also gone up; for instance, around 56% of workers were below the age of 19 in a 1990 survey (Zohir and Paul-Majumder, 1996) compared to 3.5% less than 18 in the present study. 77% of them are married in the current survey compared to 60% in 1990. They are also somewhat more likely to be educated than before: 20% of workers in the 1990 survey had no education compared to 15% in the present survey. It is also worth noting that workers in smaller, non-AA affiliated factories were most likely to resemble the earlier cohorts of workers. They were generally younger than the rest of our sample, with 17% of those in small, non-AA factories less than the legal age of 18, compared to 3.5% of the overall sample. They were also less likely to be married and had fewer years of education.

We used our survey data to address the research questions outlined earlier. First, we examined what workers identified as their priorities in terms of wages and working conditions, the extent to which these were reflected in the AA initiatives and the extent to which they were reflected in the wider CSR discourse. Second, we asked whether there were any significant differences between AA affiliated and non-affiliated factories in terms of these wages and working conditions. Studies generally show that wages and working conditions are better in the larger first tier factories, dealing directly with lead firms and hence under greater international scrutiny, than those at the smaller, usually subcontracted end. We want to know whether AA-affiliation made a difference to wages and working conditions, regardless of factory size. And third, we wanted to find out whether we could attribute any of these observed differences to the efforts of AA.

Our analysis explored these questions using a combination of objective indictors which measured wages and working conditions in the factories and subjective indicators which captured workers' views and perceptions of these issues, including their views on whether and what kinds of changes had occurred in the aftermath of Rana Plaza. We carried out our attempt to address our research questions in two stages.

- First we used descriptive statistics to explore the extent to which objective and subjective indicators of wages and working conditions, and perceived changes in them since Rana Plaza, varied by AA affiliation and factory size.

- Second, we used regression analysis to separate out the influence of AA affiliation on indicators of wages and working conditions, including changes in wages and working conditions since Rana Plaza, from other likely influences.

We used OLS as our preferred regression model for both continuous and categorical variables. The main reasons for selecting linear probability model for binary outcomes are its simplicity of interpretation and comparability of the specification throughout the paper. Since the focus of our study is to identify the correlates of workers' welfare in the factories rather than making predictions,

OLS was likely to produce the same conclusions as non-linear models (logit or probit). Running logit regressions on binary outcome variables suggested that this was the case.

2. Global norms, workers' values

CSR has been represented in the literature as representing efforts to institutionalize new norms and values within global value chains. These norms and values generally reflect the internationally agreed consensus about workers' rights and labor standards, as embodied in various ILO conventions, to which countries are expected to adhere if they wish to compete in the global economy. However, because many of these norms have their roots in a formal industrialized model of production, reflecting the historical experience of the affluent countries in the global North who were the moving force behind these standards, it cannot be taken for granted that they resonate with the largely informal economies that characterize most countries in the Global South. As a result, as we noted earlier, they are frequently perceived as cultural impositions by developing country suppliers. On the other hand, workers and employers do not necessarily share the same views on this. If some of these norms reflect principles that are rooted in more universal understandings of justice, such as fair returns to labor and respect for the dignity of workers, they may have considerable resonance with the workers they are intended to support. Our survey allows us to explore this question further.

We asked the workers in our survey which aspects of wages and working conditions which feature routinely in the CSR debates they considered to be 'very important' or 'important', which 'did not matter' and which fell into the category of 'don't know'. Their responses are reported in Table 3. For many of these priorities, there was either little variation, or very little systematic variation, by AA affiliation and factory size, suggesting that the ranking of priorities was widely shared, regardless of factory type[12].

If we order these issues in order of the percentages that regarded them as 'very important', then highest priority was given to job security followed by healthy and safe environment, socially acceptable wage and paid leave: over 65% consider them to be 'very important' and over 95% consider them to be 'very important or important'. By contrast, the issues that were least likely to be considered 'very important' were 'not having to work excessive hours' (30%); gender discrimination (20%); and the right to join a trade union and collective bargaining (2%).

These responses are worth reflecting on. Studies of the experience of poverty in developing country contexts have noted that while people in poverty may have many different needs and priorities, their proximity to the margins of survival requires them to prioritize livelihood issues, issues of survival and security (Chambers, 1988; Kabeer, 1989). It is often only after their basic needs have been met that they are able to pursue other, often more intangible goals. In fact, this was only partly borne out by earlier studies of garment workers in Bangladesh[13]. These suggested that while workers did generally prioritize practical concerns with survival, security and standard of living, they also cared about justice-related issues, particularly with regard to how they were treated. Priorities sometimes varied by gender. The 1990 survey cited earlier (Paul-Majumder and Zohir, 1996) found that the reason most frequently given by male workers for satisfaction with their jobs was high wages (25%) while the reason most frequently mentioned by women was good behavior of management (22%). The second most frequently mentioned reason by both men and women was the fact of having a job (23% and 17% respectively). A 2001 survey with women in the RMG sector (Kabeer and Mahmud,

2006) found they gave highest priority to the level of wages and timely payment of wages and overtime. This was followed by provision of meals at work (EPZ workers) and respectful conduct of management (non-EPZ). A survey of garment workers retrenched after the post 9/11 decline in orders found that most wanted to continue working in the garment sector because it offered higher and more stable incomes than other jobs available to them (Sidique, 2003).

In a more recent survey of women in the garment sector, Sen (2014) found that low wages were the main reason why they had left their previous job (60%) followed by 'bad behavior' (11%) and 'bad environment' (10%) by which they mean dirty, hot, poorly-lit overcrowded conditions and lack of toilet provision. On the other hand, a small qualitative study of 20 mainly women workers from the garment sector carried out by Mariani and Valenti (2013) for the Fair Wear Foundation reported that 15 of them stated that wages were the most important of workers' rights, more important than other issues related to working conditions. Very few of the workers they interviewed knew about unions or questioned gender discrimination within the factory, either in terms of wages paid or in promotion prospects.

The responses to these questions in our survey suggest a combination of these earlier priorities with priorities that have emerged over time. Both job security and adequate wages were identified as priorities in earlier studies. They are important for the workers' own survival needs - many came from poor backgrounds – and for the wellbeing of their families - 75% of the workers in our study reported sending money home. The high priority given to health and safety of the environment is worth noting as it has not featured very prominently in the earlier discourses about the garment sector – either among workers or among the general public. What has featured instead has been 'bad environment' in the sense discussed above. The new significance of health and safety is likely to reflect the high level of attention given to this issue since Rana Plaza. Paid leave also has not featured prominently in the past but, as we see below, it is now a widespread practice across the sector and has clearly become an expected aspect of working conditions.

Gender discrimination, on the other hand, is ranked very low: only 20% of workers considered it 'very important', although this varied between 21% in AA-affiliated factories and just 11% in non-affiliated ones. While 59% said it was important, 20% said that it did not matter. This apparent indifference may reflect a patriarchal culture in which both men and women believe that men deserved higher wages because they were more able, because they were primary breadwinners or simply because they were men. It may reflect the fact that for those struggling to earn a living, gender equality is low down on the list of priorities. Or it may simply reflect the fact that it was too abstract a concept to explore through a survey questionnaire.

The ambivalence associated with 'excessive hours' is worth noting. This is an issue that has considerable prominence in the CSR discourse about the garment sector but seems to play out differently among workers. The fact that a third of the workers in our study consider it to be very important, a third consider it to be important and a third said it did not matter is probably an accurate reflection of divided opinion among workers: some may welcome it as a means of increasing earnings in an industry with low salaries while others find the demands on their time oppressive.

Finally, the extremely low priority given to trade unions/ collective bargaining rights is in line with the view expressed in the wider literature that trade unions have failed to make much headway in the garment industry (see, for instance, Moazzem and Azim, 2018). In our survey, only 12% of workers considered the right to form trade unions to be either very important or important. 41% said it was

not important. On the other hand, a further 41% said they did not know. In other words, while the disruptive and partisan nature of trade union politics may partly explain the low priority given to this issue by workers, it may also reflect the absence of trade unions from most garment factories. In addition, many of these workers have migrated relatively recently from the countryside where there is very little tradition of trade unionism: they may simply not know what trade unions are or what they are meant to do nor do they have a strong sense of worker identity[14].

To sum up, our findings only partly support the conclusion reached by Mariani and Valenti that 'while workers are very aware of the matter of wages, they are less concerned about other issues that could, not only improve their daily work-life, but could also positively contribute to their earnings'. While it is true that the workers in our survey continue to attach high priority to wages and job security, a long standing concern, we find that they prioritized other issues as well, increasingly echoing international concerns. For instance, it is clear that concerns with health and safety resonate more strongly with workers than they did before, perhaps reflecting the influence of AA efforts. Other issues, such as the entitlement to paid leave, have also grown in importance over time. At the same time, they did not appear to attach a great deal of significance to some of the issues that have received a great deal of attention in the international CSR discourse, the question of trade union rights in particular but also gender equality.

3. Wages and working conditions: exploring differences between affiliated and non-affiliated factories

3.1 Wages and working hours

We now turn to different aspects of the working conditions prevailing in our survey factories in order to establish whether they differed between AA affiliated factories and non-affiliated ones. We begin with **wages**, given that levels and regularity of wages have featured in most studies, as well as in our survey, as the most important priority of workers. The issue of wages also ranks very high in the concerns of employers but in the reverse direction. Given that the competitive advantage of the RMG sector in Bangladesh lies in its low costs of labor, employers have persistently resisted efforts on the part of workers to raise wages, resisting trade unions and using their considerable influence with the government to keep the minimum wage at very low levels.

The minimum wage for unskilled workers in the sector was first set at 930 takas a month ($23.25) in 1994 and remained frozen at that level for over a decade until massive protests by workers in May 2006 over, among other issues, the question of wages, forced change. As Rahman and Langford (2012) have noted, although the mainstream unions largely neglected the RMG sector since its early years, various other kinds of organizations, some funded by international unions and networks, others local in origin, have been active among garment workers, helping to build greater awareness of their rights. The massive protests by thousands of RMG workers in 2006 was led by two independent leftist unions who had been involved in the incidents that precipitated the initial strikes and were able to rapidly mobilize militant mass action on a scale never previously seen in the Bangladesh RMG industry.

The government responded to these protests by setting up a minimum wage board which raised the minimum wage to 1,662 takas (around $24.80) in 2006. Minimum wages were raised again to 3,000 takas ($43.40) in 2010 and then to 5300 takas ($65) in 2014. Each raise was preceded by a period of

agitation by workers (Ahmed and Nathan, 2014). Despite these increases, minimum wages in Bangladesh have remained the lowest among the major apparel-exporting countries (ILO 2014).

Table 4.1 reports on the earnings of the workers in our survey disaggregated by factory size and AA affiliation. Monthly earnings are made up of basic salary, overtime earnings and any bonuses that a factory may offer. For the workers in our survey, the mean basic salary reported for the past month was 7299 takas rising to 8669 takas with overtime payments and 8993 takas with attendance bonus (the main form of bonus paid). Average basic salaries in our sample were thus higher than the prevailing minimum wage of Tk. 5300, even in the small non-AA affiliated factories[15].

But these salaries fall short of various estimates of the 'living wage' that attempt to account of the effects of inflation on the cost of living. These vary from the Asia Floor Wage estimate of 36,385 takas a month ($454) to the Fair Labor Association estimate of 7,797 takas a month ($97). The divergence between the wages received by many of the workers and even the lower estimates of the living wage probably explains why only 45% of the workers in our survey believed that they received fair returns to their work, returns commensurate with their contributions. These percentages were even lower in smaller factories than large ones and in non-AA affiliated factories than affiliated ones.

Along with dissatisfaction with level of wages, earlier studies had documented other pay-related complaints by workers: refusal to promote workers or offer salary increments, irregular payment of salaries and overtime, with managers often keeping back salaries for indefinite periods ('wage theft'), as well as low and uncertain rates of overtime pay (Mahmud and Kabeer, 2006; Human Rights Watch, 2015). These represented various mechanisms through which management sought to cut costs and discipline workers. As Table 4.1 shows, there has been considerable improvement in these practices although at an uneven pace. While 90% of workers reported receiving their salary within the first 10 days of the month, 98% reported annual salary increments and 94% got their salaries and overtime payments at the same time; in all cases, workers in larger factories were more likely to report these results; for each factory size, AA affiliation was associated with better outcomes.

The ***length of the working day*** has received considerable attention in the CSR literature on export garment manufacturing because long overtime hours are widely prevalent in the sector (Locke, 2013). The 2006 Bangladesh Labour Law stipulates that the daily work shift cannot exceed 8 hours while the upper limit to overtime is 2 hours. In reality, competitive pressures to meet the delivery deadlines imposed by lead firms translate into pressure on workers to meet daily production targets so that course to overtime is common. The average hours of work a day reported in our survey was 8, varying very little across different categories of factories or by AA affiliation (Table 4.1). The average amount of overtime when work pressure was high was 3.3 hours, which goes over the legal limit. This too did not show any systematic variation by factory size or AA affiliation, suggesting both are endemic to the industry. Also important to note is that 83% of workers in the survey reported that overtime was compulsory. This did not vary a great deal across factories.

We had noted in Table 3 that there was some division of opinion among workers on the significance they attached to excessive hours of work. This division of opinion was reproduced in response to a question asking workers how satisfied they were with their hours of work with a third declaring themselves satisfied, a third saying that they were neither satisfied nor dissatisfied and a third declaring themselves dissatisfied. A quick check suggested that this division of opinion did not reflect variations in hours worked, with or without overtime. Instead, variations in satisfaction are

likely to reflect other factors such rates paid for overtime, timeliness of payment and whether workers had family responsibilities.

Tables 4.2 and 4.3 report on the results of the regression analysis using first a basic and then an extended model. The explanatory variables for the basic model were AA affiliation, factory size (a dummy variable for small factories) and the interaction between the two. The extended model added worker characteristics: gender (a dummy variable for female workers), education levels (dummy variables for primary, secondary and post-secondary, with zero education as reference category) and years of experience in the industry.

The indicators used to capture different aspects for wages and working hours for the regression analysis were:

- Mean basic salary
- Mean earnings including basic salary and overtime
- Mean earnings including basic salary, overtime and bonuses
- Dummy variable for workers who considered their salaries to be fair.
- Mean number of hours, including overtime, worked the previous day
- Dummy variable if overtime was compulsory in the factory
- Dummy variable if workers were either satisfied or neutral about their hours of work.

The results of the basic regression suggest that there were no significant difference between AA and non-AA factories as far as basic salaries and working hours were concerned. Significant differences in earnings only emerged once overtime payments and bonuses are added to basic salaries. Since there were no significant differences in working hours (which includes overtime hours), and overtime was compulsory for both AA and non-AA factories, this suggest that AA factories paid higher rates of overtime and bonuses. Workers in medium and large factories earned an additional Tk 800 to Tk 1,000 per month if they were working in AA affiliated factories compared to non-AA medium and large factories. However, this difference between AA and non-AA factories was much smaller in small factories (by around 300 takas). Workers in AA-affiliated factories were 17 percentage points more likely to believe that they earned a fair wage than those in non-AA factories and were also more likely to report satisfaction with their working hours. Factory size did not appear to make much difference to these results, but the interaction term suggests that the more favorable conditions observed in AA coefficients were primarily driven by medium and large factories. For example, the 18 percentage point difference in belief of salary and overtime payments being fair was washed out in small factories with the interaction term being 21 percentage points.

The results of the extended regression model do not alter the basic findings for AA affiliation except workers in AA affiliated factories now report lower hours of work. This appears to be a result of including gender in the analysis. The table suggests that while women were more likely to report compulsory overtime than men, they worked fewer hours (by about 20 minutes on average). This odd result may reflect the greater prevalence of piecework in male-dominated knitted fabric production. Women earned lower salaries than men, whether basic or supplemented by overtime and bonuses, but were more likely than men to express satisfaction with their salaries, an indication perhaps of their lower reservation wage. There was no gender difference in terms of satisfaction with working hours.

Education, particularly at secondary and higher levels, as well as years of experience in the garment sector were both associated with higher basic and overtime earnings, an intuitively plausible result.

As far as the subjective indicators were concerned, we find that workers with post-secondary education were more likely to express the belief that their wages were fair, perhaps because they earned considerably more than other workers, while those with longer experience were less likely to express satisfaction with their hours of work.

3.2 Working conditions: job security and paid leave

According to Table 3, both **job security** and **paid leave** ranked high among workers' priorities. The 2006 Labor Law made it compulsory for employers to issue appointment letters to all workers, to issue an identity card to each worker and to upgrade workers to permanent status after they had completed the agreed period of probation, usually a year. The law also entitled workers to one day holiday in the week; 10 days of paid holiday in the year, 11 days festival leave, 16 weeks of paid maternity leave and up to 14 days paid sick leave. These provisions contribute to both workers' job security, occupational mobility and wellbeing.

Written appointment letters serve as a de facto contract, specifying terms and conditions and enabling workers to prove their status as employees with the full rights of employees. The significance of ID cards is that they are proof of employment, should workers seek enforce of their rights in the labor courts. They also record the workers' expertise and experience and hence allow them to bargain for appropriate wage levels when they move to new factories. Permanent status is important because it entitles workers to full legal rights, including written notice of dismissal or wages in lieu. And finally, entitlement to holidays and paid leave, along with the length of the working day, allow workers to balance their work commitments with their family life.

Table 5.1 provides descriptive statistics on these indicators. Over 95% of workers reported that they had permanent status with little systematic variation by factory size or affiliation. 95% of factory workers had ID cards but this varied by both factory size and AA affiliation from 100% in large AA affiliated factories to just 70% in small, non-AA affiliates. Only 62% of the workers in our survey had written letters of appointment, with considerable variation by factory size and AA affiliation: 75% of workers in large factories with AA affiliation reported appointment letters compared to 21% of workers in small non-affiliated factories.

These results suggest considerable progress compared with earlier studies. The survey carried out in 1990 reported that none of the workers, men or women, had letters of appointment while only 30% described themselves as having permanent status. The 2001 survey of women workers within and outside EPZs reported that 30% and 8% respectively had permanent status while 64% and 1% respectively had written contract letters. The widespread reliance on casual and temporary workers earlier times is not difficult to understand: in an industry with very irregular flow of orders and fast changes in fashion, employers needed a highly flexible workforce that could be hired and dismissed in response to the fluctuations in the flow of orders. The growing stress on compliance over the years suggests that this is less possible in the industry today.

In order to capture whether these formal provisions gave workers a greater sense of job security, we asked them if they believed that they could be fired at any time. Around 37% of the overall sample believed that they could be fired at any time, with 34% of workers in AA affiliated factories expressing this belief compared to 50% of those in non-affiliates. This question has not been posed in previous surveys to make quantitative comparison with the past but previous studies have documented considerable insecurity regarding employment (Kabeer and Mahmud, 2004a). So while job insecurity clearly remains a problem, the fact that over half the workers do not believe that they

can be arbitrarily fired and that affiliation with AA increases this sense of job security within both small and large factories can be taken as a sign of improvement.

Table 5.1 suggests that paid leave varied from 79% in small factories to 96% in the large ones while maternity leave varied from 62% to 99%. Both were also likely to be higher in AA affiliated factories. These figures are higher than earlier studies. For instance, according to the 1997 survey, 58% of workers in EPZs and 27% in factories outside EPZs reported paid leave while according to the 2001 survey, the figures were 76% and 37%. The Fair Wear Foundation study found that many workers were not even aware of their entitlement and had not been enlightened by their employers. Only half of 988 women interviewed for a report by War on Want (2011) stated that some form of maternity leave was provided in their factory, 474 had been denied any provision when pregnant while only 24% had accurate knowledge of their entitlement.

Regression analysis was carried out on selected indicators of job security and paid leave. These were:

- an index of job security (based on whether the worker had received written letters of appointment and possessed an identity card so value ranged from 0 to 2);
- a social benefits index (based on whether they reported paid leave and maternity leave so value ranged from 0 to 2);
- a dummy variable for workers who believed they could be fired at any time.

The basic regression model suggests that AA affiliation was positively associated with both the indexes while reducing the likelihood that workers believed that they could be fired at any time. Smaller factories reported lower values for both indexes but factory size did not appear to affect perceived job security. The results for the interaction terms suggests that the positive association between AA affiliation and both the two indexes varied by scale of firm, with weaker association in small factories compared to large ones.

Table 5.3 presents the results of the extended regression model. The addition of explanatory variables does not affect the positive association between AA and both job security and social benefits nor its negative association with the perception of job insecurity. The effects of factory size and its interaction with AA also remain unchanged. Women are more likely than men to report benefits, possibly because they are more likely to be entitled to maternity benefits. Post-primary education levels matter for job security while post-secondary education is likely to be also associated with social benefits and greater perceived job security. Years in the RMG sector appears to reduce the likelihood of benefits.

3.3 Working conditions: health and safety

The question of **health and safety** in factory conditions have come onto the radar of the key industry stakeholders in a big way after Rana Plaza. Earlier studies had tended to concern themselves with the effects of long hours of work in overcrowded conditions on the health of workers rather than with infrastructural safety conditions. The few that did pay attention to national legislation on factory conditions noted widespread violations. For instance, the 1990 survey found that safety equipment and precautions were largely unknown in the garment industry. The 1997 survey noted a complete absence of fire exits for workers although 30% of factories had emergency exits intended for management. Where factories did report medical care and first aid kits, these were generally grossly inadequate (Paul-Majumder and Begum, 2006).

The UK Parliamentary group set up after Rana Plaza (2013) drew attention to the succession of audits over the years that had routinely encountered examples of violations: 'In lesser infringements, fire extinguishers may be out of date or exit routes may be blocked. More serious misdemeanors may see gates between floors locked, significant overcrowding on the factory floor, windows barred, and electrical equipment exposed' (p. 23). But despite a series of deadly accidents in the garment sector prior to Rana Plaza, both buyers and suppliers had turned a blind eye to these hazardous factory conditions. Furthermore, these audits generally did not consider the structural integrity of buildings as a source of risk, focusing instead on the internal conditions of the factory (Barrett et al. 2018).

This changed after Rana Plaza. An amendment to the national labour law in 2013 introduced explicit provisions to improve structural safety in the work place. It also required the setting up of Health and Safety Committees in all factories with 50+ workers to co-ordinate efforts by workers and managers to create and maintain a safe workplace (Khan and Wichterich, 2015). Worker representatives on the committee were to be drawn from trade union members in the factory or appointed by members of the Worker Participation committees (see below). In addition, the Accord and Alliance agreements focused very centrally on health and safety conditions.

According to the results of our survey, these provisions have had effect (Table 6.1). Around 90% of workers in our survey reported an SC in their factory and around 85% had received health and safety training. Factory size and AA affiliation increased the likelihood of both. The widespread nature of this training is likely to explain the high priority to health and safety issues reported by workers in Table 3.

We asked workers a number of questions to elicit their subjective perceptions of safety. The overwhelming majority of workers (95%) said that they felt safe working in their present factory, with workers in small, non-affiliates least likely to report this (88%). In addition, 90% of workers in our survey said they could refuse to go into a building if they thought it was not safe, varying from 84% in small factories to 93% in the large ones.

The regression analysis included the following outcome variables:

- a dummy variable for workers who reported a health and safety committee (HSC) in their factory
- a dummy variable for workers who had received health and safety training
- a dummy variable for workers who believed that their factory building was safe
- a dummy variable for workers who said that they could refuse to enter a factory if they believed it to be unsafe

The results of the basic regression model are reported in Table 6.2. It suggests that workers in AA affiliated factories were more likely than those in non-affiliated factories to report HSCs in their factories, more likely to report training in health and safety and more likely to believe that their factories were safe. Workers in non-AA small factories were less likely than those in large ones to give positive reports on any of these indicators. However, the positive associations of these indicators with AA affiliation is equally strong in small factories as they are in medium/large factories.

The addition of further explanatory variables did not change the likely effects of either AA affiliation or factory size or their interaction. Gender only mattered in that women were more likely than men to say that their factory was safe and less likely than men to refuse to enter a factory that they did not believe was safe. Higher levels of education were associated with the greater likelihood of HSCs but did not make a significant difference to likelihood of training or the subjective measures of safety. Finally, those with longer experience in the industry were more likely to report an HSC in their factory but less likely to believe that their factory was safe. Thus while there is variation in the belief that factories are safe, most workers, regardless of AA affiliation, factory size and education, say that they can refuse to enter a factory they believe to be unsafe. The fact that women are less likely to express this belief than men suggests that the training they have received has not been sufficient to overcome the implications of their weaker bargaining power vis a vis employers.

3.4 Awareness, representation and voice

We turn now a concern expressed by a number of labor activists and organizations that the focus on health and safety in the AA multi-stakeholder initiatives has pushed concerns with workers' voice and representation to the sidelines[16]. In fact, while the main focus of the Accord and Alliance initiatives may have been on health and safety, pressure by various stakeholders on both government and industry to improve workers' voice and representation has been fairly steady in recent decades and gained fresh impetus after Rana Plaza. This renewed interest reflects the widespread nature of the view expressed in Human Rights Watch (2015) that 'if workers at Rana Plaza had more of a voice, it is entirely possible that the circumstances that led to the thousands of deaths and injuries could have been prevented' (p.4).

Of particular importance were amendments to the 2006 Labor Law adopted as part of the EU-led Sustainability Compact which sought to improve mechanisms for workers' voice and representation. One of these amendments made union registration easier, although restrictions remained[17]. The number of unions seeking registration has increased considerably since the Rana Plaza disaster. As of 2015 there were 464 factory trade unions in Bangladesh of which 323 had been registered since the accident (Labowitz and Baumann-Pauly, 2015). However, recent estimates cited by Zajak (2017) suggest that only 200 were active at the time of her research while 90 were no longer active as the factories had shut down. Animosity towards unions on the part of factory owners remains strong and union activity continues to be blocked by the BGMEA, very often with the backing of government (Siddiqui and Uddin, 2016).

Also of importance were amendments to 2006 labor law on Workers' Participation Committees to make them more democratic. The WPCs had been set up to include representatives of both management and workers in order to provide a platform for social dialogue, particularly important in the absence of trade unions. The 2006 law had stipulated that Workers' Participation Committees should be set up in any factory with 50+ workers, half of whom could be either nominated by union leaders or elected by workers. In practice, these appeared to have been mainly nominated by employers (International Federation for Human Rights, 2008). The 2014 amendment required open election of workers' representatives to WPCs.

Table 7.1 explores the distribution of awareness, voice and representation among workers. It is indicative of the relative visibility of international initiatives on labor standards compared to that of government that 71% of the workers knew about codes of conduct but only 40% knew about the country's labor laws. Most of the workers said that they had learnt about the codes of conduct from posters and information provided by management, dissemination practices that do not seem to be

extended to information about the country's labor laws. It is also indicative of the current priorities of AA initiatives that while the vast majority of workers (85%) had undergone training in health and safety, only 6% of the said that they had received training on rights, negotiations and collective bargaining.

At the same time, it is important to note that the figures on knowledge of labor laws in the survey suggests an increase in the levels of awareness compared to earlier studies. In the 1990 study, only 8% of the workers surveyed were aware of the labor laws while 24% knew of some of the laws. According to the 2001 survey, 23% of garment workers in EPZ factories and 18% outside the EPZs had heard of these laws.

To explore the issue of voice and representation, we asked workers about the role of trade unions and WPCs in their factories. Only 4% of the workers said that there was a trade union in their factory, varying between less than 1% in small factories and 4% in large ones[18]. 35% of the total sample said that there was no trade union in their factory and, tellingly, 61% said they did not know. None of them were associated with a trade union outside the factory.

The absence of trade unions has been documented by other recent studies. According to a CPD RMG survey of 3596 workers carried out in 2016, only 3% reported a trade union in their factory (Moazzem, 2018). It is clear that there has been very little progress on this over time. The 1990 survey cited earlier found that around 2% out of 671 garment workers reported a trade union in their factory.

By contrast, 78% of workers said that there was a Workers' Participation Committee in their factory but this varied from 89% of AA-affiliated factories to 27% in non-AA factories and from 41% in small factories to 93% in large factories. Also significant is the fact that 80% of the sample said that members to the WPC were elected rather than, as in the past, nominated by management. Since elections to WPCs were only made mandatory in 2014 after Rana Plaza we can assume this is a relatively recent change. Workers in large factories were most likely to report elections while workers in AA affiliated factories were more likely to report elected representatives, both overall and within each factory size.

Further evidence of voice and representation is provided by workers' reports on the role played by the WPCs. 83% of workers agreed that they could openly express their views to the WPC; 77% said that the WPC looked out for their complaints; 64% believed that the management gave the WPCs importance; 66% believed that the committees were effective while 66% believed that it gave satisfactory solutions. We developed a WPC effectiveness index based on positive responses to these questions, the value of which went from 0 to 5. The mean value for the index was 2.8, with higher values for larger, AA affiliated factories.

The regression analysis was carried out on the following outcome indicators:

- a dummy variable for workers who knew the national labor laws
- a dummy variable for workers who knew the factory's code of conduct
- a dummy variable for workers who reported a WPC in their factories
- a dummy variable for workers who reported election to WPCs
- a dummy variable for WPC effectiveness index greater than 3.

The results of the basic regression model shows that affiliation with AA is positively associated with various indicators of awareness, representation and voice: with knowledge of codes of conduct and labour laws, with the likelihood of a WPC in the factory, with election to WPCs and with the WPC effectiveness index (Table 7.2). These various indicators did not vary by factory size but the interaction with AA affiliation suggested that the positive association between AA affiliation and both the likelihood of a WPC as well the WPC effectiveness index was weaker in small factories. Workers in AA affiliated factories has similar level of higher knowledge about labor law (by 9 percentage points) or code of conduct (by 17 percentage points) compared to their counterparts in non-AA factories irrespective of factory size.

Turning to the extended regression model (Table 7.3), we do not find much change in the results for AA affiliation, factory size or the interaction term. Gender does not make much difference except that women are less likely to know the labor law than men. Years of experience serves to increase knowledge of both labor law and codes of conduct but does not have other significant effects. Education, however, makes a considerable difference to our indicators of voice and representation, with a positive association between knowledge of labor laws and codes of conduct, the likelihood of a WPC in the factory and with the WPC effectiveness index.

3.5 Relationships and attitudes.

We have explored both objective measures and subjective evaluations of different aspects of wages and working conditions, focusing in particular on those that are either mandated by the country's labor laws and/or covered by corporate codes of conduct. However, some aspects of working conditions, specifically relationships and behavior within factories, while critical in shaping the work experience and future work intentions, are extremely difficult to regulate and do not appear in the codification of labor standards at national, corporate or international levels. For instance, earlier studies have pointed out how relations within the factory reproduce the social hierarchy of class and gender which characterized the wider society in Bangladesh (Kabeer, 2000). These not only place poorer, less educated and frequently female workers in the worst paid, dead-end jobs within the factory – in our survey, women earned less than men, worked longer hours and were more likely to report compulsory overtime - but allow them to be disciplined through various forms of abusive behavior (Awaj Foundation, 2016). We explore how these power relations operated for the workers in our survey and what future they see for themselves within the industry.

Table 8.1 suggests that misbehavior and abuse continue to be widespread, but that some forms were both more widely reported than others and also appeared to occur more frequently than others:

- 89% of workers reported the incidence of verbal abuse within their factory (81% said it occurred frequently;
- 63% reported the incidence of humiliating behavior (24% said it occurred frequently)
- 43% reported threats of various kinds, such as dismissal, cutting pay (17% said it occurred frequently;
- 20% reported physical abuse (7% said it occurred frequently)

Around 75% of workers reported direct experience of some of this behavior. Once again, verbal abuse was most widely experienced (87%) followed by humiliating forms of behavior (68%), use of threats (46%), regulated toilet breaks (24%) and physical abuse (24%). Patterns of abuse, either perceived or experienced, did not appear to vary systematically by factory size but was generally less likely to be reported in AA affiliated factories.

The main reasons given for mistreatment were making mistakes (77%), failure to meet production targets (61%), working too slowly (33%) and absence from work (22%). Pressure to meet deadlines thus seems to be a key factor in driving misbehavior. 80% of the workers singled out supervisors as most verbally abusive while 9% singled them out as the most physically abusive.

Worth noting is that, despite findings of widespread sexual harassment within the factories reported by some studies, only 11% reported its incidence, only 1% reporting its frequent occurrence, 8% said that an incident of sexual harassment had been raised with management (this rose to 21% among small factories affiliated with AA) while around 5% reported experiencing it on their way to work.

Similarly low percentages were reported in surveys by Zohir and Paul-Majumder (1996) and Begum et al (2010). The Awaz Foundation survey of 1007 workers in 2015/16 also found high levels of verbal abuse (67%), 'bad behaviour' (15%) and physical violence (3%) but made only a passing reference to 'sexual insinuations'. A recent CPD study also found that only 7% of workers had heard of physical sexual harassment in their current factory, 5% said it rarely happened and less than 1% said that they had faced physical sexual harassment themselves (Moazzem, 2018). It may be that surveys are not a useful method for collecting data on sexual harassment. Certainly, more detailed qualitative reports give higher estimates. The report by War on Want cited earlier carried out a series of interviews with 988 women from 41 garment factories over a period of six months in 2010: it found that 297 reported sexual advances and 290 spoke of inappropriate touching[19].

Table 7.1 also reports on the levels of satisfaction reported by workers with various aspects of their current work and working environment. The order of frequency with which satisfaction was reported was building safety (94%); internal safety (93%), environment (93%), timing of salary payment (79%), opportunity to complain (65%), behavior of management (62%), job security (59%), salary and bonus (46%), working hours and overtime (29%), opportunity for promotion (27%), production targets (27%) and opportunity for training and skill development (24%). Finally, around 57% expressed overall satisfaction with their jobs. We created a satisfaction index based on positive responses to these questions, with value ranging from 0 to 12. The mean value for the sample was 7. In general, satisfaction was higher in the larger factories and among those that were AA affiliated.

We asked workers their views about a number of statement describing the nature of relationships between workers and management. 49% of workers subscribed to the view that 'factories had rules which workers should know and follow', subscribing to a 'hierarchical model' of factory relations. 28% of workers said that they had to follow the rules because they were fortunate to have jobs, what we might describe as a 'clientilistic understanding' of their position based on their awareness of the precariousness of the job market. 14% said that 'management treated workers like family' a 'paternalistic' model of worker-management relations while just 9% reported a democratic model in that they believed 'management consulted workers'. The very low percentages who believed that workers were treated like family members is in sharp contrast to 70% of the 143 managers interviewed for this project who expressed the belief that they treated their workers like family (Frenkel et al. 2017).

There is, of course, a long-standing tradition of paternalism within the factory environment, noted in earlier studies, with managers frequently portraying women workers in particular as their daughters (Kabeer, 2000). The change is that in earlier studies, many workers also attempted to portray factory relations in terms of fictive kin, partly to make claims on factory managers but also to defuse public

perceptions about men and women working together in a factory. Workers were now less likely than management to express the view that relations within the factory had a familial quality to it.

Finally, we asked workers about their future plans with regard to the industry. 75% of workers said they were either definitely or strongly likely to stay on for at least another year, a possible indicator of job satisfaction. Workers in large factories and in AA affiliated factories were more likely to express this view. However, the mean number of years that workers planned to stay on in the industry was 3.5 and did not vary systematically by factory size or AA affiliation. Given that the mean number of years workers have been in the industry was 5.6, this suggests a working life of around 9 years in the industry.

The regression analysis was carried out on the following indicators:

- a dummy variable for workers who expressed overall satisfaction with their working conditions
- a dummy variable for workers who say that they have experienced abuse, misbehavior or harassment in their current factory
- a dummy variable for workers who believed factory rules had to be obeyed
- a dummy variable for workers who believed that they had to follow rules as they were fortunate to have a job
- a dummy variable for workers who believed that they were treated like family
- a dummy variable for workers who believed that they were consulted by management
- Whether worker planned to stay on in current factory for next 12 months

Table 8.2 reports on the results of the basic regression model. Starting with their experiences, we find that AA affiliation was positively associated with the satisfaction index and negatively with the likelihood of the experience of mistreatment. Workers in small factories, somewhat unexpectedly report lower levels of mistreatment but do not vary in their levels of satisfaction. The interaction coefficient suggests that the positive effect of AA affiliation on satisfaction levels is weaker in smaller factories while the likelihood of mistreatment is stronger. For example, AA affiliation among medium or large factory workers is associated with 8 percentage points higher likelihood of reporting that they are consulted by management. This difference is about half (by 4 percentage points) by AA affiliation within small factories.

As far as attitudes to relations with management were concerned, workers in AA affiliated factories were less likely than those in non-affiliated ones to subscribe to the clientilistic model and more likely to subscribe to both the paternalistic and democratic models. Factory size did not make much difference to these attitudes although the interaction term suggests that smaller factories affiliated to AA were more likely to subscribe to the clientistic model than the larger ones. Finally, workers in AA affiliated factories were more likely than those in non-affiliated ones to say that they planned to stay at least another 12 months in their current factory although this was less likely to be the case with workers in the smaller factories.

The extended regression model does not change the results for AA affiliation, factory size and the interaction term for the different indicators of relationships and attitudes within the factory. There is some difference by gender: women were more likely than men to consider themselves lucky to have a job and more likely to plan to stay in their current factory for at least the next 12 months. Both are likely to be indicative of their more limited job opportunities relative to men. Education also makes a difference but more so at higher levels. While workers with education are more likely than those

without to describe factory relations in democratic terms and to plan to stay on at least another year in their current factory, those with secondary or higher education were also more likely to express satisfaction with their working conditions, with lower likelihood of abuse and to believe that they are treated like family. Years of experience does not appear to make much difference to reports of experience and attitudes.

4 What difference have the Accord and Alliance initiatives made?

4.1 Workers' perspectives

Our analysis so far supports what past studies have found: that working conditions tend to be better in the larger garment factories, which are more likely to be registered, regulated and dealing directly with international buyers, than they are in the small factories that frequently work on a sub-contracted basis. The comparison with past studies also suggests that many aspects of working conditions, particularly in the large and medium factories, have undoubtedly improved over time. Finally, our analysis finds that factories affiliated with AA are significantly and positively associated with a number of objective and subjective indicators of earnings, working conditions and wellbeing, independent of factory size[20].

The cross-sectional data on which our analysis depended means that we cannot attribute the better wages and working conditions in AA affiliated factories to the efforts undertaken by these agreements. It equally possible that AA signatories were already working with factories with better working conditions. We therefore turn to the questions in our survey which sought out workers' own views about change to help us with the issue of causality. The first question asked whether the workers in our survey who stated that they were affiliated with AA had seen any changes in working conditions since its affiliation with AA. The second asked whether they had seen any changes in the current factory since Rana Plaza. However, as we noted earlier, many of the workers did not actually know whether their factory was affiliated to AA or not and indeed many had not heard of AA. On the other hand, 99% of workers in the survey had heard of Rana Plaza and 10% knew someone who had died or been injured. We have therefore focused on their responses regarding changes in their factory in the aftermath of Rana Plaza and sought to establish whether these reported changes were associated with their factory's affiliation to AA.

The question about perceived changes since Rana Plaza was asked in relation to a range of different aspects of health, safety, working conditions and behavior. Their responses could vary between 'improvements', 'deterioration' or 'no change' in relation to any of these aspects (Table 9.1). In order of the frequency with which they were mentioned, positive changes were most likely to be mentioned in relation to health and safety issues: a healthier working environment (87%); building safety (85%) and improved safety training (83%). The frequency of positive changes reported for other issues varied considerably: the opportunity to complain (65%); timely payment of salary (63%); salary and benefits (59%); behavior of supervisors (57%); behavior of managers (56%); job security (47%); opportunities for training and promotion (26%); and sexual harassment (13%). A *deterioration* in conditions was most likely to be reported in relation to overtime (40%) job security (11%) and opportunity for training (11%). For all other conditions, less than 10% reported deterioration, with higher percentages reporting absence of change. We see therefore that improvements were most likely to be report for health and safety conditions, the issues prioritized by AA, and least likely to be

reported for overtime hours, job security, sexual harassment and opportunities for training and promotion.

In order to explore further whether we can attribute reported changes to the efforts initiated by the Accord and Alliance we carried out regression analysis to estimate the strength of the association between these different changes and AA affiliation, while controlling for other possible direct or mediating influences. Factory size and its interaction with AA affiliation are clearly examples of such influences. We used direct interaction with factory inspectors, most of whom are likely to be associated with Accord and Alliance oversight, as an indicator of pro-active behavior on the part of inspectors. We also hypothesized that the WPC effectiveness index, which measures workers' voice and representation in the factory, is likely to drive improvements in the work place. And finally we would expect workers who joined their factory before Rana Plaza would be more aware of changes that had taken place since then.

The main results of our regression analysis, (reported in Table 9.2) can be summarized as follows:

Workers in factories with AA affiliation were significantly more likely than those in non-affiliated factories to report improvements in building safety, healthiness of environment, safety training (all central to AA initiatives), opportunities for complaint, opportunities for training, timeliness of payments and sexual harassment. They were significantly less likely to report improvements in behavior of supervisors while differences in terms of overtime hours, management behavior, job security and opportunities for promotion were not significant.

Workers in smaller factories were less likely to report improvements in building safety and (unexpectedly) more likely to report improvements in management behavior but otherwise did not vary significantly in their reports from workers in larger factories. The interaction term with AA affiliation suggests that the positive impact of AA in reported improvements in safety training, timeliness of payment and opportunities for training was significantly weaker in small factories. On the other hand, the unexpected positive finding of greater improvement in management behavior in smaller factories seems to be weaker in those affiliated with AA. No significant difference is observed by AA affiliation among medium and large factories.

- Direct interaction with inspectors by workers in the past year was positive associated with improvements in health and safety conditions, management behavior, timeliness of payment, job security and sexual harassment.
- The results for the WPC effectiveness index are particularly striking. Workers who reported more effective WPCs reported positive changes in ***all*** our indicators of change. In other words, setting up mechanisms for workers' voice within factories is only a first step in bringing about improvements in their working conditions. What matters more is building up the effectiveness of these mechanisms to respond to workers' grievances.
- Finally, as expected, workers who had joined their factory before Rana Plaza were more likely to report improvements in health and safety conditions, opportunities for complaint, opportunities for training and promotion and timeliness of payments.

The survey asked workers what they believed were the three most important reasons why their factory had made these changes (Table 8.3). 88% believed it was pressure from buyers, while an additional 31% explicitly identified Accord or Alliance. Given that many workers had not heard of

Accord and Alliance, even those in factories affiliated to these initiatives, it is very possible that 'buyer pressure' at least partly included pressure exerted by Accord and Alliance. Other drivers of change mentioned by the workers included: government policy (43%); owners' commitments (25%); BGMEA (9%); the media (7%); and pressure from trade unions (0.4%).

The analysis in this section suggests a number of important points. First of all, it strongly supports the possibility that the activities associated with AA affiliation were either directly responsible for improvements in various aspects of working conditions or else they created a far more hospitable environment for other pressures to improve working conditions to have results than in non-AA factories. Where we see less evidence of improvement is in opportunities for promotion, overtime hours and behavior of supervisors and managers.

Secondly, the fact that workers who joined their factories before Rana Plaza are more likely to report improvements in most aspects of working conditions than those who joined after, lends support to the hypothesis that these changes were likely to have been driven by the efforts associated with Accord and Alliance. This is further supported by the significant association between interactions with inspectors and the reported likelihood of change.

However, what stands out from our results is that workers in factories that reported more effective WPCs in their factories (40 factories reported WPC effectiveness index = 4 or 5) were also significantly more likely than others to report improvements in all our indicators of change, including overtime hours. This suggests that the impacts associated with AA affiliation were likely to be considerably amplified when they included, as they did in certain factories, with the strengthening of workers' voice.

While the role of buyers, auditors and inspectors points to the external supervisory role of AA initiatives, the significance of effective WPCs points to the importance of internal mechanisms for workers' grievances, the emergence of a form of 'factory floor democracy'. As we noted, it appears from the reports of the workers in our survey that WPCs is performing some of the functions of trade unions on the factory floor. There is clearly no substitute for independent, freely chosen member-based associations to represent workers' interests, including the gender-specific interests of women workers, but the problematic history of trade union movement in Bangladesh suggests that it is unlikely to play this role in the foreseeable future. Nor is it easy to build such a movement overnight. In its absence, well-functioning WPCs within the factories may be an important transitional mechanism to articulate workers grievances and press their claims at the factory level, a form of workplace democracy. This makes it critical to carry out future research on what makes some WPCs function better than others.

4.2 Employers' perspectives

We set out in this paper to explore whether the new collaborative approach to CSR exemplified by AA in Bangladesh has served to bring about significant changes in wages and working conditions in the garment sector. On the basis of the responses of the 1500 workers in our survey, our answer would be in the affirmative. Not only did workers in AA affiliated factories report generally better wages and working conditions in those in non-affiliated ones but they also reported that many of these improvements took place after Rana Plaza and were driven by inspection processes associated with AA. An analysis based entirely on our workers' survey would therefore lead to the conclusion that the transformative role attributed to CSR-oriented corporations, in this case, the lead buyers and brands who had signed up to Accord and Alliance, has been borne out in practice.

However, a further layer is added to this story of change when we factor in the findings from the interviews carried out with managers of AA-affiliated factories as part of the larger project (Rahman and Rahman, 2018). These are stakeholders most directly responsible for putting CSR values into practice in the work place. Their initial response to the AA agreements was favorable: they welcomed what promised to be a coordinated framework for improving health and safety conditions in their factories and the opportunity to improve the country's international reputation.

The subsequent decline in enthusiasm reflected various technical problems that had proved costly: lack of co-ordination in the inspection process, multiple inspections offering conflicting and sometimes erroneous reports and insufficient time provided for factories to carry out the changes required by Corrective Action Plans. But the greatest bitterness on the part of managers was reserved for the fact that while buyers paid for the costs of inspections, they failed to provide financial assistance to carry out the more expensive remediation or relocation measures recommended by inspectors (Barret et al, 2018).

The expectation on the part of suppliers that these costs would be shared was based on the terms of the Accord agreement which had spelt out the responsibilities of the signatory companies towards their suppliers. According to Article 28 of Accord: 'participating brands and retailers will negotiate commercial terms with their suppliers which ensure that it is financially feasible for the factories to maintain safe workplaces and comply with upgrade and remediation requirements instituted by the Safety Inspector'. Yet none of 109 managers interviewed by Rahman and Rahman had received any assistance in implementing the Corrective Action Plan drawn up by inspectors. While larger factories were generally able to finance these measures through profits or loans, small and medium firms found it a major struggle, many going out of business[21].

Furthermore, lead firms have continued to pursue purchasing practices that went directly against the financial feasibility of local suppliers. Not only did they fail to increase the procurement prices paid to local suppliers, one way to have offset some of the remediation costs incurred by the latter, but the evidence suggests that the prices paid by lead firms to their suppliers in Bangladesh continued their steady long-term decline. According to the results of the survey of managers by Anner cited earlier:

> 'the average FOB price was USD 4.64 in 2016, which is a 7.79% decline from a FOB price point of USD 5.03 in 2011. If we look at exports to the United States, the price point declined by 10.67%. For European buyers, the price point came down by 9.04%. Indeed, in all major product categories we find a decline in nominal prices paid per unit'.

Rahman and Rahman (2018) cite statistics from the International Trade Statistics Yearbook, 2017 showing that between 2012 and 2016, three of the five highest Bangladesh garment export revenue garment categories reported a substantial price reduction of around 28.7 percent. Moreover, this was part of a longer term trend: for instance, the price of cotton trousers, Bangladesh's main apparel export to the US, dropped by 46% since 2000, with around 9% of the drop occurring after Rana Plaza (Kamat, 2016 cited in Alamgir and Banerjee, 2018). As Anner points out, this decline in prices had little to do with the rising price of raw materials or fluctuations in exchange rates.

Also part of this 'business as usual' approach was the steady shortening of delivery times: in 2011, the major global brands gave Bangladesh factories an average of 94 days to complete an order. By 2016, it had declined to 86 days, a decline of 8.14%. As one garment employer in Bangladesh put it,

the buyers were asking for 'gold' when it came to remediation but paid suppliers in 'silver' when it came to purchasing their garments (cited in Kamat, 2016). With production costs, including wages, going up and purchasing prices declining, the only way that supplier factories can remain in business is by reducing their profit margins. Anner's survey (2018) of 223 managers found that this was indeed the case: profit margins had decreased by 13.3% between 2011 and 2016 leaving managers with a mean profit margin of 7.69%.

It would appear therefore that while the shift from compliance to co-operation has improved structural safety in the garment industry, it has left intact certain fundamental asymmetries in relationships within global value chains. A study carried out in 2005 with local stakeholders by Mahmud and Kabeer (2006) reported complaints by managers about the compliance model that were uncannily similar to those reported by managers in relation to the current co-operation model:

> *From the perspective of most employers, the imposition of codes of conduct by buyers is …simply another set of conditions (along with meeting their deadlines and observing quality control) that have to be met in order to stay in business….Many see them as a public relations exercise on the part of international brand name companies, concerned about their public image, to maintain a facade of social responsibility with their consumers while covertly passing the costs of compliance onto their producers. A number of employers complained with bitterness about the double standards of these companies who combined their demands for increasingly onerous and expensive quality and labour standards with a steady reduction in the prices they offered to their producers.*

Mahmud and Kabeer found that buyers were using their 'monopsony-like' power within the global value chain, a few major brands facing large numbers of suppliers, to ensure that suppliers bore the costs of both audits and compliance but kept their relationships with suppliers as short-term and informal as possible: as one employer they interviewed had said, 'there is no such thing as a permanent contract in this business' (p. 233). At the same time, interviews with trade unionists and workers suggested that the employers in turn used their 'monopsony-like power' in a labour market which had very restricted opportunities for their largely female labour force to keep their relationships with their workers as short-term and informal as possible, with little acknowledgement of any obligations to them.

The persistence of these asymmetries of power within the garment supply chain help to explain what appear to be certain **sticking points** in the processes of change that have been taking place in the aftermath of Rana Plaza: the resistance to the payment of a living wage; the use of compulsory overtime; the mistreatment of workers who fail to meet their production targets; and hostility towards trade unions who might seek to challenge these practices. While some of the abuse and misbehavior by managers and supervisors towards workers reflects the reproduction within the industry of the long-standing class and gender hierarchies that characterize the larger society, it also reflects the continuing insecurities associated with competing in the global market for clothing with no assurance that compliance with CSR requirements will improve the terms on which they do business with global buyers[22].

5. Discussions of findings and conclusion

5.1 'Looking in the wrong place?' expanding the analytical gaze

Since the factories were locally owned and operated, the blame surely belonged to their owners and managers, not to their clients any more than to those of us who purchased the garments at home or abroad (Bhagwati, 2013)

To summarize the findings of our study, we found that AA agreements appear to have made significant differences to health and safety conditions, as they set out to do. As a result, they may have saved many lives. They have also had positive direct or spillover effects on other aspects of working conditions. But we also noted certain sticking points in these processes of change. While these sticking points relate to conditions which may well be worse in Bangladesh than other garment exporting countries, they are by no means not unique to it. Contrary to the comments made by Bhagwati in the immediate aftermath of Rana Plaza where he sought to pin the blame squarely on local owners and managers, (cited above), these problems are endemic to the organization of global supply chains. As Locke (2013) concluded on the basis of his study of these supply chains: 'despite all the various initiatives, poor working conditions, excessive working hours, precarious employment practices and low wages persist in factories producing for global supply chains' (p.??).

If we want to understand why these problems are so pervasive and persistent, he suggests that we may be looking in the wrong place if we focus only on the factories where these problems are manifested. We need to move from a narrow 'spotlight' perspective on working conditions in global value chains, which draws our gaze to the locus of production, to a 'flood light' approach which illuminates the broader political economy of supply chain capitalism.

Bangladesh entered the global garment industry at a time when the retail sector became increasingly concentrated, particularly in the US and Europe, investing a small number of global brands and retailers with disproportionate bargaining power vis-à-vis the large, and growing, number of suppliers dispersed in low-wage economies across the developing world. This was also a period that saw the rise of a new 'fast fashion' business model based on electronic point-of-sale technology which allowed a dramatic compression of the time between placing an order and its delivery to retail outlets, a reduction in the inventories that retailers needed to hold and a shift from traditional 2-3 seasons of clothing to a multi-season retailing strategy, which allowed a greater variety of clothing to be displayed throughout the year (Taplin, 2014; Oxfam, 2004).

Empirical stakeholder analysis, as opposed to normative or instrumental stakeholder theory (Egels-Zanden and Sandberg, 2010) would make it very clear that fast fashion retailing has been particularly inimical to the observance of decent wages and working conditions across the global industry (Anner et al., 2012). Global brands and buyers have been able to use the unequal distribution of bargaining power within these chains to pressure their suppliers to meet the competitive pressures within the industry by producing smaller batches of increasing varieties of products more rapidly and at decreasing prices.

However, even if these global buyers did make efforts to improve labor standards among their suppliers, and even if suppliers were responsive to these efforts, the 'upstream' business practices associated with fast fashion retailing inevitably undermine its 'downstream' CSR efforts. Faced with these practices, which increase the production costs of suppliers while reducing the prices they receive, they must either reduce their profit margins (as they have done in Bangladesh) or pay their workers lower wages, demand longer hours of work, hire contract or labor and take shortcuts on safety standards (as they have done in Bangladesh).

Other stakeholders within these supply chains also have restricted 'room for maneuver'. Governments are charged with protecting the welfare and rights of their workers, but even those that have the institutional capacity to enforce their own laws may be inhibited from such action by

the fear that it will increase the costs of doing business, drive away global buyers and lead to a massive loss of jobs. Workers who bear the brunt of these practices have little choice but to put up with them since they generally have neither the organizational voice to challenge their employers nor the option of seeking more decent work opportunities.

Consumers are the other relevant set of stakeholders but only intermittently visible in stakeholder analysis. Nor is it clear what their stake in improving the working conditions of those that produce the clothes they wear might be but it is unlikely to be uniform. Some authors believe that consumers have demonstrated their willingness to pay higher prices for clothes made in decent working conditions (Ross, 1997). It is certainly the case that consumer outrage, or the fear of it, was a driving force behind the various CSR efforts that have come into existence since the 1990s. Yet consumer outrage has not been sustained enough or powerful enough to force a change in business practices.

Other authors have been less sanguine about the power or motivation of consumers. An early OXFAM report (2004) appears to suggest that they may have been co-opted into the fast fashion model: '…consumers have come to expect high quality and year-round availability at 'value' prices' (p. 36). Many retailers and brands compete to capture their loyalty through new products, short fashion cycles, and price wars, and so increase their own market share'. And more recently, Taplin observes, 'Western consumers have become accustomed to cheap fashion and for the most part appear unwilling to pay more for items that are untainted by exploitative practices' (p. 73). [23]

In place of the benign win-win account of stakeholder interests put forward by the World Bank, therefore, Taplin offers an alternative account, arguing that the fast fashion business model has created a situation 'where the "villains" are many and the innocent caught up in the manifold uncertainties that such a model produces' (p. 73). In such a situation, industrial disasters like Rana Plaza are highly likely, if not inevitable. While a destructive confluence of mainly internal forces led to the collapse of Rana Plaza, the main reason why the only workers that reported for work the morning of the collapse, despite the warnings, belonged to export garment factories reflects the imperatives of the fast fashion model: they were informed that if they did not report for work to fulfil overdue orders or risk losing their jobs (Quelch and Rodriguez, 2013: p. 3; see also Siegle and Burke, 2014; Alamgir and Banerjee; Sobhan, 2014).

5.2 'Protecting the innocent': assessing recommendations for the way forward

The challenge then is what can be done to protect 'the innocent'. One of the striking features of successive efforts to enforce labor standards in developing countries is the extent to which the main burden of the proposed changes devolves almost entirely on stakeholders in the Global South. The campaign around the 'social clause' in the 1990s, for instance, placed the responsibility for upholding labor standards on the governments of developing countries, governments which were sometimes unwilling, sometimes unable, to discharge this responsibility. Later anti-sweatshop campaigns put pressure on global buyers and brands to adopting corporate codes of conduct, but the actual responsibility and costs of carrying out the audits and complying with the codes fell squarely on the supplying factories. The Accord and Alliance agreements differ in so far as they bear the costs of inspection, but they too have externalized the greater responsibilities and larger costs associated with remediation and relocation to their local suppliers.

Locke suggests the need for new institutional arrangements and political coalitions which would reallocate costs and rewards among *all* stakeholders engaged in these value chains, thus transcending

traditional boundaries between producers and consumers, buyers and suppliers, NGOs and corporations and advanced and developing countries. Given the power dynamics that characterize supply chain capitalism, it is difficult to envisage what these arrangements might be and how they might emerge but the proposal does at least represent a shift from a 'spotlight' perspective on the problem to a 'floodlit' one. By way of conclusion, we discuss some recent recommendations intended to advance the transition to a fairer set of institutional arrangements. We will draw in particular on Sobhan (2014) to discuss the specific challenges of the Bangladesh context.

We begin with the proposal put forward by the Stern Centre for Business and Human Rights for what they call a 'shared responsibility model'. It is intended to respond to the immediate challenge of addressing remaining health and safety conditions in the RMG industry in Bangladesh after Accord and Alliance (Barrett et al, 2018). It calls for an international task force, led by Bangladeshi stakeholders, to co-ordinate efforts to raise the funds necessary to complete this task and to oversee the implementation process. Along with the Bangladeshi government and RMG employers, the proposal envisages financial contributions from international actors, including Western buyers and the countries that import garments from Bangladesh – mainly EU and US who account for 64% and 18% of Bangladesh's garment exports respectively.

While there are self-evident reasons why the Bangladesh government and employers should contribute to improving conditions in the RMG sector, the case made by the Stern proposal for involving Western buyers and governments is based on appeals to their sense of fairness and their 'special obligations'. Yet the commitment expressed by these actors to economic justice for workers in global value chains calls for a stronger and more institutionalized model of shared responsibility, one based on a fairer distribution of rights and responsibilities across the value chain rather than on special pleading. As various efforts to estimate the distribution of gains across the value chain have shown, local suppliers retain a very small share of the final retail price of their products to cover costs of fabric, operating costs and their profits [24].
Western buyers have not shown any inclination in the direction of redistributing some of their profits, despite the 'win-win' arguments in its favor but their governments are in a position to make a difference. These governments currently claim some of the revenue generated by value chain production - in the form of tariffs in the case of the US and VAT in the case of the EU (Sobhan, 2014; Norfield, 2011). For instance, Bangladesh has been paying higher tariffs than any of the other 232 countries that export to the US longer before Rana Plaza, because it is primarily an exporter of garments. Thanks to disproportionate political clout exercised by the small but powerful textile industry that remains in the US, garment imports carry higher tariffs than almost all other imports, despite the fact that these tariffs have done little to protect jobs in the US[25]. To underscore what this means, Sobhan points out that the tariff revenue of $720 million raised annually by the US government not only exceeded the total wages paid to garment workers in the year of Rana Plaza but it was considerably greater than the $200 million a year that the US provides in overseas aid to Bangladesh: the tariffs thus represented a net transfer of resources from a poorer country to one of the world's richest.

The concerns that governments in the US and the EU have expressed about the rights of workers in the countries from which they import their clothing carries commensurate obligations on their part: these could be met by routinely redistributing some of the revenue they collect from imports from Bangladesh and other lower-income exporting countries back to the countries in question both to ensure that the industry has the resources to provide decent working conditions as well as to promote mechanisms to hold the industry accountable.

Recommendations relating to the local level encompass a variety of initiatives on the factory floor, including efforts by trade unions, labor rights NGOs, the ILO and others to build the skills and organizational capacity in these factories to enforce better working conditions and comply with national regulations. As Locke suggests, each of these has limited impact on their own but can mutually reinforce each other to amplify impact.

However, the question of the national regulation is clearly problematic in Bangladesh. The failures of government oversight that have contributed to the conditions prevailing in the garment sector are part of a broader crisis of governance failure within the country. While there is no doubt that the government needs to take much greater responsibility for the rights of its workers, as it must for the rights of all its citizens, the present state of governance in the country means that this is unlikely to happen overnight.

On the other hand, building the RMG sector as 'an island of good governance …in an ocean of mal-governance' (Sobhan, p.5) may be within the realms of possibility. It would require, for instance, more and better compensated inspectors who were incentivized to uphold regulations rather than extract rents from those they regulate would contribute to this achievement. Whether the BGMEA can provide the horizontal form of governance that has helped it to pursue its membership's interests in the past (Khan, 2013) to compensate for state regulatory failure in relation to workers' rights is not clear since it is largely led by those most resistant to regulation. But garment employers need to take coordinated action, with or without the BGMEA, to work towards achievable labor standards within the industry as their contribution to a shared responsibility model.

These efforts will have repercussions for the structure of industry. It is likely that only the elite segment of the RMG sector can meet these standards of 'good governance'. The suggestion by Barret et al that buyers reform their purchasing practices and reward high-performance suppliers with longer-term contracts, larger order volumes and more favorable pricing is likely to hasten the bifurcation of the industry. Smaller factories that are unable to meet the necessary standards will either close down or disappear into the ocean of unregistered informal activities that make up the bulk of the country's economy. It is not clear how many factories have closed down because of inability or delay in addressing current remediation requirements under AA but media estimates were that around 400 factories had closed by 2014 with repercussions for about 150,000 workers (Hossain, 2014).

Civil society has also featured in various recommendations about the improvement of labor standards in Bangladesh. Labor activists tend to focus primarily on trade unions as best placed to fight for workers' rights. Here again, given the history of trade unionism in Bangladesh, progress has been slow. However, a 'floodlight' perspective on the problem would take account not only of the vertical dimension of value chains but also their horizontal dimensions, namely the broader socio-economic context in which production takes place. From this perspective, efforts to build politically independent unions, however discouraging, would not be regarded as futile but part of the painful process of building a strong and active civil society.

Zajak (2018), for instance, points out the presence of Accord provided a 'shadow of protection' to efforts by some of the newer unions in the garment sector to stand up for workers' grievances. She also notes that interaction with international organizations and alliances also increased the strategizing skills of union leaders. These skills and experiences are unlikely to disappear when Accord and Alliance come to an end just as the struggle for workers' right did not come into existence with their inception. For instance, interviews with workers and trade unions carried out in

2004 by Mahmud and Kabeer (2006) found sporadic examples of workers engaging in factory-wide collective actions, sometimes planned, sometimes spontaneously, which frequently spilled over into the streets. Such actions testified to the growth of 'practical' as opposed to a 'discursive' class consciousness among both male and female workers (Rahman and Langford, 2012), one that was not in evidence in the 1980s and 1990s but had clearly evolved over time. It is this practical consciousness that was at play in the massive strike that took place in 2006 and has continued to be at play in subsequent agitations.

Nevertheless, as the FNV Mondial report (2016) concluded, Bangladesh trade unions do not currently represent a strong countervailing power when it comes to promoting and enforcing labor legislation. Efforts to build trade unions are likely to continue, but for local activists, it is important to broaden efforts to build voice and organization beyond trade unions and beyond the garment sector because what happens to workers' rights in the garment sector is closely bound up with what happens to the rights of citizens in the wider society. Other sectors of civil society engaged with the promotion of democratic processes and legal justice in Bangladesh have frequently engaged with the garment sector as part of their activities. They can be instrumental in helping to strengthen and expand the potential held out, for instance, by the setting up of elected WPCs within garment factories. In short, the process of building state accountability for the rights of workers in Bangladesh needs to be carried out as part and parcel of efforts to build a broader culture of rights within the country. It is unlikely to be effective otherwise.

References

Ahmed, N., and Nathan, D. 2014. Improving wages and working conditions in the Bangladeshi garment sector: The role of horizontal and vertical relations. Working Paper 40. United Kingdom: Capturing the Gains, University of Manchester. http://www.capturingthegains.org/pdf/ctg-wp-2014-40.pdf

Alamgir, F. and S.B.Banerjee (2018) 'Contested compliance regimes in global production networks: insights from the Bangladesh garment industry' Human Relations : 1-26

Anner, N., J.Bair and J. Blasi (2012) *Buyer Power, Pricing Practices, and Labor Outcomes in Global Supply Chains* Institute of Behaviour Science Working Paper Series, August. University of Colarado

Anner, M. (2018) 'Binding Power: The Sourcing Squeeze, Workers' Rights, and Building Safety in Bangladesh Since Rana Plaza' Research Report, Centre for Global Workers' Rights Pennsylvania

Awaz Foundation (2016) *Workers Voice Report. Working conditions in the Bangladesh RMG sector after Rana Plaza* Awaz Foundation and Consulting Service International, Dhaka

Banerjee, S.B. (2007) 'Corporate social responsibility: the good, the bad and the ugly' *Critical Sociology* Vol. 34 (1): 51-79.

Awaj Foundation (2016) *Workers' Voice Report 2016. The working conditions in Bangladesh's RMG Industry after Rana Plaza* Dhaka: Bangladesh

Barrett, P.M., D. Baumann-Pauly and A. Gu (2018) *Five Years After Rana Plaza: The Way Forward* New York: NYU Stern Center for Business and Human Rights

Barrientos, S., & Smith, S. (2007). 'Do workers benefit from ethical trade? Assessing codes of labour practice in global production systems'. *Third World Quarterly* 28(4): 713–729.

Begum, F., R.N.Ali, M.A. Hossain and S.B.Shahid (2010) 'Harassment of women garment workers in Bangladesh' *Journal of Bangladesh Agricultural University* Vol 8(2): 291-296

Berg, A., S. Hedrich and T. Tochtermann (2012) Bangladesh: the next hot spot in apparel sourcing? (https://www.mckinsey.com/industries/consumer-packaged-goods/our-insights/bangladesh-the-next-hot-spot-in-apparel-sourcing)

BGMEA(2015) 'Trade Information'.Dhaka: BangladeshGarment Manufacturers and Exporters Association. www.bgmea.com.bd/home/pages/tradeinformation#.

Bhagwati, J. (2014) 'Responsibility for sweatshops is local, not global' New York Times July 11th 2014
(https://www.nytimes.com/roomfordebate/2013/05/02/when-does-corporate-responsibility-mean-abandoning-ship/responsibility-for-sweatshops-is-local-not-global)

Curran, L. and K. Nadvi (2015) 'Shifting trade preferences and value chain impacts in the Bangladesh textiles and garment industry' *Cambridge Journal of Regions, Economy and Society* Vol 8(3): 459–474

Egels-Zandén. N. (2007) 'Suppliers' Compliance with MNCs' Codes of Conduct: Behind the Scenes at Chinese Toy Suppliers' *Journal of Business Ethics* 75(1): 45-62.

Egels-Zanden, N. and J. Sandberg (2010) 'Distinctions in descriptive and instrumental stakeholder theory: a challenge for empirical research' Business Ethics: A European Review Vol 19 (1): 35-49

Farole, T. and Y. Cho (2017) *Jobs Diagnostic Bangladesh* Washington: World Bank

Falck, O. and S. Heblich (2007) 'Corporate social responsibility: doing well by doing good' *Business Horizons* Vol 50: 247-254

FNV Mondial (2016) *Country Report Bangladesh Endline 2016* Ede, The Netherlands

Freeman, E. (1984). *Strategic management: A stakeholder approach* Boston: Pitman Publications

Frenkel, S., K.M. Rahman and S.Rahman (2017) *Between Lead Firms and Institutional Ensembles: Labour and Safety Practices in Bangladeshi Garment Export Factories* Garment Supply Chain Governance Discussion Paper Series No. 03/2017.
(http://www.wiwiss.fu-berlin.de/forschung/Garments/Publications/index.html)

Hossain A (2014) 'About 400 RMG factories shut from loss of orders, compliance issues' *The Daily Independent*, 10 September. Sourced from the Archive of Bangladesh Institute of Labour Studies

Human Rights Watch (2015) *"Whoever raises their head suffers the most:" Workers' rights in Bangladesh garment factories*. (https://www.hrw.org/report/2015/04/22/whoeverraises-their-head-suffers-most/workers-rights-bangladeshs-garment)

Kabeer, Naila (1989) 'Monitoring poverty as if gender mattered: a methodology for rural Bangladesh', IDS Discussion Paper 255. Brighton: IDS

Kabeer, N. (2000) *The power to choose: Bangladeshi women and labor market decisions in London and Dhaka* London: Verso Press/New Delhi: Kali for Women

Kabeer, N. and S. Mahmud (2004a) 'Globalization, gender and poverty: Bangladeshi women workers in export and local markets' *Journal of International Development* Vol. 16, Issue 1

Kabeer, N. and S. Mahmud (2004b) 'Rags, Riches and Women Workers: Export-oriented Garment Manufacturing in Bangladesh' in M. Carr (ed) *Chains of Fortune: Linking Women Producers and Workers with Global Markets* London: Commonwealth Secretariat

Kamat A (2016) 'We are nothing but machines to them' (*https://www.theinvestigativefund.org/investigation/2016/12/15/nothing-machines/*)

Khan, M.R.I. and Wichterich, C. (2015) *Safety and labour conditions: The Accord and the National Tripartite Plan of Action for the garment industry of Bangladesh* Global Labour University Working Paper No. 38 Geneva: ILO

Khan, F.R. and P. Lund-Thomsen (2011) 'CSR as imperialism: towards a phenomenological approach to CSR in the developing world' Developing World, Journal of Change Management Vol. 11 (1): 73-90

Khan, M.H. (2013) 'Bangladesh. Economic growth in a vulnerable limited access order' in D. North, J. Wallis, S. Webb and B. Weingast (eds) *Violence: Politics, Economics and the Problems of Development*. Cambridge: Cambridge University Press: pp. 24-69

Kotikula, A., M. Pournik and R. Robertson (2015). *Interwoven: How the Better Work Program improves job and life quality in the apparel sector*. Washington, DC: World Bank.

Labowitz, S. and D.Baumann-Pauly (2015) *Beyond the tip of the iceberg: Bangladesh's forgotten apparel workers* New York: NYU Stern Center for Business and Human Rights

Locke. R.M. and M. Romis (2010) 'The promise and perils of private voluntary regulation: labour standards and work organization in two Mexican garment factories' *Review of International Political Economy* Vol. (17)1: 45-74

Locke, R. 2013. *The promise and limits of private power: Promoting labor standards in a global economy*. Cambridge: Cambridge University Press.

Lund-Thomsen, P. (2008) 'The global sourcing and codes of conduct debate: five myths and five recommendations' *Development and Change* Vol. 39(6): 1005–1018.

Lund-Thomsen, P., K.Nadvi, A.Chan, N. Khara and H. Xue (2012) 'Labor in global value chains: work conditions in football manufacturing in China, India and Pakistan' Development and Change Vol. 43(6): 1211-1237

Lund-Thomsen, P. and A. Lindgreen (2014) 'Corporate social responsibility in global value chains: where are we now and where are we going?' *Business Ethics* Vol. 123:11–22

Mahmud, S. and N. Kabeer (2006) 'Compliance versus accountability: struggles for dignity and daily bread in the Bangladesh garment industry' Chapter 11 in P. Newell and J.Wheeler (eds) *Rights, Resources and the Politics of Accountability* London: Zed Press: 223-244

Margolis, J.D. and J.P. Walsh (2003) 'Misery loves companies: rethinking social initiatives by business' *Administrative Science Quarterly* Vol. 48: 268-305

Mariani, D. R. and F. Valenti (2013) *Working conditions in the Bangladeshi garment sector: social dialogue and compliance* Delft University of Technology and Fairwear Foundation

Moazzem, K.G. (2018) 'Changes in decent work and gender-related issues in RMG enterprises: findings from the survey' Presentation at conference on *Transformation in the RMG sector in the Post Rana Plaza period* organized by the Center for Policy Dialogue, 30th August 2018, Dhaka

Moazzem, K.G. and S.S. Azim (2018) 'Decent work in sample enterprises in post-Rana Plaza period: implications on social and economic upgrading' CPD Working Paper 123. Dhaka: Centre for Policy Dialogue (http://rmg-study.cpd.org.bd/2016)

Norfield, T. (2011) *Economics of Imperialism. What the 'China Price' really means.* (https://economicsofimperialism.blogspot.com/2011/06/what-china-price-really-means.html)

Oxfam. (2004). *Trading away our rights. Women working in global supply chains*. Oxford: Oxfam International.

Oxfam. (2013). *Labour rights in Unilever's supply chain: From compliance towards good practice*. Oxford: Oxfam International

Paul-Majumder, P. and A, Begum (2006) *Engendering garment industry. The Bangladesh context* Dhaka: University Press Ltd.

Porter, M., and M. Kramer (2002). 'The competitive advantage of corporate philanthropy'. Harvard Business Review, 80(9): 48−58.

Quelch, J. A. and M.L. Rodriguez (2013) 'Rana Plaza: Bangladesh Garment Tragedy' Harvard Business School N2-514 October 31st (https://bostonglobalforum.org/wp-content/uploads/Rana-Plaza-A.pdf)

Rahman, S. and K.M. Rahman (2018) *Multi-actor co-responsibility initiatives after Rana Plaza: perspectives from the Bangladesh garment factory management* Draft report, Global Governance Report

Rahman, Z. and T. Langford (2012) 'Why Labour Unions Have Failed Bangladesh's Garment Workers', in S. Mosoetsa and M. Williams (eds) *Labour in the Global South*, pp. 87–106. Geneva: International Labour organization
Ross, A. (1997) *No Sweat: fashion, free trade and the rights of garment workers*, Verso: New York and London.

Sen, B. (2014) 'Opportunity, agency and well-being: economic lives of female workers in the Ready-Made Garment Sector in Bangladesh' Report prepared CARE, Bangladesh

Sidique, K. (2003). 'Deceleration in the Export Sector of Bangladesh and Women Workers: Assessing Impacts and Identifying Coping Strategies', CPD Occasional Paper Series No. 26, Centre for Policy Dialogue, Dhaka

Siddiqui J and Uddin S (2016) 'Human rights disasters, corporate accountability and the state: Lessons learned from Rana Plaza' *Accounting, Auditing and Accountability Journal* 29(4): 679–704.

Siegle, L. and J. Burke (2014) *We are what we wear. Unravelling fast fashion and the collapse of Rana Plaza* London: Guardian Books
Sobhan, R. (2014) B*angladesh's disaster: perspectives on the political economy* Indian Review of Global Affairs March 20, 2014 (https://cpd.org.bd/bangladeshs-disaster-perspectives-on-the-political-economy-rehman-sobhan/)
Taplin, I.M. (2014) 'Who is to blame? A re-examination of fast fashion after the 2013 factory disaster in Bangladesh' Critical perspectives on international business, Vol. 10 (1/2): 72-83
Transparency International Bangladesh (2013) 'Readymade Garments Sector: Problems of Good Governance and Way Forward' October 31, 2013, p. 2. (https://blog.transparency.org/wp-content/uploads/2014/04/2013_TIB_GarmentSector_EN.pdf)
UK Parliamentary Group (2013) *After Rana Plaza. A report into the readymade garment industry in Bangladesh* London: Government of Great Britain.
https://www.nytimes.com/2012/12/12/opinion/american-tariffs-bangladeshi-deaths.html
https://qz.com/1246556/the-highest-us-tariffs-arent-on-china-theyre-on-its-poor-neighbors/

War on Want (2011) *Stitched up. Women workers in the Bangladeshi garment industry* London: War on Want

Zajak, S. () 'International Allies, Institutional Layering and Power in the Making of Labour in Bangladesh' *Development and Change*

Zohir, S.C. and P. Paul-Majumder (1996) *Garment workers in Bangladesh: Economic, social and health conditions* Research Monograph 18, Bangladesh Institute of Development Studies, Dhaka

[1] The Garment Supply Chain Governance project was funded by Volkswagen Foundation in co-operation with the Riksbankens Jubileumsfond and the Wellcome Trust. (http://www.wiwiss.fu-berlin.de/forschung/Garments/index.html). Additional support was provided by ESRC-DFID Joint Fund for Poverty Alleviation Research as part of the research project ' Choice, constraints and the gender dynamics of labour markets in Bangladesh' (ES/L005484/1). We would like to acknowledge the able research assistance provided by Muhammed Mahabub Rahman at the BRAC Institute of Governance and Development.

[2] Bangladesh has not ratified the Minimum Age Convention No. 138, and has not established a uniform minimum age for admission to work. National legislation sets forth different minimum wages for employment in different sectors.

[3] While unions were banned in the EPZs, which were established to attract foreign investment, conditions are considerably better and they have avoided industrial disasters. However, EPZs account for just 10% of employment in the industry (Ahmed and Nathan) and 4% of factories in 2015 (Khan and Wichterich, 2015). The ban was lifted in 2017.

[4] In reality, according to TIB, only 40 factory-based unions and 9 federations were active.

[5] https://www.reuters.com/article/us-bangladesh-blast-accidents-factbox/factbox-major-industrial-accidents-in-bangladesh-in-recent-years-idUSKBN19P0JN

[6] The government took responsibility for oversight over factories that did not have business with the members of Accord and Alliance under the National Tripartite Plan of Action for Fire and Structural Integrity, now known as the National Initiative. There is less information on the number of factories that come under government overview, much of it is contradictory but it seems clear that the initiative has not made much headway (Barret et al. 2018).

[7] The Alliance has now come to an end. The extension of Accord is under negotiation

[8] The first was based on 223 interviews with managers or owners of supplier factories. The second was based on 18 qualitative interviews which included just 3 workers.

[9] The survey was carried out by Bangladesh Institute of Governance and Development in collaboration with the London School of Economics.

[10] The factories in the sample were entirely domestically owned as the overall research project avoided the EPZs where joint ventures were more likely.

[11] As Bangladesh began to specialize in large-volume supply, many of the smaller units have either not been able to continue in business or have disappeared into the informal economy to serve as subcontracted units.

[12] There was also very little variation by gender.

[13] We will be drawing on a number of earlier surveys of garment workers to gain some broad idea of whether there have been changes over time in their working conditions. These include a 1990 survey of 245 men and 426 women (Paul-Mazumder and Zohir, 1996); a second survey in 1997 which covered 589 women and 219 men (); and a third survey carried out in 2001 of 1322 women workers, of whom 826 worked in garment factories (125 in EPZ factories and 737 in non-EPZ garment factories) while the remaining 460 worked in various waged and self-employed activities for the domestic markets (Kabeer and Mahmud, 2006).

[14] It should be noted that workers interviewed by the Fair Wear Foundation had not heard of trade unions.

[15] This averages across workers at very different grades and earning very different salaries. Helpers, those at the bottom of the wage hierarchy, earned 5763 takas, machine operators earned 7458 takas while a supervisor earned 16, 729 takas.

[16] This was the view expressed by one of the labor leaders interviewed by Alamgir and Banerjee. It was also the view expressed by representatives of the Clean Clothes Campaign. https://www.scmp.com/week-asia/business/article/2142639/five-years-after-rana-plaza-disaster-are-asias-sweatshops-thing

[17] In particular, the requirement that support from a minimum of 30% workers in factories is necessary for union registration remains.

[18] The 2018 CPD RMG survey of 3596 workers reports similar findings. Only 3% of their sample reported a trade union in their factory (Moazzem, 2018). Given that the 1990 survey found that around 2% out of 671 garment workers reported a trade union in their factory, it is clear that very little progress has been made on this.
[19] However very little detail is given of the methodology, and how workers were selected, for these interviews.
[20] One reason why these impacts may not be stronger is that there have been improvements across factories, particularly large and medium sized ones, whether or not they were AA affiliated.
[21] https://www.reuters.com/article/us-bangladesh-garments-insight/safety-overhaul-puts-strain-on-bangladesh-garment-industry-idUSKBN0KD0N820150104
[22] A 2018 survey of 156 suppliers across 24 countries which asked about their experiences with 65 buyers found that over 60 per cent of suppliers were not incentivised for being compliant to buyer codes of conduct, despite many observers believing incentives are essential to improving purchasing practices. Purchasing practices by apparel brands were unaffected by the length of relationship with supplier. *https://apparelinsider.com/survey-raises-questions-purchasing-practices/*
[23] A survey of 2025 respondents carried out a month after Rana Plaza, by Retail Week, an industry publication, found that only 13% said they were a lot more likely to ask retailers where their clothes were produced than before the collapse of the building while 44% of consumers were no more likely to ask retailers and 22% said that they were 'little more likely'. As Quelch and Rodriguez (2013) note concern among some observers that consumer preference for low prices might outweigh their preference for workplace safety.
[24] According to the Asia Foundation (2001), the breakdown of the cost components of a shirt made in Bangladesh and retailed in the US for $13 suggested that 38% of the value of the final retail price was retained by the Bangladeshi supplier to cover the costs of fabric (23%), labour (1.2%) trim (0.24%) and other costs, including his profits (2.01%). Sobhan (2014) estimated that the Bangladesh supplier retained about 28% of a shift that retailed in the US for $25, of which fabric costs would make up 15% and operating costs, including profits, came to around 8%. Norfield (2011) carried out the same exercise for a T shirt that would retail in Germany for 4.95 euros. He estimated that the Bangladeshi supplier was paid 27% of the retail price from which he had to cover operating costs, costs of fabric and his profits.
[25] (https://www.nytimes.com/2012/12/12/opinion/american-tariffs-bangladeshi-deaths.html) and (https://qz.com/1246556/the-highest-us-tariffs-arent-on-china-theyre-on-its-poor-neighbors/)

WORKING PAPER TABLES

Table 1. Factory information by AA and factory size

	Small (0-599)			Medium (600-2499)			Large (2500+)			Total		
	AA	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**
Total number of factories	33 (13.8%)	64 (26.7%)	97 (40.4%)	58 (24.2%)	35 (14.6%)	93 (38.8%)	31 (12.9%)	19 (7.9%)	50 (20.8%)	122 (50.8%)	118 (49.2%)	240 (100%)
Total number of workers (% of **total** sample)	98 (6.5%)	152 (10.1%)	250 (16.7%)	488 (32.5%)	76 (5.1%)	564 (37.6%)	660 (44.0%)	26 (1.7%)	686 (45.7%)	1246 (83.1%)	254 (16.9%)	1500 (100.0%)
Number of workers (% of **size** category)	98 (32%)	152 (60.8%)	250 (100%)	488 (86.5%)	76 (13.5%)	564 (100%)	660 (96.2%)	26 (3.8%)	686 (100%)	1246 (83.1%)	254 (16.9%)	1500 (100%)
Mean number of workers	387	313	342	1195	1011	1171	7540	5552	7464	4492	1058	3910
Heard of Accord or Alliance (%)	36.7	11.2	21.2	56.2	21.1	51.4	63.2	23.1	61.7	58.4	15.4	51.1
% believes factory AA affiliated	30.6	7.2	16.4	48.6	19.7	44.7	60.0	19.2	58.5	53.2	12.2	46.3
% workers believe that factory is compliant	65.3	21.7	38.8	78.5	35.5	72.7	86.4	50.0	85.0	81.6	28.7	72.7
Inspector talked to workers in past year	27.6	13.8	19.2	32.6	30.0	32.1	36.5	11.5	35.6	34.3	18.1	31.6
Woven/garments	34.7	46.7	42.0	78.1	48.7	74.1	54.6	73.1	55.3	62.2	50.0	60.1
Knitwear	65.3	53.3	58.0	21.9	51.3	25.9	45.6	26.9	44.8	37.8	50.0	39.9

Table 2 Worker characteristics (% unless otherwise stated)

	Small (0-599)			Medium (600-2499)			Large (2500+)			Total		
	AA	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**
Female	67.4	65.8	66.4	69.1	63.2	68.3	65.0	76.9	65.5	66.8	66.1	66.7
Mean age (in years)	24.3	24.5	24.4	26.6	27.8	26.8	27.2	24.1	27.1	26.8	25.4	26.5
Age less than 18	7.1	17.1	13.2	1.2	10.5	2.5	0.2	15.4	0.7	1.1	15.0	3.5
Mean years of schooling	4.9	4.9	4.9	6.0	4.5	5.8	6.5	5.4	6.4	6.2	4.8	5.9
No Formal Education (0)	20.4	19.1	19.6	14.3	17.1	14.7	12.4	19.2	12.7	13.8	18.5	14.6
Primary Education(1-5)	40.8	42.1	41.6	11.7	26.3	13.7	9.9	3.9	9.6	30.2	44.9	32.7
Secondary Education(6-9)	29.6	30.3	30.0	58.6	47.4	57.1	56.2	73.1	56.9	37.9	28.4	36.3
SSC & above (9+)	9.2	8.6	8.8	15.4	9.2	14.5	21.5	3.9	20.9	18.1	8.3	16.5
Married	74.5	54.0	62.0	77.7	77.6	77.7	83.0	65.4	82.4	80.3	62.2	77.2
Came to this location to work in garments	86.6	80.7	83.0	84.1	77.6	83.2	92.0	96.0	92.2	88.5	81.3	87.3
Started working in garment industry												
1988-2005	3.1	9.9	7.2	10.3	15.8	11.0	7.4	7.7	7.4	8.2	11.4	8.7
2006-2007	4.1	5.9	5.2	7.4	6.6	7.3	5.6	0.0	5.4	6.2	5.5	6.1
2008-2009	11.2	7.2	8.8	8.6	6.6	8.3	10.5	3.9	10.2	9.8	6.7	9.3
2010-2011	17.4	19.1	18.4	14.1	7.9	13.3	18.2	3.9	17.6	16.5	14.2	16.1
2012-2013	26.5	19.1	22.0	24.8	22.4	24.5	25.8	23.1	25.7	25.4	20.5	24.6

2014-2016	37.8	38.8	38.4	34.8	40.8	35.6	32.6	61.5	33.7	33.9	41.7	35.2
Mean years in the industry	5.0	5.5	5.3	5.8	6.2	5.8	5.6	3.8	5.6	5.7	5.5	5.6
Started working in this factory:												
1988-2005	0.0	0.7	0.4	1.6	5.3	2.1	1.5	0.0	1.5	1.4	2.0	1.5
2006-2007	1.0	2.0	1.6	3.5	0.0	3.0	1.4	0.0	1.3	2.2	1.2	2.0
2008-2009	3.1	3.3	3.2	4.3	1.3	3.9	5.2	3.9	5.1	4.7	2.8	4.3
2010-2011	4.1	5.3	4.8	12.3	1.3	10.8	14.4	3.9	14.0	12.8	3.9	11.3
2012-2013	21.4	15.1	17.6	21.7	14.5	20.7	27.0	0.0	26.0	24.5	13.4	22.6
2014-2016	70.4	73.7	72.4	56.6	77.6	59.4	50.6	92.3	52.2	54.5	76.8	58.3
Mean years in this factory:	2.7	2.8	2.8	3.7	2.9	3.6	3.9	2.0	3.8	3.7	2.8	3.6

Table 3 Priority attached to different aspects of wages and working conditions by factory size and AA affiliation

	Small	**Medium**	**Large**	**AA**	**Non AA**	**Total**
Job security						
Important	30.0	27.1	28.1	27.7	29.9	28.1
Very important	70.0	72.5	70.0	71.2	69.7	70.9
Safe and healthy work environment						
Important	33.6	30.9	27.0	27.9	37.4	29.5
Very important	64.4	67.9	72.9	71.2	61.8	69.6

Socially acceptable wage						
Important	30.8	35.8	26.5	30.8	30.3	30.7
Very important	66.0	60.3	70.0	65.3	67.7	65.7
Paid leave						
Does not matter	0.0	0.9	0.6	0.7	0.0	0.6
Important	34.0	32.1	34.8	33.5	34.7	33.7
Very important	66.0	66.8	64.6	65.7	65.4	65.7
No discrimination between sexes						
Does not matter	21.6	22.3	17.4	18.8	25.6	19.9
Important	59.6	56.4	60.1	58.1	61.0	58.6
Very important	15.2	20.0	21.6	21.8	11.0	19.9
Don't know	3.6	1.2	1.0	1.4	2.4	1.5
Right to join a trade union and collective bargaining						
Does not matter	46.0	39.4	39.4	39.3	46.1	40.5
Important	13.2	8.0	10.6	10.0	10.6	10.1
Very important	1.2	2.7	2.6	2.6	1.6	2.4
Don't know	39.6	50.0	47.4	48.2	41.7	47.1
Excessive hours						
Does not matter	16.8	13.8	20.0	17.3	16.5	17.1

Important	55.6	56.4	47.7	51.9	54.3	52.3
Very important	26.4	29.1	32.1	30.3	28.4	30.0
Don't know	1.2	0.7	0.3	0.6	0.8	0.6

Table 4.1 Wages and working hours (% unless otherwise stated)

	Small (0-599)			Medium (600-2499)			Large (2500+)			Total		
	AA	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**
Mean basic salary (takas)	6911.6	6784.2	6834.1	7406.4	7158.9	7373.0	7436.0	6677.1	7407.3	7383.2	6885.3	7298.9
Mean OT earning last month (takas)	1043.3	925.3	971.6	1340.7	1007.4	1295.8	1592.5	1193.3	1577.4	1450.7	977.3	1370.5
Mean salary + OT last month (takas)	7955	7710	7806	8747	8166	8669	9029	7870	8985	8834	7863	8669
Received attendance bonus	88.8	65.1	74.4	91.0	73.7	88.7	97.7	73.1	96.8	94.4	68.5	90.0
Mean salary + OT + bonus	8183.2	7865.1	7989.8	9007.6	8370.9	8921.8	9470.0	8083.8	9417.4	9187.7	8038.8	8993.1
Receives annual salary increment	94.9	93.4	94.0	97.3	90.8	96.5	97.7	96.2	97.7	97.4	92.9	96.6
Receives salary within first 10 days of month	86.7	62.5	72.0	93.9	79.0	91.8	96.1	65.4	94.9	94.4	67.7	89.9
Received overtime same time as salary	89	94	92	89	89	89	98	100	98	94	94	94
OT rate higher than basic salary rate	83.7	73.0	77.2	86.7	77.6	85.5	91.4	88.5	91.3	88.9	76.0	86.7
Believes salary and benefits are fair	32.7	35.5	34.4	50.6	30.3	47.9	46.4	30.8	45.8	47.0	33.5	44.7
Usually works 6 days a week	99.0	98.7	98.8	99.6	100.0	99.7	99.6	96.2	99.4	99.5	98.8	99.4
Mean hours of work a day	8.2	8.3	8.3	8.2	8.3	8.2	8.1	8.1	8.1	8.1	8.3	8.2

Mean hours of overtime per day	3.6	3.3	3.4	3.0	3.3	3.0	3.4	4.0	3.4	3.2	3.4	3.3
Overtime is compulsory	93.9	88.8	90.8	74.6	93.4	77.1	83.9	96.2	84.4	81.1	90.9	82.7
Satisfaction with working hours & overtime												
Satisfied	27.6	22.4	24.4	31.6	26.3	30.9	29.7	19.2	29.3	30.3	23.2	29.1
Neither satisfied nor dissatisfied	35.7	33.6	34.4	43.9	30.3	42.0	32.1	38.5	32.4	37.0	33.1	36.3
Dissatisfied	36.7	44.1	41.2	24.6	43.4	27.1	38.2	42.3	38.3	32.7	43.7	34.6

Table 4.2 Basic OLS regression model: wages and hours and work

	Basic Salary	Basic salary+ overtime	Basic salary + OT+ bonus	Working hours	Compulsory Overtime	Believes salary/OT is fair	Satisfied Working hours
AA	387.4	818.0***	975.7***	-0.0850	-0.142***	0.178***	0.107**
	(243.5)	(245.2)	(246.4)	(0.0657)	(0.0387)	(0.0510)	(0.0490)
Small size	-251.9	-381.4	-432.7	0.0869	-0.0530	0.0513	-0.00942
	(301.7)	(303.8)	(305.2)	(0.0814)	(0.0480)	(0.0632)	(0.0607)
Small*AA	-259.9	-572.6	-657.5***	-0.0339	0.192***	-0.207**	-0.0339
	(390.6)	(393.3)	(395.1)	(0.105)	(0.0621)	(0.0818)	(0.0786)
Constant	7,036***	8,091***	8298***	8.216***	0.941***	0.304***	0.569***
	(233.4)	(235.0)	(236.1)	(0.0629)	(0.0371)	(0.0489)	(0.0470)
Observations	1,500	1,500	1500	1,500	1,500	1,500	1,500

R-squared	0.010	0.033	0.045	0.007	0.019	0.017	0.008

Table 4.3 Extended OLS regression model: wages and hours and work

	(1)	(2)		(3)	(4)	(5)	(6)
	Basic Salary	Basic salary+ overtime	Basic salary+ OT+ bonus	Working hours	Compulsory Overtime	Believes salary/OT fair	Satisfied Working hours
AA	226.2	650.2***	811.4***	-0.105*	-0.143***	0.175***	0.105**
	(205.2)	(210.4)	(211.3)	(0.0620)	(0.0390)	(0.0513)	(0.0494)
Small size	-245.9	-384.6	-434.2*	0.0862	-0.0531	0.0533	-0.0111
	(252.1)	(258.4)	(259.6)	(0.0761)	(0.0480)	(0.0631)	(0.0607)
AA*small	58.24	-267.4	-355.2	0.0100	0.193***	-0.206**	-0.0338
	(327.5)	(335.7)	(337.2)	(0.0989)	(0.0623)	(0.0819)	(0.0789)
Female	-1,202***	-1,358***	-1.378***	-0.315***	0.0491**	0.0772***	-0.0391
	(113.6)	(116.5)	(117.0)	(0.0343)	(0.0216)	(0.0284)	(0.0274)
Primary education	502.3***	262.9	299.1*	0.0692	-0.0339	0.0331	-0.00755
	(161.1)	(165.1)	(165.9)	(0.0486)	(0.0306)	(0.0403)	(0.0388)
Secondary educ	673.6***	434.8***	445.4***	0.104**	-0.0365	0.00290	0.00542
	(160.4)	(164.4)	(165.2)	(0.0484)	(0.0305)	(0.0401)	(0.0386)
Post-secondary	1,262***	1,217***	1238***	0.138**	-0.00354	0.0869*	0.0108

	(192.1)	(197.0)	(197.9)	(0.0580)	(0.0366)	(0.0481)	(0.0463)
Years in RMG	259.7***	225.8***	225.6***	0.0359***	0.00117	-0.00250	-0.00579*
	(13.22)	(13.55)	(13.61)	(0.00399)	(0.00252)	(0.00331)	(0.00319)
Constant	5,875***	7,404***	7602***	8.155***	0.928***	0.243***	0.628***
	(265.8)	(272.5)	(273.7)	(0.0803)	(0.0506)	(0.0665)	(0.0640)
Observations	1,500	1,500	1500	1,500	1,500	1,500	1,500
R squared	0.311	0.303	0.312	0.134	0.023	0.025	0.012

Table 5.1 Job security and social benefits

	Small (0-599)			**Medium (600-2499)**			**Large (2500+)**			**Total**		
	AA	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**
Permanent worker	94.9	98.0	96.8	97.1	89.5	96.1	96.8	96.2	96.8	96.8	95.3	96.5
Contract worker	5.1	2.0	3.2	2.7	10.5	3.7	3.2	3.9	3.2	3.1	4.7	3.4
Has written appointment letter	35.7	21.1	26.8	68.0	26.3	62.4	75.3	34.6	73.8	69.3	24.0	61.7
Has factory ID card	92.9	70.4	79.2	99.4	79.0	96.6	99.7	84.6	99.1	99.0	74.4	94.9
Job security index (mean value)	1.3	0.9	1.1	1.7	1.1	1.6	1.8	1.2	1.7	1.7	1.0	1.6
Gets weekly holiday	99.0	98.7	98.8	99.0	100.0	99.1	99.6	96.2	99.4	99.3	98.8	99.2
Gets paid leave	79.6	78.3	78.8	93.2	76.3	91.0	96.2	92.3	96.1	93.7	79.1	91.3

Gets maternity leave	74.5	54.6	62.4	94.7	69.7	91.3	99.4	80.8	98.7	95.6	61.8	89.9
Social benefits index (mean value)	1.5	1.3	1.4	1.9	1.5	1.8	2.0	1.7	1.9	1.9	1.4	1.8
Can be fired at any time	40.8	48.7	45.6	31.2	55.3	34.4	36.5	42.3	36.7	34.8	50.0	37.3
Satisfied with job security	54.1	44.1	48.0	64.1	39.5	60.8	61.5	57.7	61.4	62.0	44.1	58.9

Table 5.2 Basic OLS regression model: job security and social benefits

	(1)	(2)	(3)
	Job security index	Benefits index	Can be fired any time
AA	0.630***	0.394***	-0.177***
	(0.0524)	(0.0451)	(0.0497)
Small size	-0.174***	-0.200***	-0.0328
	(0.0649)	(0.0558)	(0.0615)
Small*AA	-0.258***	-0.182**	0.0986
	(0.0840)	(0.0723)	(0.0796)
Constant	1.088***	1.529***	0.520***
	(0.0502)	(0.0432)	(0.0476)

Observations	1,500	1,500	1,500
R-squared	0.241	0.186	0.015

Table 5.3 Extended OLS regression model: job security and social benefits

	Job security index	Benefits index	Can be fired any time
AA	0.605***	0.379***	-0.166***
	(0.0526)	(0.0450)	(0.0500)
Small size	-0.178***	-0.203***	-0.0329
	(0.0646)	(0.0553)	(0.0614)
AA*small	-0.234***	-0.173**	0.0887
	(0.0840)	(0.0719)	(0.0797)
Female	-0.0254	0.0495**	-0.0446
	(0.0291)	(0.0249)	(0.0277)
Primary	0.0104	0.00824	-0.0209
	(0.0413)	(0.0354)	(0.0392)
Secondary	0.0794*	0.0336	-0.0141
	(0.0411)	(0.0352)	(0.0391)

Post-secondary	0.150***	0.124***	-0.127***
	(0.0493)	(0.0422)	(0.0468)
Years in RMG	-0.000658	-0.0101***	0.00131
	(0.00339)	(0.00290)	(0.00322)
Constant	1.072***	1.531***	0.566***
	(0.0682)	(0.0584)	(0.0647)
Observations	1,500	1,500	1,500
R squared	0.250	0.204	0.023

Table 6.1 Health and safety in factory

	Small (0-599)			**Medium (600-2499)**			**Large (2500+)**			**Total**		
	AA	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**
Has HSC in factory	87.8	55.3	68.0	93.2	65.8	89.5	98.8	69.2	97.7	95.8	59.8	89.7
Received health and safety training	76.5	56.6	64.4	90.6	65.8	87.2	91.8	61.5	90.7	90.1	59.8	85.0
Feel safe in building	91.8	87.5	89.2	98.0	90.8	97.0	95.9	96.2	95.9	96.4	89.4	95.2
Could refuse to enter factory if building perceived unsafe	82.5	85.6	84.4	88.4	87.5	88.3	92.8	95.7	92.9	90.3	87.1	89.8

Table 6.2 Basic OLS regression model: health and safety

	(1)	(2)	(3)	(4)
	HSC Committee	HS Training	Factory is safe	Can Refuse to Work
AA	0.298***	0.266***	0.0462**	0.0148
	(0.0281)	(0.0348)	(0.0219)	(0.0323)
Small size	-0.114***	-0.0813*	-0.0466*	-0.0386
	(0.0348)	(0.0431)	(0.0271)	(0.0399)
Small*AA	0.0273	-0.0663	-0.00283	-0.0462
	(0.0450)	(0.0558)	(0.0351)	(0.0511)
Constant	0.667***	0.647***	0.922***	0.895***
	(0.0269)	(0.0333)	(0.0210)	(0.0310)
Observations	1,500	1,500	1,500	1,476
R-squared	0.206	0.114	0.020	0.007

Table 6.3 Extended OLS regression model: health and safety

	HSC Committee	HS Training	Factory is safe	Can Refuse to Work
AA	0.289***	0.260***	0.0462**	0.0134
	(0.0283)	(0.0351)	(0.0220)	(0.0325)

Small size	-0.114***	-0.0811*	-0.0465*	-0.0389
	(0.0347)	(0.0431)	(0.0271)	(0.0397)
AA*small	0.0378	-0.0598	-0.00513	-0.0447
	(0.0451)	(0.0560)	(0.0352)	(0.0511)
Female	0.0216	0.0316	0.0219*	-0.0515***
	(0.0156)	(0.0194)	(0.0122)	(0.0175)
Primary	0.0296	0.0107	-0.00508	0.00385
	(0.0222)	(0.0275)	(0.0173)	(0.0248)
Secondary	0.0509**	0.0147	-0.0130	-0.0152
	(0.0221)	(0.0274)	(0.0172)	(0.0247)
Post-secondary	0.0699***	0.0498	0.0105	0.0363
	(0.0265)	(0.0329)	(0.0206)	(0.0295)
Years in RMG	0.00308*	0.00268	-0.00341**	-0.00130
	(0.00182)	(0.00226)	(0.00142)	(0.00205)
Constant	0.602***	0.598***	0.931***	0.936***
	(0.0366)	(0.0455)	(0.0285)	(0.0419)
Observations	1,500	1,500	1,500	1,476
R squared	0.212	0.116	0.028	0.018

Table 7.1 Awareness, representation and voice (% unless otherwise stated)

	Small (0-599)			Medium (600-2499)			Large (2500+)			Total		
	AA	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**
Knows labor law	35.7	28.3	31.2	39.3	34.2	38.7	44.1	30.8	43.6	41.6	30.3	39.7
Knows code of conduct	75.5	50.7	60.4	72.3	55.3	70.0	75.3	61.5	74.8	74.2	53.2	70.6
Training rights/collective bargaining	1.0	0.0	0.4	5.7	0.0	5.0	8.9	3.9	8.8	7.1	0.4	5.9
Trade union in factory												
Yes	1.0	0.7	0.8	5.9	2.6	5.5	4.4	7.7	4.5	4.7	2.0	4.3
No	52.0	39.5	44.4	35.7	36.8	35.8	29.7	38.5	30.0	33.8	38.6	34.6
Don't know	46.9	59.9	54.8	58.4	60.5	58.7	65.9	53.9	65.5	61.5	59.5	61.1
WPC in factory												
Yes	68.4	24.3	41.6	84.4	27.6	76.8	95.2	38.5	93.0	88.8	26.8	78.3
No	17.4	39.5	30.8	6.2	30.3	9.4	0.9	26.9	1.9	4.3	35.4	9.5
Don't Know	14.3	36.2	27.6	9.4	42.1	13.8	3.9	34.6	5.1	6.9	37.8	12.1
Members elected to WPC	79.1	67.6	75.0	64.8	61.9	64.7	92.0	70.0	91.7	81.1	66.2	80.3
Members nominate to WPC	19.4	24.3	21.2	24.8	23.8	24.7	5.7	30.0	6.1	13.6	25.0	14.3
Don't Know	1.5	8.1	3.9	10.4	14.3	10.6	2.2	0.0	2.2	5.2	8.8	5.5
Voted in WPC election	66.0	76.0	69.2	68.5	38.5	67.1	82.7	28.6	82.1	77.5	57.8	76.6
Workers' perception about WPC												

Workers can openly express views to WPC												
Strongly disagree	0.0	0.0	0.0	0.5	0.0	0.5	0.2	0.0	0.2	0.3	0.0	0.3
Disagree	0.0	0.0	0.0	4.6	0.0	4.4	5.7	0.0	5.6	5.0	0.0	4.7
Neutral	17.9	29.7	22.1	10.2	33.3	11.3	10.5	10.0	10.5	10.8	27.9	11.8
Agree	46.3	40.5	44.2	52.2	47.6	52.0	52.1	40.0	51.9	51.8	42.7	51.2
Strongly agree	35.8	29.7	33.7	32.5	19.1	31.9	31.5	50.0	31.8	32.2	29.4	32.0
WPC looks out for complaints of workers												
Strongly disagree	0.0	0.0	0.0	0.5	0.0	0.5	0.3	0.0	0.3	0.4	0.0	0.3
Disagree	3.0	0.0	1.9	4.6	0.0	4.4	6.2	10.0	6.3	5.4	1.5	5.2
Neutral	23.9	29.7	26.0	14.3	33.3	15.2	16.9	10.0	16.8	16.4	27.9	17.0
Agree	43.3	56.8	48.1	59.2	52.4	58.9	57.0	70.0	57.2	57.0	57.4	57.0
Strongly agree	29.9	13.5	24.0	21.4	14.3	21.0	19.6	10.0	19.4	20.9	13.2	20.4
Management gives importance to WPC												
Strongly disagree	0.0	0.0	0.0	1.0	4.8	1.2	1.1	0.0	1.1	1.0	1.5	1.0
Disagree	16.4	0.0	10.6	6.8	9.5	6.9	11.6	20.0	11.8	10.1	5.9	9.9
Neutral	29.9	43.2	34.6	25.5	38.1	26.1	23.6	20.0	23.5	24.7	38.2	25.5
Agree	37.3	43.2	39.4	49.8	33.3	49.0	49.0	50.0	49.1	48.6	41.2	48.2
Strongly agree	16.4	13.5	15.4	17.0	14.3	16.9	14.7	10.0	14.6	15.6	13.2	15.5

WPC is effective												
Strongly disagree	1.5	0.0	1.0	1.0	4.8	1.2	1.4	0.0	1.4	1.3	1.5	1.3
Disagree	16.4	0.0	10.6	8.7	14.3	9.0	9.7	20.0	9.9	9.8	7.4	9.6
Neutral	23.9	48.7	32.7	22.1	38.1	22.9	24.0	20.0	24.0	23.3	41.2	24.3
Agree	46.3	37.8	43.3	50.2	28.6	49.2	51.0	50.0	50.9	50.4	36.8	49.6
Strongly agree	11.9	13.5	12.5	18.0	14.3	17.8	13.9	10.0	13.8	15.3	13.2	15.2
WPC can give satisfactory solutions												
Strongly disagree	1.5	0.0	1.0	1.2	4.8	1.4	1.4	0.0	1.4	1.4	1.5	1.4
Disagree	17.9	5.4	13.5	10.0	14.3	10.2	10.5	20.0	10.7	10.8	10.3	10.7
Neutral	25.4	32.4	27.9	18.7	33.3	19.4	22.6	20.0	22.6	21.3	30.9	21.9
Agree	38.8	46.0	41.4	48.5	33.3	47.8	51.0	50.0	50.9	49.3	42.7	48.9
Strongly agree	16.4	16.2	16.4	21.6	14.3	21.3	14.5	10.0	14.4	17.3	14.7	17.1
WPC index												
0	42.9	81.6	66.4	25.0	81.6	32.6	19.4	65.4	21.1	23.4	79.9	33.0
1	5.1	1.3	2.8	5.3	0.0	4.6	6.5	3.9	6.4	5.9	1.2	5.1
2	13.3	2.0	6.4	7.4	4.0	6.9	9.1	7.7	9.0	8.8	3.2	7.8
3	0.0	2.0	1.2	3.7	1.3	3.4	3.5	0.0	3.4	3.3	1.6	3.0
4	5.1	1.3	2.8	11.5	2.6	10.3	5.8	0.0	5.5	8.0	1.6	6.9
5	33.7	11.8	20.4	47.1	10.5	42.2	55.8	23.1	54.5	50.6	12.6	44.2

Mean value of WPC index	2.2	0.8	1.3	3.1	0.8	2.8	3.4	1.3	3.3	3.2	0.8	2.8

Table 7.2 Basic regression model: voice and representation

	Know labor law	Know code of conduct	Has WPC	WPC elected	WPC effectiveness index
AA	0.0874*	0.172***	0.602***	0.167**	2.365***
	(0.0504)	(0.0464)	(0.0347)	(0.0724)	(0.212)
Small size	-0.0504	-0.0620	-0.0605	0.0305	-0.145
	(0.0624)	(0.0575)	(0.0430)	(0.0967)	(0.262)
Small*AA	-0.0132	0.0767	-0.162***	-0.0520	-0.917***
	(0.0808)	(0.0744)	(0.0556)	(0.109)	(0.339)
Constant	0.333***	0.569***	0.304***	0.645***	0.902***
	(0.0483)	(0.0445)	(0.0332)	(0.0713)	(0.203)
Observations	1,500	1,500	1,500	1,175	1,500
R-squared	0.009	0.031	0.338	0.008	0.170

Table 7.3: Extended OLS regression model: voice and representation

	Know labor law	Know code of conduct	Has WPC	WPC elected	WPC effectiveness index

AA	0.0262	0.127***	0.591***	0.157**	2.295***
	(0.0473)	(0.0451)	(0.0348)	(0.0725)	(0.212)
Small size	-0.0560	-0.0645	-0.0599	0.0277	-0.145
	(0.0581)	(0.0554)	(0.0428)	(0.0965)	(0.261)
Small*AA	0.0609	0.129*	-0.150***	-0.0391	-0.849**
	(0.0754)	(0.0720)	(0.0556)	(0.109)	(0.339)
Female	-0.123***	-0.0234	0.0110	-0.0201	-0.0752
	(0.0262)	(0.0250)	(0.0193)	(0.0259)	(0.118)
Primary	0.0842**	0.205***	0.0648**	-0.0413	0.360**
	(0.0371)	(0.0354)	(0.0273)	(0.0386)	(0.167)
Secondary	0.190***	0.301***	0.0660**	-0.0347	0.356**
	(0.0369)	(0.0352)	(0.0272)	(0.0378)	(0.166)
Post-secondary	0.455***	0.409***	0.136***	0.0708	0.858***
	(0.0443)	(0.0422)	(0.0326)	(0.0436)	(0.199)
RMG experience	0.0219***	0.00924***	0.00155	0.00250	-0.00740
	(0.00305)	(0.00290)	(0.00225)	(0.00308)	(0.0137)
Constant	0.168***	0.323***	0.229***	0.666***	0.659**
	(0.0612)	(0.0584)	(0.0451)	(0.0850)	(0.275)

Observations	1,500	1,500	1,500	1,175	1,500
R squared	0.146	0.104	0.346	0.021	0.183

Table 8.1 Behavior and attitudes in the factory (% unless otherwise stated)

	Small (0-599)			Medium (600-2499)			Large (2500+)			Total		
	AA	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**
Workers' perception of abuse in factory												
Physical abuse (ever)	23.5	20.4	21.6	17.8	43.4	21.3	18.2	30.8	18.7	18.5	28.4	20.1
Physical abuse (often)	7.1	9.9	8.8	5.5	10.5	6.2	6.2	7.7	6.3	6.0	9.8	6.7
Verbal abuse (ever)	94.9	92.8	93.6	83.8	93.4	85.1	91.4	84.6	91.1	88.7	92.1	89.3
Verbal abuse (often)	92.9	86.8	89.2	69.1	90.8	72.0	86.4	84.6	86.3	80.1	87.8	81.4
Sexual harassment (ever)	25.5	10.5	16.4	8.8	13.2	9.4	10.2	19.2	10.5	10.8	12.2	11.1
Sexual harassment (often)	1.0	2.0	1.6	1.8	0.0	1.6	0.8	0.0	0.7	1.2	1.2	1.2
Humiliated (ever)	68.4	58.6	62.4	54.3	72.4	56.7	69.1	61.5	68.8	63.2	63.0	63.2
Humiliated (often)	33.7	16.5	23.2	16.0	21.1	16.7	29.7	34.6	29.9	24.6	19.7	23.8
Threats (ever)	52.0	39.5	44.4	36.7	57.9	39.5	45.6	46.2	45.6	42.6	45.7	43.1
Threats (often)	23.5	10.5	15.6	12.7	19.7	13.7	18.8	26.9	19.1	16.8	15.0	16.5

Worker experienced misbehavior and abuse	85.0	76.2	79.7	67.6	87.3	70.5	75.5	90.9	76.0	73.3	80.9	74.7
Physical abuse	14.3	24.3	20.4	27.9	15.8	26.2	23.6	7.7	23.0	24.6	20.1	23.8
Verbal abuse	92.9	90.1	91.2	81.4	89.5	82.5	89.7	84.6	89.5	86.7	89.4	87.1
Regulated toilet break	15.3	22.4	19.6	28.5	13.2	26.4	23.3	7.7	22.7	24.7	18.1	23.6
Humiliating behavior	74.5	72.4	73.2	65.0	79.0	66.8	66.4	65.4	66.3	66.5	73.6	67.7
Faced threats	45.9	42.8	44.0	46.3	50.0	46.8	47.3	38.5	46.9	46.8	44.5	46.4
Experienced sexual harassment on way	10.2	5.9	7.6	5.3	1.3	4.8	3.2	11.5	3.5	4.6	5.1	4.7
Most physically abusive												
Line man	4.3	10.5	8.1	7.5	11.3	8.0	6.8	13.6	7.0	6.9	11.0	7.6
Supervisor	12.9	5.6	8.5	6.8	19.7	8.7	8.0	18.2	8.3	7.9	11.0	8.5
Manager	6.5	6.3	6.4	5.8	14.1	7.0	4.5	4.6	4.5	5.1	8.5	5.7
Most verbally abusive												
Line man	9.7	10.5	10.2	17.2	9.9	16.1	14.9	4.6	14.6	15.3	9.8	14.3
Supervisor	87.1	81.8	83.9	77.3	81.7	77.9	78.6	90.9	79.0	78.8	82.6	79.5
Manager	3.2	7.7	5.9	5.1	8.5	5.6	6.3	0.0	6.1	5.6	7.2	5.9
Main reasons for abuse												

Not meeting production	68.4	56.6	61.2	53.1	57.9	53.7	66.7	65.4	66.6	61.5	57.9	60.9
Working slowly	38.8	32.2	34.8	27.3	29.0	27.5	37.4	53.9	38.1	33.6	33.5	33.5
Making mistakes/ alterations	85.7	80.9	82.8	73.8	85.5	75.4	76.7	61.5	76.1	76.2	80.3	76.9
Being absent	15.3	23.7	20.4	26.6	21.1	25.9	20.2	19.2	20.1	22.3	22.4	22.3
Worker-management relations:												
Must follow rules	50.0	54.6	52.8	46.3	47.4	46.5	50.2	57.7	50.4	48.6	52.8	49.3
Lucky to get job	33.7	30.3	31.6	23.8	42.1	26.2	27.6	30.8	27.7	26.6	33.9	27.8
Treated like family member	10.2	13.2	12.0	19.3	9.2	17.9	12.3	7.7	12.1	14.9	11.4	14.3
Management consults workers	6.1	2.0	3.6	10.7	1.3	9.4	10.0	3.9	9.8	10.0	2.0	8.6
How satisfied are you with following aspects of your job:												
Building safety												
Satisfied	93.9	80.3	85.6	95.5	88.2	94.5	97.7	88.5	97.4	96.6	83.5	94.3
Very dissatisfied	1.0	5.3	3.6	2.1	4.0	2.3	0.9	3.9	1.0	1.4	4.7	1.9
Safety in relation to fire and electricity												

Satisfied	93.9	77.0	83.6	95.9	86.8	94.7	95.3	88.5	95.0	95.4	81.1	93.0
Very dissatisfied	3.1	4.0	3.6	1.4	5.3	2.0	0.3	7.7	0.6	1.0	4.7	1.6
Healthy work environment (light, air, clean, adequate toilets)												
Satisfied	85.7	79.0	81.6	95.5	84.2	94.0	97.9	84.6	97.4	96.0	81.1	93.5
Very dissatisfied	6.1	4.0	4.8	1.4	5.3	2.0	0.5	11.5	0.9	1.3	5.1	1.9
Working hours and overtime												
Satisfied	27.6	22.4	24.4	31.6	26.3	30.9	29.7	19.2	29.3	30.3	23.2	29.1
Very dissatisfied	36.7	44.1	41.2	24.6	43.4	27.1	38.2	42.3	38.3	32.7	43.7	34.6
Production targets												
Satisfied	27.6	21.7	24.0	27.7	15.8	26.1	29.7	19.2	29.3	28.7	19.7	27.2
Very dissatisfied	34.7	27.0	30.0	21.5	34.2	23.2	37.6	46.2	37.9	31.1	31.1	31.1
Behavior of Management												
Satisfied	52.0	55.3	54.0	69.9	46.1	66.7	61.7	50.0	61.2	64.1	52.0	62.1
Very dissatisfied	20.4	8.6	13.2	6.4	15.8	7.6	11.4	23.1	11.8	10.1	12.2	10.5
Opportunity to complain												
Satisfied	49.0	36.2	41.2	70.3	40.8	66.3	73.0	46.2	72.0	70.1	38.6	64.7

Very dissatisfied	9.2	10.5	10.0	3.7	6.6	4.1	2.7	7.7	2.9	3.6	9.1	4.5
Salary and Bonus												
Satisfied	31.6	32.9	32.4	51.4	26.3	48.1	49.1	30.8	48.4	48.6	30.7	45.6
Very dissatisfied	52.0	42.1	46.0	36.9	50.0	38.7	30.2	50.0	30.9	34.5	45.3	36.3
Date of salary payment												
Satisfied	73.5	44.7	56.0	81.6	61.8	78.9	87.6	65.4	86.7	84.1	52.0	78.7
Very dissatisfied	14.3	24.3	20.4	6.8	17.1	8.2	0.6	26.9	1.6	4.1	22.4	7.2
Job security												
Satisfied	54.1	44.1	48.0	64.1	39.5	60.8	61.5	57.7	61.4	62.0	44.1	58.9
Very dissatisfied	29.6	28.3	28.8	20.5	43.4	23.6	25.2	30.8	25.4	23.7	33.1	25.3
Opportunity for training and skill development												
Satisfied	10.2	5.9	7.6	31.6	5.3	28.0	26.4	15.4	26.0	27.1	6.7	23.7
Very dissatisfied	6.1	13.8	10.8	3.9	10.5	4.8	9.2	15.4	9.5	6.9	13.0	7.9
Opportunity for promotion												
Satisfied	19.4	20.4	20.0	30.3	11.8	27.8	28.0	23.1	27.8	28.3	18.1	26.5
Very dissatisfied	19.4	23.7	22.0	14.3	15.8	14.5	23.3	11.5	22.9	19.5	20.1	19.6
Mean value of satisfaction index	6.2	5.2	5.6	7.5	5.3	7.2	7.4	5.9	7.3	7.3	5.3	7.0

Chances of remaining in this factory in the next 12 months												
Planning to leave	10.2	13.8	12.4	3.9	9.2	4.6	2.6	11.5	2.9	3.7	12.2	5.1
Strong chance of leaving	12.2	19.1	16.4	14.6	18.4	15.1	8.8	19.2	9.2	11.3	18.9	12.6
Not sure whether I will leave or not	11.2	9.9	10.4	6.4	22.4	8.5	4.1	7.7	4.2	5.5	13.4	6.9
Strong chance of staying	8.2	11.2	10.0	9.2	9.2	9.2	8.8	3.9	8.6	8.9	9.8	9.1
Will definitely remain	58.2	46.1	50.8	66.0	40.8	62.6	75.8	57.7	75.1	70.6	45.7	66.3
Do you feel that garment workers have more rights than other workers?												
Somewhat more	30.6	38.2	35.2	37.5	34.2	37.1	42.7	57.7	43.3	39.7	39.0	39.6
A great deal more	33.7	36.8	35.6	36.7	25.0	35.1	33.0	34.6	33.1	34.5	33.1	34.3

Note: often = once/twice in a week Everyday

Table 8.2 Basic OLS regression model: relationships and attitudes

	Satisfaction index	Experience mistreatment	Must obey rules	Lucky to have a job	Treated like family	Consulted by management	Stay next 12 months	Planned time in industry	More rights than others

AA	1.938***	-0.159***	-0.0148	-0.133***	0.0642*	0.0832***	0.276***	0.190	0.0744
	(0.238)	(0.0469)	(0.0517)	(0.0462)	(0.0361)	(0.0288)	(0.0434)	(0.249)	(0.0453)
Small factory	-0.273	-0.119**	0.0461	-0.0895	0.0433	0.000129	0.0430	-0.0353	0.0735
	(0.295)	(0.0576)	(0.0640)	(0.0572)	(0.0448)	(0.0357)	(0.0538)	(0.309)	(0.0562)
AA*small	-0.952**	0.246***	-0.0312	0.167**	-0.0937	-0.0417	-0.185***	-0.190	-0.182**
	(0.381)	(0.0743)	(0.0829)	(0.0741)	(0.0579)	(0.0462)	(0.0696)	(0.400)	(0.0727)
Constant	5.471***	0.882***	0.500***	0.392***	0.0882**	0.0196	0.529***	3.377***	0.676***
	(0.228)	(0.0449)	(0.0495)	(0.0443)	(0.0346)	(0.0276)	(0.0416)	(0.239)	(0.0434)
Observations	1,500	1,346	1,500	1,500	1,500	1,500	1,500	1,500	1,500
R-squared	0.111	0.013	0.001	0.007	0.003	0.013	0.050	0.001	0.005

Table 8.3 Extended regression model: relationships and attitudes

	Satisfaction index	Experience mistreatment	Must obey rules	Lucky to have a job	Treated like family	Consulted by management	Stay next 12 months	Planned time in industry	More rights than others
AA	1.855***	-0.147***	-0.0276	-0.111**	0.0588	0.0799***	0.268***	0.186	0.0783*
	(0.239)	(0.0473)	(0.0521)	(0.0463)	(0.0364)	(0.0290)	(0.0437)	(0.247)	(0.0457)
Small factory	-0.278	-0.115**	0.0422	-0.0868	0.0441	0.000449	0.0447	-0.0249	0.0753
	(0.294)	(0.0576)	(0.0640)	(0.0569)	(0.0447)	(0.0357)	(0.0537)	(0.304)	(0.0562)
AA*small	-0.865**	0.234***	-0.0171	0.142*	-0.0882	-0.0366	-0.175**	-0.134	-0.185**

	(0.381)	(0.0745)	(0.0832)	(0.0738)	(0.0581)	(0.0464)	(0.0697)	(0.394)	(0.0730)
Female	-0.0936	0.0352	-0.0335	0.0470*	0.00200	-0.0155	0.0539**	-0.441***	0.0417
	(0.132)	(0.0265)	(0.0289)	(0.0256)	(0.0202)	(0.0161)	(0.0242)	(0.137)	(0.0253)
Primary	0.256	-0.0180	-0.0380	-0.0392	0.0324	0.0448**	0.0762**	-0.0212	0.0300
	(0.188)	(0.0369)	(0.0409)	(0.0363)	(0.0286)	(0.0228)	(0.0343)	(0.194)	(0.0359)
Secondary	0.332*	-0.0612*	0.0199	-0.0909**	0.0190	0.0521**	0.0742**	-0.174	0.0176
	(0.187)	(0.0369)	(0.0407)	(0.0362)	(0.0285)	(0.0227)	(0.0342)	(0.193)	(0.0358)
Higher	0.813***	-0.0671	0.0216	-0.151***	0.0836**	0.0460*	0.115***	0.0933	-0.00511
	(0.224)	(0.0445)	(0.0488)	(0.0433)	(0.0341)	(0.0272)	(0.0409)	(0.231)	(0.0428)
Years RMG	0.00355	0.00149	0.00247	-0.00465	0.000290	0.00189	0.00410	0.0916***	0.00168
	(0.0154)	(0.00313)	(0.00336)	(0.00298)	(0.00235)	(0.00187)	(0.00282)	(0.0159)	(0.00295)
Constant	5.239***	0.879***	0.520***	0.441***	0.0580	-0.0194	0.405***	3.209***	0.621***
	(0.310)	(0.0612)	(0.0675)	(0.0599)	(0.0472)	(0.0376)	(0.0566)	(0.320)	(0.0593)
Observations	1,500	1,346	1,500	1,500	1,500	1,500	1,500	1,500	1,500
R squared	0.121	0.019	0.006	0.024	0.008	0.018	0.058	0.039	0.008

Table 9.1: Perceived changes since Rana Plaza

	Small (0-599)			**Medium (600-2499)**			**Large (2500+)**			**Total**		
	AA	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**

Heard about collapse of Rana Plaza	99.0	96.1	97.2	99.2	94.7	98.6	99.1	88.5	98.7	99.1	94.9	98.4
Joined this factory before the collapse	23.7	24.7	24.3	39.3	23.6	37.2	46.6	8.7	45.4	41.9	22.8	38.8
Worker perception of change in factory since Rana Plaza												
Building safety												
Improvement	77.6	48.7	60.0	87.5	64.5	84.4	96.5	46.2	94.6	91.5	53.2	85.0
Deterioration	1.0	0.7	0.8	0.0	2.6	0.4	0.2	0.0	0.2	0.2	1.2	0.3
No change	21.4	50.7	39.2	12.5	32.9	15.3	3.3	53.9	5.3	8.4	45.7	14.7
Healthy work environment												
Improvement	75.5	62.5	67.6	89.8	64.5	86.4	94.7	61.5	93.4	91.3	63.0	86.5
No change	23.5	36.8	31.6	10.0	32.9	13.1	5.3	38.5	6.6	8.6	35.8	13.2
Deterioration	1.0	0.7	0.8	0.2	2.6	0.5	0.0	0.0	0.0	0.2	1.2	0.3
Safety training improved?												
Improvement	72.5	56.6	62.8	88.3	55.3	83.9	92.0	53.9	90.5	89.0	55.9	83.4
No change	26.5	40.1	34.8	11.3	38.2	14.9	6.8	46.2	8.3	10.1	40.2	15.2
Deterioration	1.0	3.3	2.4	0.4	6.6	1.2	1.2	0.0	1.2	0.9	3.9	1.4
Opportunity for overtime												
Improvement	10.2	9.9	10.0	19.5	17.1	19.2	21.7	19.2	21.6	19.9	13.0	18.7
No change	42.9	47.4	45.6	50.0	42.1	48.9	33.0	38.5	33.2	40.5	44.9	41.2

Deterioration	46.9	42.8	44.4	30.5	40.8	31.9	45.3	42.3	45.2	39.7	42.1	40.1
Behavior of supervisor												
Improvement	44.9	59.2	53.6	60.9	54.0	59.9	56.1	50.0	55.8	57.1	56.7	57.0
No change	42.9	32.2	36.4	34.0	32.9	33.9	35.9	38.5	36.0	35.7	33.1	35.3
Deterioration	12.2	8.6	10.0	5.1	13.2	6.2	8.0	11.5	8.2	7.2	10.2	7.7
Behavior of management	12.2	8.6	10.0	5.1	13.2	6.2	8.0	11.5	8.2	7.2	10.2	7.7
Improvement	37.8	54.6	48.0	61.5	38.2	58.3	58.5	34.6	57.6	58.0	47.6	56.3
No change	53.1	38.2	44.0	35.3	56.6	38.1	35.6	57.7	36.4	36.8	45.7	38.3
Deterioration	9.2	7.2	8.0	3.3	5.3	3.6	5.9	7.7	6.0	5.1	6.7	5.4
Opportunity to complain	9.2	7.2	8.0	3.3	5.3	3.6	5.9	7.7	6.0	5.1	6.7	5.4
Improvement	54.1	34.9	42.4	70.5	39.5	66.3	80.5	57.7	79.6	74.5	38.6	68.4
No change	45.9	61.2	55.2	27.5	59.2	31.7	18.6	42.3	19.5	24.2	58.7	30.1
Deterioration	0.0	4.0	2.4	2.1	1.3	2.0	0.9	0.0	0.9	1.3	2.8	1.5
Salary and benefits			2.4	2.1	1.3	2.0	0.9	0.0	0.9	1.3	2.8	1.5
Improvement	41.8	42.1	42.0	62.7	40.8	59.8	64.6	46.2	63.9	62.0	42.1	58.7
No change	54.1	44.7	48.4	33.8	52.6	36.4	32.1	53.9	32.9	34.5	48.0	36.8
Deterioration	4.1	13.2	9.6	3.5	6.6	3.9	3.3	0.0	3.2	3.5	9.8	4.5
Timely payment of salary												
Improvement	39.8	40.1	40.0	67.8	47.4	65.1	71.4	38.5	70.1	67.5	42.1	63.2

No change	56.1	42.1	47.6	30.1	46.1	32.3	28.5	53.9	29.5	31.3	44.5	33.5
Deterioration	4.1	17.8	12.4	2.1	6.6	2.7	0.2	7.7	0.4	1.2	13.4	3.3
Job security	4.1	17.8	12.4	2.1	6.6	2.7	0.2	7.7	0.4	1.2	13.4	3.3
Improvement	35.7	26.3	30.0	53.7	26.3	50.0	52.4	30.8	51.6	51.6	26.8	47.4
No change	54.1	58.6	56.8	41.0	46.1	41.7	35.0	57.7	35.9	38.8	54.7	41.5
Deterioration	10.2	15.1	13.2	5.3	27.6	8.3	12.6	11.5	12.5	9.6	18.5	11.1
Opportunity for training												
Improvement	11.2	8.6	9.6	34.6	7.9	31.0	28.6	11.5	28.0	29.6	8.7	26.1
No change	84.7	81.6	82.8	62.7	85.5	65.8	62.4	73.1	62.8	64.3	81.9	67.3
Deterioration	4.1	9.9	7.6	2.7	6.6	3.2	8.9	15.4	9.2	6.1	9.5	6.7
Opportunity training												
Improvement	15.3	18.4	17.2	31.2	11.8	28.6	29.1	23.1	28.9	28.8	16.9	26.8
No change	78.6	67.1	71.6	62.3	77.6	64.4	57.4	61.5	57.6	61.0	69.7	62.5
Deterioration	6.1	14.5	11.2	6.6	10.5	7.1	13.5	15.4	13.6	10.2	13.4	10.7
Sexual harassment												
Improvement	6.1	5.9	6.0	22.1	4.0	19.7	10.3	3.9	10.1	14.6	5.1	13.0
No change	90.8	92.8	92.0	77.1	96.1	79.6	89.4	96.2	89.7	84.7	94.1	86.3
Deterioration	3.1	1.3	2.0	0.8	0.0	0.7	0.3	0.0	0.3	0.7	0.8	0.7

Table 9.2 OLS regression results: perceived changes in working conditions

	Building safety	Healthy environ.	Safety training	Overtime hours	Supervisor behavior	Management behavior	Opportunity complaint	Timely payment	Job security	Opportunity training	Opportunity promotion	Sexual harassment
AA	0.216***	0.176***	0.220***	-0.0443	-0.119**	0.0314	0.116**	0.127**	0.0717	0.138***	0.0504	0.0688*
	(0.0349)	(0.0346)	(0.0374)	(0.0431)	(0.0530)	(0.0518)	(0.0453)	(0.0506)	(0.0518)	(0.0476)	(0.0483)	(0.0371)
Small factory	-0.129***	-0.0363	-0.00976	-0.0794	0.0663	0.174***	-0.0806	-0.0547	-0.00649	-0.00130	0.0358	0.0219
	(0.0414)	(0.0410)	(0.0443)	(0.0510)	(0.0627)	(0.0613)	(0.0536)	(0.0599)	(0.0613)	(0.0563)	(0.0572)	(0.0439)
AA*small	0.0315	-0.0765	-0.122**	0.00380	-0.117	-0.303***	-0.0396	-0.188**	-0.0874	-0.154**	-0.127*	-0.0910
	(0.0532)	(0.0527)	(0.0570)	(0.0656)	(0.0807)	(0.0789)	(0.0690)	(0.0772)	(0.0790)	(0.0725)	(0.0737)	(0.0565)
WPC index	0.0219***	0.0239***	0.0301***	0.0253***	0.0653***	0.0743***	0.0808***	0.0372***	0.0650***	0.0244***	0.0243***	0.0139***
	(0.0040)	(0.0040)	(0.0043)	(0.0050)	(0.0061)	(0.0060)	(0.0052)	(0.0059)	(0.0060)	(0.0055)	(0.0060)	(0.0043)
Joined before Rana Plaza	0.105***	0.113***	0.0947***	-0.00370	0.0307	0.0306	0.0845***	0.0938***	0.0343	0.0883***	0.132***	0.0218
	(0.0171)	(0.0169)	(0.0183)	(0.0211)	(0.0259)	(0.0253)	(0.0221)	(0.0247)	(0.0253)	(0.0233)	(0.0236)	(0.0181)
Talked to inspectors	0.0352**	0.0412**	0.0326*	0.0258	0.0413	0.0686***	-0.0319	0.106***	0.128***	0.0380	0.0344	0.0671***
	(0.0179)	(0.0177)	(0.0192)	(0.0221)	(0.0272)	(0.0265)	(0.0232)	(0.0260)	(0.0266)	(0.0244)	(0.0248)	(0.0190)
Constant	0.581***	0.608***	0.534***	0.160***	0.460***	0.287***	0.360***	0.372***	0.184***	0.0447	0.100**	0.00736

	(0.0327)	(0.0324)	(0.0350)	(0.0404)	(0.0496)	(0.0485)	(0.0424)	(0.0474)	(0.0486)	(0.0446)	(0.0453)	(0.0348)
Observations	1,476	1,476	1,476	1,476	1,476	1,476	1,476	1,476	1,476	1,476	1,476	1,476
R squared	0.206	0.160	0.164	0.029	0.083	0.127	0.232	0.118	0.138	0.069	0.052	0.035

Table 9.3: Reasons given by workers for reported changes in wages and working conditions since Rana Plaza

	Small (0-599)			**Medium (600-2499)**			**Large (2500+)**			**Total**		
	AA	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**	**AA**	**No-AA**	**Total**
Why did factory make these changes? (multiple responses)												
Government policy	42.9	41.5	42.0	36.1	47.4	37.6	48.0	65.4	48.7	42.9	45.7	43.4
Owner's commitment	27.6	30.9	29.6	23.0	30.3	23.9	23.6	11.5	23.2	23.7	28.7	24.5
Accord Alliance	17.4	2.6	8.4	32.8	6.6	29.3	41.1	15.4	40.1	36.0	5.1	30.7
Pressure from buyer	88.8	84.2	86.0	88.5	89.5	88.7	88.9	88.5	88.9	88.8	86.2	88.3
Pressure from trade Union	0.0	0.0	0.0	0.8	0.0	0.7	0.3	0.0	0.3	0.5	0.0	0.4
BGMEA	8.2	12.5	10.8	9.0	6.6	8.7	8.8	11.5	8.9	8.8	10.6	9.1
Media	3.1	5.9	4.8	7.2	5.3	6.9	7.1	7.7	7.1	6.8	5.9	6.7
Because of Rana Plaza	0.0	0.0	0.0	1.4	0.0	1.2	0.0	0.0	0.0	0.6	0.0	0.5