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[Emerging Alternatives in the Global Apparel Industry: Just Garments and the Single Mothers' Cooperative](#)

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By **Daniel Martinez and Claudia Quintanilla**

[Briarpatch](#)

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Two worker-driven initiatives in El Salvador have captured the imagination of a global solidarity movement.

HILDA CASTRO LIVES IN El Salvador near the capital, San Salvador, where she cares for her three children and works in a maquila, a garment assembly plant. Her hands leave no doubt as to the hard work she does to put food on the table for her family. Hilda's sense of humour and her enthusiasm are readily apparent when she speaks.

Marta Sonia Diaz, like Hilda, has three children. She exudes cheerfulness and enthusiasm when she speaks about them, about her work, and about her union activities. Her relative youth belies the wealth of her experience and the many struggles she has witnessed over the years. Marta's commitment to the struggle for fair working conditions and her capacity for sacrifice are inspiring.

Marta is the secretary of the Union of Textile Workers, and works closely with the Just Garments factory. Hilda is a founding member of the Cooperativa de Madres Solteras (the Single Mothers' Co-operative).

Marta and Hilda are both veterans of the Salvadoran maquilas—they are the foot soldiers of the global garment industry. They saw the Salvadoran garment industry flourish in the 1990s, when it employed thousands of labourers. Now they are witnessing its decline as the maquilas are relocated to countries with more "competitive" conditions. But rather than remain passive victims of global trends, Marta and Hilda have become active builders of viable—if risky—alternatives that have attracted the support and captured the imagination of a global solidarity movement.

As a result of their work with Just Garments and the Single Mothers' Co-operative, Marta and Hilda, together with their fellow maquila workers, have made significant advances in the struggle for workers' rights, but they face a very difficult road ahead. Their initiatives emerged in response to recent upheavals in the global garment industry that make it increasingly easy for contractors to jump from country to country in search of the lowest wages possible—and increasingly difficult for workers to make ends meet.

The New Maquila Order

The fundamental challenge facing their factory remains: How to compete with corporate globalization?"

THE MULTIFIBER AGREEMENT, signed in 1974 by the United States, the European Union, and Canada as a way to protect their domestic markets, was a collection of quotas and tariffs designed to regulate the international garment industry. The agreement established the amount and type of textiles and clothing that a producing country could export to another country for consumption. Its expiration on January 1, 2005 marked another milestone in the gradual deregulation of the global market, and a profound shift in the global balance of forces driving the garment industry.

Under the agreement, countries like Bangladesh or El Salvador had been restricted to a predetermined quota of T-shirts or trousers when exporting to the American or European market. Retailers were in some instances forced to outsource their operations to as many as fifty countries around the world in order to maintain their inventory.

With the complete phasing out of country-of-origin quotas on December 31, 2004, however, North American and European retailers are now free to import textiles and clothing from the lowest bidder. Consequently, maquilas have further shifted operations towards the countries offering the lowest wages, the loosest regulations, and the biggest tax breaks.

As one of the workers at the Single Mothers' Co-operative commented, the factories in El Salvador are closing "because the price of labour increased. It is hard to compete with the other countries." In what was already a poorly regulated and exploitive industry, this pressure to compete eroded labour standards even further. The pressure exerted on the maquilas to remain competitive trickles down to the workers, who are forced to produce more for less.

While these changes have had devastating effects on maquila workers and their communities, in certain instances the changes have forced workers to consider other alternatives. Thus, much like the people involved in the unemployed workers' movement that erupted in Argentina during the economic crisis of 1999-2002, maquila workers like Marta and Hilda have been struggling to build alternatives that will allow them not only to feed their families, but to do so with dignity. Just Garments and the Single Mothers' Co-operative are two initiatives that seek to do just that.

No Sweat's Just Garments

Fair trade is about revealing what globalization keeps hidden."

NO SWEAT IS A UNITED STATES-BASED company that grew out of the anti-sweatshop movement. Since 2000, the company has sought to provide consumers with clothing made by organized workers from all over the world. No Sweat believes—as do the workers who supply their clothing—that there is a niche market in North America for union-made, fairly traded clothing. The company purchases its khakis from the Just Garments (Prendas con Justicia) factory in El Salvador—a maquila that in a previous incarnation was owned by a Taiwanese firm called Tainan Enterprises and was under contract to GAP, Ann Taylor, and other well-known American labels.

The chain of events that led to the formation of the Just Garments factory is not uncommon in the maquilas. In response to unacceptable labour conditions, workers began to organize. They demanded the right to join a labour union—in this case, the Sindicato de Trabajadores de Industrias Textiles (Textile Workers Union). The maquila management first fired and then blacklisted workers, effectively preventing them from working in other maquilas. Finally, after the union successfully organized the workers, management responded by shutting down the plant and relocating out of the country.

Conventional companies do not want to work with a factory under worker control." – Gilberto Garcia Dueñas , Just Garments

Marta recalls what happened after the closure: "We started to make collective and individual demands because the closure was anti-union. We could prove that there was work. We spoke to the brands, yet the Taiwanese company still wanted to leave." According to Marta, "the Taiwanese manager said that he decided to close the factory because GAP did not want to deal with organized people and cancelled the orders." The maquila workers then shifted their attention to GAP and sought international partners to help put pressure on the brand.

According to Marta, "the campaign against GAP in the US was massive." The workers in El Salvador received support

from non-governmental organizations, faith-based organizations, and labour organizations in the United States and from around the world. After much pressuring, GAP and Tainan Enterprises agreed to negotiate with the unionized workers and ended up helping them establish their Just Garments plant by providing machinery and textiles and by placing the first orders. After many challenges and much hardship, the organized workers opened their plant in 2003, becoming one of the first unionized garment shops in El Salvador's Export Processing Zone.

The workers soon realized, however, that opening a plant was only the first step in securing viable and dignified work. While their long-term goals are to manage everything from materials purchasing to shipping while doing most of the T-shirt manufacturing in-house, for now they survive by producing limited amounts of khakis for No Sweat and by doing subcontract work for other maquilas.

The workers' initial decision not to produce for large multinationals has proven to be an unquestionably sound one, if difficult to live by. Gilberto Garcia Dueñas, the spokesperson for the Just Garments factory, elaborates:

"We tried to establish a direct relationship with conventional business, but this proved very difficult. Conventional companies did not want to work with a factory under worker control. In cases where they were willing, we realized that, with the prices multinationals pay, the only way to make it profitable is to exploit the workers with production demands that are very intensive and salaries that are very low. That was not what we had struggled for, so we had to construct an alternative—to produce directly for a market of conscientious consumers."

When the workers were employed by Tainan, the retailers paid the maquila twenty cents per shirt. GAP provided the fabric and other materials while the maquila paid rent, utilities and workers' salaries. Each shirt required approximately twenty minutes of work to complete. Given these factors, it would have been impossible for the Just Garments management to pay the workers a living wage while under contract to GAP. Moreover, even if the workers at Just Garments had been willing to accept such contracts, the major retail companies were often unwilling to work with a unionized factory since, according to Gilberto, "it is not in their interest that workers control their own future and their own work."

GAP pays the maquila twenty cents per shirt.
Each shirt requires twenty minutes to assemble.
At this rate and price of production it is impossible to pay a living wage."

Because of these pressures, the workers at Just Garments had to seek out alternative buyers at organizations like Fair Trade and No Sweat which were set up specifically to support democratized workforces and alternative forms of distribution. "Even though it is a risky path," says Gilberto, "we think it is better to build your own brand, your own market, and not depend on the multinationals." The reality, however, is that workers remain frustrated by inadequate distribution networks and the lack of capital needed to invest in "full-package" production.

At current production capacity, Just Garments earns enough to cover the workers' salaries, but not enough to cover administrative and operating costs. Just Garments operates at a loss, and it is a constant struggle for management to keep the plant open. Several months ago the financial situation deteriorated to such an extent that the factory was temporarily shut down, the electricity supply cut off, and the workers threatened with eviction if the factory failed to pay at least a portion of the outstanding rent.

An emergency appeal sent out to international allies—organizations and individuals who believe in the example Just Garments is setting for workers worldwide—was met with a flurry of fundraising activity and donations. The workers collected enough money to cover some of the rent they owed, but the fundamental challenge facing their factory remains: How to compete with corporate globalization?

In an effort to free their factory from the paralyzing debt cycle in which it was trapped, Just Garments workers have launched a campaign to find fundraisers and investors whose contributions will keep the factory open and producing at capacity. The workers have devised a plan they call the Beta Test, an attempt to shift from subcontracting to "full-package" production, and have embarked upon a campaign to achieve it. Their plan calls for \$120,000 USD to buy materials and cover production, labour, and shipping expenses. For this plan to succeed, the workers will need political and moral support. But more importantly, they will need financial support from their international partners.

The workers at Just Garments are part of a global phenomenon. Like workers in Argentina reclaiming closed factories, they struggle to keep producing even as their jobs move elsewhere. Ever optimistic, Marta comments on the continued challenges the Just Garments initiative faces: “It was a hard situation, the one we had as a labour union, and now as a business. If we get access to fair trade we will be a good example for the working class.”

JustShirts and the Single Mothers’ Co-operative

WHILE JUSTSHIRTS DEVELOPED UNDER a different set of circumstances, it has much in common with Just Garments. JustShirts is a Canadian-based co-operative that formed to facilitate the production and sale of fair trade clothing. Its objective is to connect producer co-operatives with organizations or individuals who wish to purchase responsibly produced clothing. JustShirts supports the development of producer cooperatives and uses an open-source purchasing and costing model to make the production process transparent, informing prospective consumers about where the products were produced and how much it cost to produce them. Furthermore, profit—the difference between the retail price and the cost of production—is reinvested in the producer co-operatives and their communities.

The Single Mothers’ Cooperative, operating out of San Salvador, is the first producer co-operative to partner with JustShirts. The co-operative was formed by a group of three single mothers determined to provide for their families at a time when more and more workers were losing their jobs as maquilas chased lower production costs to other countries. These mothers have years of experience working in the garment industry and have the skills to produce clothes that are in demand in the North American market.

Like No Sweat and Just Garments, both JustShirts and the Single Mothers’ Co-operative have faced a series of operational challenges. The relatively small size of the co-operatives’ operations keeps material and distribution costs high. The Single Mothers’ Co-operative pays more for textiles than a conventional maquila would because they do not have the capital to purchase large, discounted quantities of textile. The co-operative’s current production capacity also affects shipping costs: limited to exporting small quantities, they incur higher per-item transportation costs.

For these reasons, JustShirts has been soliciting bulk orders of T-shirts and hooded sweatshirts which can be made by the Single Mother’s Co-operative and supplied directly to customers in North America. The first order was to the campus community radio station CKLN in Toronto. Their support enabled JustShirts to place another order with the Single Mothers’ Co-operative. This positive experience encouraged JustShirts to look for alternative ways to distribute what the women in El Salvador produce. They are trying to avoid for-profit retail outlets and are concentrating their attention on non-governmental organizations and co-operatives to help promote their initiatives. Volunteers and labour and non-governmental organizations play a fundamental role. These alternative forms of distribution allow JustShirts to offset some of the production costs incurred.

But in spite of JustShirts’ efforts in North America, there are still hurdles to overcome. Some of the workers at the Single Mothers’ Co-operative note that “the number of orders is not enough to sustain the co-operative. People cannot work one week and then not another. At this stage there is not much work, nor is it constant.” Hilda and her co-workers want JustShirts and their co-operative to grow. “We want to be able to have enough money so that we could buy our own cloth,” she says.

To avoid the feast or famine syndrome of a major order one month followed by several months of decreased production, it is important for the workers to have regular and manageable orders. On this end of the continent, the challenge for JustShirts is to increase orders and keep them steady by building awareness of their services and attracting multiple long-term contracts.

Fair trade is about revealing what globalization keeps hidden: the exploitation of people kept conveniently out of sight and therefore out of mind. But it’s also about the varied and innovative alternatives to globalization that are emerging all around the world. If these alternatives are to become visible and viable, producers and consumers need to reach across borders and stand united in the struggle for just labour practices and fair trade.

Sound like a challenge? No sweat!

Daniel Martinez and Claudia Quintanilla are graduate students and research associates with the Centre for Public Interest Accounting at the University of Calgary. They recently travelled to El Salvador to visit and speak with workers in the garment industry.

One Response to “Emerging Alternatives in the Global Apparel Industry: Just Garments and the Single Mothers’ Cooperative”

1. *Rick Battams* Says:
[May 15th, 2006 at 11:39 am](#)

Keep revealing this stuff good people. I’m just a wage slave myself, forced now, by the loss of an 8 hour shift a week, to work 7 days a week. Therefore, I can’t help others like myself, even though I am more aware than better off folks how much they need it. And that’s the conundrum. Those who care will be those who are also victims of global capitalism and who will therefore be relatively powerless. Yes, There are no doubt a few individuals out there, who are not victims of capitalism, who also care. But, clearly, There are not enough of them to make a difference.

I’m going to print this article out and show it to a workmate, a Mexican woman, who wants to get into social work.

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