

A decorative graphic consisting of a grid of dots in various shades of gray and red, arranged in a pattern that suggests a world map or a network structure.

Trade Unions in Transformation

Building Power in Global Networks: The International Union League in Central America

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- The International Union League for Brand Responsibility (*Liga Sindical*) has been re-writing the relationship between garment sector workers in Central America and the Caribbean, their employers, national governments and international brands since 2012, thanks to savvy communications and global consumer support.
- The so-called *maquilas* (factories) in the garment industry, characterized by a high women workers' percentage and precarious labour conditions, have traditionally been viewed as a sector with limited opportunities for trade unions. The *Liga* network's success has led to international expansion as far as Asia, where many workers suffer from consequences of the same multinational structures and market dynamics.
- Trade Unions in Transformation is an FES project that identifies unions' power resources and capabilities that contribute to successful trade union action. This study features among two dozen case studies from around the world demonstrating how unions have transformed to get stronger.



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Abstract

The *maquilas* in the garment industry have traditionally been viewed as a sector with limited opportunities for trade unions to advance in, given the global nature of operations and the low level of unionisation in many of the countries where they are located. It was, however, precisely this global nature, the precarious labour conditions and the huge organisational challenges that led trade unions to team up across borders through trade union networks. This article considers, from a power resources perspective, the case of Central American trade unions in the garment-making *maquila* sector who linked up to form the International Union League for Brand Responsibility. These unions set up a regional network, which later went global, to tackle structural weaknesses, coordinate campaigns, tap into power resources and make strategic choices. The article seeks to identify the abilities these trade unions were able to develop and to reflect on lessons learned, structures and future challenges.

1. Introduction

Over the last 15 years, trade unions in the manufacturing and garment-making factories known as *maquilas*¹ in the region of Mexico, Central America and the Caribbean have acquired considerable knowledge of how global supply chains work in the garment industry and how to structure transnational trade union campaigns in this sector.

For many years, trade unions in various regions encountered major problems representing their grassroots base, mostly composed of women, because centres of production had been relocated away from centres of consumption, making it easier for the brands, which retained about 80 per cent of earnings, to exercise less responsibility.

Faced with this scenario, trade union efforts focused mainly on companies from Asia or the United States which were operating in countries in their region at the head of a chain of subcontractors, where the sales and production orders were concentrated. Cases like Kukdong in Mexico in 2001,² Hermosa Manufacturing in El Salvador in 2005³ and Jerzees de Honduras in 2009⁴ taught trade unions in the sector and their allies some

major lessons about how to run campaigns focused on the retail distributors in the manufacturing and garment-making industry: *the brands*.

In November 2009, an agreement was signed between Russell Athletic/Fruit of the Loom, the trade union representing workers in the company Jerzees de Honduras (SITRAJERZEES) and the Honduran confederation Central General de Trabajadores (CGT), with the brand committing to re-open a factory after closing it without justification in the middle of collective negotiations. This agreement was the result of strong resistance put up by the workers, backed by a campaign that began in 2007 and involved the local union along with various international allies, including the North American organisation United Students Against Sweatshops (USAS).⁵

This case encouraged and inspired a number of trade unions within the sector in Central America and the Caribbean to initiate a collective process expressing the need to link up on a regional scale with a view to defining common trade union targets and establishing joint coordination mechanisms to exert pressure. The linkage between these decisions is a good example of *strategic choice*. As a fruit of the discussions, 2012 saw the birth in Central America of the International Union League for Brand Responsibility («the League») with the aim of creating networks between grassroots trade unions on a global scale and setting up direct coordination mechanisms between trade unions working on the same brand.

1. The *maquila* is an industrial system for the assembly of goods, usually garments, in a low-wage territory or country where labour costs are small; the products are destined for countries or markets with high purchasing power. These industrial operations are generally incentivised by governments in the form of tax breaks, usually justified by the claim that they generate high employment.

2. See case reports at <http://workersrights.org/Freports/Kukdong.asp>.

3. See case reports at <http://workersrights.org/Freports/Hermosa.asp>.

4. See case reports at <http://workersrights.org/Freports/JerzeesCholoma.asp>.

5. Student network set up in 1997 and currently active in over 200 universities in the United States and Canada.

The aim of this article is to analyse, from a power resources perspective, the abilities developed by three trade unions, one in Honduras and two in El Salvador, which participated in the League between 2012 and 2014.

We argue that creating trade union networks around brands and a common multinational employer – such as Fruit of the Loom – was a strategic choice and an attempt to consolidate the *structural power* of Central American trade unions (which are often vulnerable due to the very characteristics of the production chain and to weaknesses in their local institutional structures). To achieve this, they drew on the *societal power* that had been accumulated in various countries thanks to the success of the transnational trade union campaigns in El Salvador and Honduras examined in this article.

The capability that the trade unions were best able to develop was that of learning, although this did not lead to greater *associational power* in all cases. Those organisations which already displayed greater strengths in their *associational power* when they began working with the League were better placed to surmount the difficulties encountered during the processes concerned.

In the first section of this paper, we analyse the case of SITRAJERZEES-CGT in Honduras from a power resources perspective. The second section describes the functioning of the League, its aims, structure, decision-making mechanisms and current situation. The third section considers two cases in El Salvador involving Fruit of the Loom, where lessons were learned and links made with the case of SITRAJERZEES-CGT as a strategic choice on the part of the trade unions. The fourth section summarises challenges and problems in relation to the League. Finally, we set out the lessons learned from the cases analysed from a perspective that endorses the achievements, recognises the difficulties and makes the case for future action by the trade unions and the League.

In terms of method, this work centres on a qualitative analysis: a review of reports, documents and press articles about the League between 2012 and 2014, a field trip to Honduras from 7 to 9 September 2016, and a number of interviews conducted in San Salvador and Zacatecoluca (El Salvador), in Choloma, La Lima and San

Pedro Sula (Honduras), and via Skype with interviewees in the United States.⁶

We hope that the stories told here will inspire and encourage other trade unions to discuss the challenges and opportunities that arise from linking trade union campaigns and networks involving various international allies, and to address the need to construct transnational coordination processes like the League. Although this organisation certainly still has a long way to go to consolidate the power of working men and women at global level, it is a clear example of an effort focused towards building transnational trade union networks.

2. Transnational Campaigns in Central America: The Case of SITRAJERZEES-CGT in Honduras

Fruit of the Loom is a leading brand in the United States, producing cotton cloth for shirts, men's and women's underwear as well as sportswear. It is a division of Warren Buffet's Berkshire Hathaway, with US-based headquarters in Georgia and Latin American operations in Honduras, El Salvador and southern Mexico. It is the principal private-sector employer in Honduras, with nine sites and 10,000 female and male workers, and in El Salvador, with six sites and 12,000 female and male workers. Fruit of the Loom opened in Honduras in 2006 and bought up several production plants, including Jerzees de Honduras.

In 2007, some workers decided, with the help of the CGT, to form a union at this factory. Following the announcement, a number of people were dismissed and the company put pressure on the workers via middle management. By June of that year, 72 of the union's 80 founding members had been sacked. In the face of this response from the company, the founders of the union

6. Two in-depth interviews were conducted with executive committee members and some members of the Sindicato de Trabajadores de la Empresa Jeerzes Nuevo Día (SITRAJEERZESND), the Sindicato de Trabajadores de la Empresa Star SA (SITRASTAR) and a focus group in El Salvador with the Manufacturas del Río branch of the Sindicato de Trabajadores de la Industria Textil (STIT), the current Chair of the League and several members. Apart from representatives of the above-mentioned trade unions, interviews were conducted between 11 and 16 September 2016 with two individuals who functioned between 2012 and 2014 as *liaisons* within the League structure and a representative of the Worker Rights Consortium (WRC). A guide to the questions was drawn up and applied during these interviews and the focus group. The information collected was then transcribed to facilitate processing and analysis.

decided to report their situation to a number of international organisations and asked the Worker Rights Consortium (WRC) to initiate an inquiry. The WRC carried out a number of investigations and formulated recommendations, and several meetings took place with the management of Fruit of the Loom in the United States.

As a result, in January 2008, a settlement was achieved to reinstate 145 sacked workers with back pay. In April SITRAJERZEES was created and a process of negotiation started for a collective agreement with the company. During the process of negotiation, in mid-2009, the company announced the closure of its operations, citing market difficulties and a fall in demand for the products made at the sites in question.

According to statements by SITRAJERZEESND – the current name of the former SITRAJERZEES – the closure was due from the outset to an anti-union attitude. Fruit of the Loom itself resorted to voluntary compliance audits subcontracted by the Fair Labor Association (FLA), of which it was a member, to argue that the closure was solely due to the global crisis of 2008. Two audits carried out by Cahn Group and ALGI endorsed the company's position, but a third opinion, provided by an independent consultant, pointed out methodological deficiencies in the investigation by the first two (Goldín 2014). Other entities, such as the Maquila Solidarity Network of Canada, part of the FLA, also indicated their disagreement with the first two reports.

Despite this pressure, the company ceased operations in January 2009 without informing any of the workers. The WRC reports were conclusively in favour of SITRAJERZEES. This motivated the student organisation USAS to begin their 2009 boycott in universities which had granted licences to Jerzees to produce university apparel. The case became a transnational campaign, with activists from USAS and from the trade union affiliated to the Honduran federation CGT visiting and speaking in dozens of US universities. They attended the shareholders meeting of Warren Buffet's Berkshire Hathaway and staged direct action outside Buffet's home.

In August 2009, negotiations between the company and the union began, mediated by experts in the field, to seek a solution to the conflict. By that time, 110 of the 140 universities across Canada and the United States with whom Jerzees had agreements had suspended

their contracts and licences. The value of some of these contracts was more than two million dollars, indicating the effectiveness of the boycott initiated by USAS.⁷

On 14 November, SITRAJERZEES-CGT signed the *historic agreement*⁸ also known as the *Washington Agreement*, which provided that the factory would re-open under the name Jerzees Nuevo Día (New Day) and gradually recruit up to 1,200 workers affected by the closure of Jerzees de Honduras. This victory in the Jerzees case proved to be an inspirational milestone that flagged up the need for unions to take advantage of this situation by establishing more formal mechanisms of organisation and coordination. The idea of lobbying brands at different levels and in different countries offered greater possibilities to achieve better working conditions, pay rises and respect for trade union rights and/or collective bargaining in a particular section of the textile industry supply chain, in countries where the *structural power* of the unions is very low and *institutional power* does not generally play out in favour of workers. More structured coordination could consolidate isolated processes. In addition to the reopening of the factory, the agreement provided for the creation of a social aid fund for the workers to compensate for nearly nine months of unemployment, the negotiation of a collective agreement, a neutrality agreement with CGT if it decided to organise action at other Fruit of the Loom sites in Honduras, and an agreement to train mid-ranking staff in trade union freedoms and to dismantle the collective pacts – pseudo-collective agreements with a group of employees under management control – at other company sites. The parties also created an ombudsman to resolve disputes and a Monitoring Committee to ensure compliance with the agreement.⁹

Seven years on from the *historic agreement*, the results look positive for trade union groupings seeking to organise in other sections of the Russell Athletic/Fruit of the Loom chain.

SITRAJERZEESND, the trade union in the factory that reopened in 2010, finalised the negotiation of a collective agreement in 2011, which contained what might be seen

7. See Greenhouse (2009)

8. See www.workersrights.org/linkeddocs/RussellPublicAnnouncement_Spanish.pdf.

9. Ibid.

as the most significant social and economic benefits in any *maquila* in the region. During our field trip to Honduras, we were able to gather information about the collective negotiations in 2011 and the first review of the agreement carried out in 2015. This review achieved average salaries of over 600 US dollars per month for male and female workers at Jerzees Nuevo Día, in addition to social benefits not usually encountered in maquilas or even in the manufacturing and clothing industry in general. These wages and benefits were very much above the national and regional minimum salary of around 260 US dollars per month in Honduras and 210 US dollars per month in El Salvador.

3. Transnational Networks of Workers: The International Union League for Brand Responsibility

The progress made in the Jerzees campaign in Honduras clearly demonstrated the need for coordination that would enable unions to continue operating within a similar framework to the one that had permitted the gains described above.

Estela Ramirez, the League's current Chair, comments on how important this historic Jerzees milestone was for the meetings in the run-up to the League's foundation in 2010: »We began having meetings with various unions in the Central American region, and in this context we noted that we faced the same problems in Honduras, Nicaragua, El Salvador and the Dominican Republic. We got organised and were able to hold a regional trade union conference in Honduras at the end of 2011. There we had an opportunity to remind people of the campaigns that had been waged, some with success at the time; for example, in the case of El Salvador, we had managed to get the workers paid and a new workplace opened. Even if the agreement did not last, it was a success in that, for the first time, a brand had responded even though the owner was in a foreign country« (FES 2015).

In February 2012, the trade unions in the countries Ramirez mentions came together for a third time and decided to create a structure called the International Union League for Brand Responsibility (known as »the League«). This meeting defined a target for the first campaign: Adidas. The decision was based on an inves-

tigation into the textile and clothing industry which included an analysis of ten brands.

It was agreed that trade union networks would be set up by brand; these networks would be spaces for direct coordination between unions where common objectives could be discussed, actions defined and information shared about the (management) practices of the suppliers and the brands, and this would generate a space to debate the future plans of each union. The plan, then, was to seek to adapt the unions' abilities for inward and outward intermediation. The League was born with the support of a number of allied trade unions in the region, such as the Solidarity Center of the American Federation of Labor and the Congress of Industrial Organizations, which provided the funding for the meetings and organisational events of local unions. In addition, people linked to the union movement in the United States and ex-USAS activists supported the foundation of the League. The first network to be formed in the year the League was founded was the one that brought together the trade unions around the Gildan brand. Finally, in 2013, the formation of an overall structure was complete and the first campaign was launched.

To understand how the League works, it is crucial to look at the *technical team*, consisting of three members and a coordinator, whose function is to support the development of campaigns and union networks. All the members of this team trust each other and have experience of coordination activities forged over a number of years with League trade unions in Central America and the Caribbean.

The interviews identified the *liaison* role played by the people in the technical team, in as much as they were responsible for the connections between regional work and global coordination, as well as for ensuring coordination between regions, which included translation for live calls and documents, the use of technology and the development of strategies and action plans. The *liaison* workers maintained close relationships with the leaders of trade unions in the League and fostered communication, coordinating the Skype calls which helped to generate a regular (weekly or monthly) communication dynamic.

The *Founding Coordination Committee* comprised representatives from the Dominican Republic, Honduras,

Nicaragua and El Salvador on the American continent¹⁰ and Cambodia, Bangladesh, India and Indonesia in Asia.¹¹

There was intense discussion between trade union members around finalising the structure and the statutes. Substantial differences arose about the level of participation of allied and fraternal organisations, such as NGOs devoted to research, monitoring, organisational support and funding. This point, which we have identified as a tipping point, was later to affect the creation of union networks by brand and the coordination of action across the region.

Once the structure was consolidated, the campaign »Adidas Workers Unite!« was launched, together with a public declaration. The document embodied, for the first time in written form, the League's position that international brands were responsible for the practices of their suppliers and that there was a need to negotiate better working conditions directly with the brands and specifically with Adidas.

This declaration flagged up the great potential trade unions have to *frame the debate*, as well as consensus for a campaign agenda across a number of countries that would be built through regular communication. Although it lies outside the purview of this paper to analyse the League's actions in Asia, highlights of the Adidas campaign were the victory in obtaining payment into a severance fund for those who had lost their jobs in the PT Kizone closure in Indonesia, and the negotiation by the League's coordinator of high-level multinational directives for resolving specific cases in favour of the region's trade unions.

During the Adidas campaign, in 2014, the Chair of the League took part in the meeting of shareholders of the multinational brand in Germany. The League reported to the shareholders about supplier practices, the resulting conflicts and the unresolved issues. This action high-

lighted the ability of the League's trade unions to identify brands that are sensitive to campaigns focused on their image and their investors, and to achieve gains by exerting pressure from different angles. Once more, the ability to *frame the debate* as a lever for building *societal power* through allied organisations is vital in campaigns of this kind, because it helps to identify the right actions that will weigh in the unions' interest.

In November of the same year, for the first time, the League held a global conference in Hong Kong. At this meeting, the Asian trade unions decided to subdivide the region: on the one hand, trade unions from India, Bangladesh and Sri Lanka, and on the other, those from Cambodia, the Philippines and Turkey. During this global get-together, the League trade unions evaluated the results of the Adidas campaign so far and decided to switch target and focus on the multinational T-shirt brands in the United States: Gildan, Hanesbrands Inc. and, of course, Fruit of the Loom. According to one member of the technical team, »it was important because the leaders could finally meet face to face, get to know the others better and talk more directly about what they wanted and how we could strengthen the League« (Dalton 2016).

During the period from 2012 to 2014, the League's operations were funded by donations from people involved with the international trade union movement, in the main from the United States, as well as donations from a trade union organisation also based in the United States. Some of the member unions were running their own partnership projects with specific donors.

Through the League's Chair, the *Union of Textile Industry Workers* (STIT) in El Salvador sought to coordinate with Honduran trade unions at Fruit of the Loom sites that also belonged to the League. The aim was to create a Fruit of the Loom Union Network, thereby stepping up the pressure on Manufacturas Del Río. The network was created in April 2014 but was not able to consolidate due to differences in the way unions in Central America approached their work, an issue that had its origins in the formulation of the statutes. This situation is another tipping point and has still not been resolved.

Before concluding this section, we should note that, after the global meeting in Hong Kong, the coordination work done by the League began to flow far more dy-

10. The Dominican Federation of Free Trade Zone Workers (FEDOTRAZONAS), the Honduran Trade Union Federation of Textile, Maquila and Similar Workers (FESITRATMASH), the Trade Union Federation of Maquila and Textile Workers (FESTMIT) in Nicaragua, the Salvadoran Federation for Workers Unity (FUERSA) and SITRASTAR, in Honduras.

11. The Coalition of Cambodian Apparel Workers Democratic Unions (C.CAWDU) in Cambodia, the Garment and Textile Workers Union (GATWU) in India, the Bangladesh Independent Garment Workers Federation (BIGUF) and the Union Coordinating Committee in PT Kizone, Indonesia.

namically between the trade unions in Asia. In Central America and in the Caribbean, coordination stagnated.

4. The Dispute with Fruit of the Loom

The advances in the Fruit of the Loom campaign, with the reopening of the plant, a collective bargaining process that resulted in a collective agreement, and the establishment of effective communication mechanisms between the trade union and the company, made this multinational better disposed, in the framework of its *new labour relations model*, towards working with trade unions to settle labour problems. Against this background, two unions in El Salvador identified an opportunity to benefit from the communication channels established by the union in Honduras in order to resolve local conflicts. In these cases, we can observe that the trade unions developed their abilities to *learn and connect*, and this fed into the efforts to found the League and the brand networks.

The first of these was the Union of Female and Male Workers, Tailors, Seamstresses and Similar (SITRASACOSI) in El Salvador, which was affiliated to the League, and which managed in July 2013 to form a union branch at the Joya de Cerén factory owned by Fruit of the Loom. SITRASACOSI used the League's coordinator, then still on the Monitoring Committee in Honduras, as a channel of communication with the company. This permitted a rapid initiation of dialogue with management.

One of the union's achievements was setting up in 2014 a committee for dialogue with the company, where the two sides met monthly to air and resolve day-to-day labour problems which could not be settled in the everyday context. During April 2015, top executives of Fruit of the Loom attended a meeting of SITRASACOSI, accompanied by local management, and agreed to mechanisms for dialogue at the Joya de Cerén plant. This enabled the union to begin organising in El Salvador so as to avoid dismissals and severe harassment, which are very frequent in these cases, given the anti-union atmosphere in the country and in the industry.

In 2016, after the dialogue committee had been functioning for two years, the union and the company signed an agreement in Washington DC on the exercise of trade union freedoms, and in January 2017, within

this framework, managers and union leaders received joint training in the field. Under the agreement, the company pledged to remain neutral towards the union's organisational activities, which are in full swing in order to establish collective bargaining.

In terms of the ability of the unions in El Salvador to *connect* with those in Honduras, it is important to mention a second case: STIT's experience with the company Manufacturas Del Río.

Manufacturas Del Río was a subcontractor to the brands Hanesbrands Inc., Fruit of the Loom, Lacoste and Levi's – in that order of significance – which, without any justification or advance notice, sacked its 1,200 workers on 7 January 2014, creating a theoretical debt of 1,700,000 US dollars in compulsory compensation under Salvadoran law (damages, lost wages and other payments). The company denied all liability, alleging that the closure had been carried out in accordance with the law. Of the 1,200 workers who lost their jobs, over 600 were members of STIT. Before the closure, on 1 November 2013, STIT – the biggest trade union at the factory and a member of the League – had requested collective bargaining. STIT believes that the closure was part of a company strategy of not recognising the collective bargaining process.

Following a request from STIT, the League was involved in this case from the outset. A Salvadoran support organisation¹² investigated the company's ownership and found that the factory belonged to the Argus Group – companies in Nicaragua, El Salvador and the United States – which, in recent years, had been absorbed through joint venture investment by the Mexican group, Kaltex. Once the *target* had been identified, the League focussed its actions on the Argus-Kaltex Group and on the brands for which the factory was producing. The League asked the brands to withdraw all orders to the Group until such time as it recognised its responsibility to pay compensation to the workers.

Lobbying activities, such as a global day of action against Argus-Kaltex held in four countries (El Salvador,

12. The labour research organisation Asociación Centro de Estudios y Apoyo Laboral (CEAL) in El Salvador works with the League and its member unions in Central America and the Caribbean; it researches into corporate strategies, trains trade unionists, performs advocacy and supports organisational activities by trade unions.

Mexico, the United States and the United Kingdom) on 23 March 2014, succeeded in asserting the workers' objectives. In Mexico, student activists at the Autonomous National University of Mexico (UNAM), the Centre for Labour Research and Trade Union Consultancy (CILAS) and the Mexican Electricians' Union (SME) organised a picket and delivered a letter to the headquarters of the Kaltex Group in Naucalpan on the outskirts of Mexico City. In New York, the League's coordinator visited the Kaltex Group to deliver a letter. In London, a visit was made to the Kaltex office.

In Miami, members of the Service Employees International Union (SEIU) 32BJ organised a picket outside a hotel in the city where the American Apparel Producers' Network (AAPN) was holding a conference. The outgoing chair of the AAPN happened to be the president of the Argus Group. At the same time, in San Salvador, union members protested at the headquarters of the Salvadoran Industry Association (ASI), to which Manufacturas Del Río belonged. During this day of action, the *societal power* that the League had been developing in several regions up to that point was very much in evidence. The League had been able to *frame a debate* which, expressed in concrete, legitimate demands, was able to deliver the *connection* between actions taken by organisations in different countries.

At the same time that this pressure on the Kaltex Group was being planned and implemented, a dialogue was sought with Fruit of the Loom and the other brands to expose what was happening in one of their subcontractors in El Salvador. This dialogue was set up in April via the WRC, which had also been involved in the campaign on behalf of SITRAJERZEES-CGT in Honduras.

It is important to add that in the Manufacturas Del Río case it proved impossible to negotiate the reopening of the company due to several factors, one of which was the existence of two trade unions at the factory which had different demands in response to the closure and were unable to throw their weight behind a united position. Hence a process was launched to demand that the company, and subsequently the brands, pay statutory compensation following the factory closure.

The day after the global action described above, the League coordinator received a message with a commitment from Fruit of the Loom to pay its share of the

financial liability in the Manufacturas Del Río case if the other brands and Argus-Kaltex itself recognised their own part in this responsibility. At this point, it is worth noting that the company's positive response was due to its previous experience with the union in Honduras and the university boycott of its products in the United States (the Jerzees case had caused financial losses, damage to its public image and comments in the press such as the one in the *New York Times*). Another contributing factor was that the League's coordinator at that time was one of the mediators who, in August 2009, participated in the negotiations between Fruit of the Loom and SITRAJERZEES-CGT.

The Chair of the League requested that the WRC intervene as mediator. The Consortium had been following the case at the request of the trade unions. Over the following weeks, the WRC managed to put together a case team to follow up with the brands involved and in this way played a very important role. In this process, the Argus-Kaltex Group announced payment of 600,000 US dollars, equivalent to 37 per cent of the debt (which amounted to 1,700,000 US dollars). The payment was made in San Salvador, on 30 July 2014, six months after the closure. Once the first payment had been made, the League's Chair asked the Salvadoran Minister of Labour to convene an inter-institutional round table with ministerial authorities, the Attorney General of the Republic, the judiciary, national representatives of the brands and union representatives. It should be noted that the Minister's political will to resolve the case favourably was significant in setting up this inter-institutional panel.

Although the round table convened by the Minister of Labour had no statutory mandate and was founded on the «good offices» principle, it adopted the premise that the brands must pay the remaining 63 per cent, because the Salvadoran courts would be too ineffectual to seize company machinery in order to pay the workers. It is also worth noting that the judge concerned never attended or cooperated with the inter-institutional panel. The League's demand gained momentum, and it was already very clear by the beginning of 2015 that court proceedings were not going to result in speedy justice, and that the brands would therefore have to assume responsibility.

The panel was set up in September 2014 and continued working intensely to put in place measures that led to

the workers receiving the remaining 63 per cent. The figure amounted to 1,100,000 US dollars (combined with the first payment of 600,000 US dollars, this made up 100 per cent of what was owed). The brands paid the debt to 1,200 workers in May 2015 at the headquarters of the Labour Ministry in San Salvador. The League, together with its allies, demonstrated *outward intermediation* with trade unions and non-union bodies alike as they worked together to win the case for workers affected by the closure.

The WRC team responsible for working with the brands and the inter-institutional panel set up by the Ministry of Labour displayed a significant deployment of *social power*, given that the League was able to organise its multinational allies around the demands of grassroots workers in the home nation, and also *institutional power*, in that it proved possible to align governmental authorities and local brand representatives towards the same objective.

Although the Manufacturas Del Río case did not result in the factory re-opening, the exercise did achieve the League's principal objective as expressed in its first declaration: *brand responsibility!* The company that owned the factory and the brands it supplied paid the full amount owed to the workers. The pressure brought to bear by the different actors also demonstrated that, given the inability of the national legal structure to force companies to fulfil their obligations, other channels had to be sought.

Even if no re-opening was achieved as in the case of Jerzees Nuevo Día, the Manufacturas Del Río case established the precedent that brands are responsible for the actions of their subcontractors in the supply chain. This experience will be useful when evaluating future efforts by trade union organisations to assert collective bargaining in the clothing industry in contexts where institutional or structural weakness affects and constrains the efforts that networks like the League can undertake.

At the time of writing, there is still no collective labour agreement in the maquila and clothing sector in El Salvador. In all the workplaces where there have been attempts to implement one since 2002, companies have escaped by ordering closures which are clearly motivated by a hostility to trade unions, as in the case of Manu-

facturas Del Río or Confecciones Gama, a company that also ceased operations in 2012, right in the middle of negotiating what could have been, at that time, the first collective labour agreement.

Before winding up this section, it is worth briefly noting another attempt by the League to create a network around the Gildan brand, a transnational based in Montreal, Canada. The need for a network came about following changes in company policy, management and production at the Star factory in Honduras. The Gildan Union Network was formed on 24 July 2012 by the Star Workers Union (SITRASTAR) in Honduras, the 2nd of July Union at the company Annic in Nicaragua, the Gildan Workers Union (SITRAGILDAN) in the Dominican Republic and the Union of Textile Industry Workers (SOTA) in Haiti, and their slogan is »United in demanding respect for our labour and human rights«.

Nevertheless, like the network of Fruit of the Loom unions, it was not sustainable over time. It carried out a single coordinated action to distribute flyers, eliciting positive reactions from the workers and negative reactions from the company. Once more, the process was not facilitated by the problems of establishing a smooth communication flow due to different language and differences of opinion between the unions about what to ask of the company and the liaison officer at the time. The network stagnated and, for this reason too, efforts to consolidate the League itself made no headway.

5. Conclusions

The League is a coordination space under construction and still in a very early phase. From our research, we concluded that the League had not consolidated its ability for *inward intermediation*, i. e. cohesion between its trade union members, in Central America and the Caribbean. The conflicts which arose at the beginning were neither addressed nor overcome, and the resulting disconnect between trade unions was an obstacle to igniting a work and communication dynamic. As a consequence, brand-specific networks took off in Central America and the Caribbean, but they failed to consolidate. Cohesion within the regions is one of the major challenges currently facing the League.

Moreover, it was evident that the League has very few economic and human resources – not enough to pay wages or allocate resources to its work – and that makes it dependent to some extent on the support or cooperation of other organisations and/or donors. The League's *resource capacity* is another challenge that must be tackled if the structure is to be self-sustaining and become autonomous over time.

To consolidate the League's *societal power*, reactivating the network in Central America and the Caribbean seems essential if the two regions are going to speak with one voice to their global allies and when confronting the multinationals. To resume communication, mechanisms will be needed within the region to resolve differences and conflicts and to create spaces for face-to-face encounters.

As for the individuals exercising *liaison*, based on the experience in Asia and America, the challenge in the medium and long term will be to rely in the regions on leaders of affiliated trade unions or local social and labour movements. These *liaison officers* must also have skills in two or more languages and in the use of technologies in trade union work. As far as decision-making goes, the challenge is about getting the Committee to work, bearing in mind the current time, language and resource constraints.

The League coordinator has played an important role so far, given that *outward intermediation*, in particular with the multinational brands, was performed through this person. Much of the League's style in relation to negotiation mechanisms is determined by the coordinator. Just as we were conducting the interviews for this paper, the coordinator announced that he was stepping down for personal reasons and in order to retire; this exacerbates the League's problems in terms of maintaining the ability to negotiate that has been developed so far.

A structure such as the one described can become extremely demanding, as decisions tend to fall to individuals and not to the structure itself. This situation can be disadvantageous in the medium and long run, as the management of *power resources and abilities* could be removed from the base. This calls for some thought to be given to more agile administrative mechanisms that are more efficient to manage, with political decisions taken by leaders.

As for *associational power* within the trade unions in the League, a major challenge we identified relates to internal democracy and coordination. The first question is how to ensure direct communication between trade union leaders without necessarily having to pass through the technical team or liaison officers. This poses challenges in terms of building mechanisms that will facilitate a more democratic approach to communication and decision-making. It might be interesting to look in more depth at the experience the League has had in Asia in order to learn lessons in this field, given that coordination in this region has achieved greater gains than in the region where it was originally born.

In Asia, the League has been able to transfer tasks performed by liaison officers who came out of the student movement to local leaders trained for the purpose. Systematic, regular communication between the trade unions in different countries has been more fluid, and at key junctures this has permitted the timely adoption of joint action and positions and has built relations of trust between the various trade union leaders.

At global level, especially in relations with trade unions on other continents, the structure entails difficulties arising from the use of technology, coordination across different time zones, a lack of opportunity to address strategies in greater depth given language issues and the limited time available to make calls, not to mention the multiple responsibilities of local trade union leaders. This raises a question about more efficient ways to structure communication, which is not just a challenge for members of the League, but also for the international trade union movement in general.

Within the supranational arena, the League was intended to be a coordination space for grassroots trade unions to organise campaigns in the face of multinational brands and to coordinate the campaign process between trade unions, not to be a parallel structure to the Global Unions. In moving forwards, it will be important to tackle the challenge of coordinating with the Global Unions and complementing their work rather than competing with them, thereby avoiding potential tensions in the process of forging and establishing alliances.

6. Future Challenges

Efforts to build and consolidate transnational trade union networks pose major challenges in terms of strategy coordination and joint action. The experience of the League illustrates the difficulties its members have in implementing global and regional links. At the same time, it shows that, despite the difficulties, a structure of this kind can help trade unions to acquire and develop a range of power resources that will serve to counter the influence of multinational brands and companies engaged in production in dependent economies.

Recent political events in the United States reveal a scenario and a discourse hostile to migration and to workers in global supply chains, and this could result in a new and particular pressure. The threat expressed by Donald Trump's administration to repatriate as much manufacturing as possible to the United States is aimed at deterring working men and women, by means of a media discourse, from fighting for better labour conditions – although in practice it is easier to say than to do.

Coming back to the League, the strategies and ability of trade union leaders to link trade union *discourse* with the campaigns described in this article permitted an *inward intermediation* among the trade unions that contributed to organising actions in a local environment, helping to raise awareness among the trade union grassroots of the need to team up in international campaigns. This power of discourse facilitated the flow of information when building bridges and forging outward alliances with various actors.

Finally, it is important to highlight the SITRAJERZEESND case, because after the Nuevo Día factory re-opened the trade union was able to develop its *learning* ability by playing its part in productivity growth as a strategy for demanding better wages and benefits than those found in the rest of the industry. *Intermediation* evolved strongly, as did the *organisational flexibility* to generate full membership involvement in this form of trade union action, while *outward intermediation* was reflected in a

new style of relationship with the employer by virtue of collective negotiation. This enhanced the trade union's *structural power* as it engaged practically in the management of productivity, and at the same time it consolidated its *associational power*, with trade union density in the factory standing at 95 per cent. The strategies implemented here will feed into future transnational campaigns.

According to the Vice-President for Labour Relations in Central America at Fruit of the Loom, what has been implemented since 2009 in Jerzees Nuevo Día, and subsequently at other unionised sites, is a *new model of industrial relations*. While not entirely devoid of tensions, this has on several occasions succeeded in resolving very serious situations which, without the dialogue and negotiation that occurred, would have been potential sources of conflict and would have endangered operations in the region.

As for the Jerzees Nuevo Día site, it is described by one of the mediators, a member of the Monitoring Committee between 2009 and 2014, and by executives of the company itself as the most productive Fruit of the Loom factory in the region.¹³ The trade union's involvement in the productivity issue is at least, if not more, vigorous than its defence of members' labour rights. This issue is recognised by both the trade union and the company executives, who maintain that this degree of involvement is a key factor in the high productivity at the plant.

To conclude, we would observe that the future of the League will be determined by its ability to master some of the challenges set out in this article, with a view to implementing further trade union solidarity in action, drawing on the capabilities developed by some to assist others in developing capabilities of their own, resulting in a mutual leverage of power resources.

13. »SITRAJERZEESND, the trade union in the factory that reopened in 2010, finalised the negotiation of a collective agreement that sets out what can be seen as the most significant social and economic benefits in the maquilas of the region. The JERZEESND plant is currently, according to one of the mediators and a member of the Monitoring Committee between 2009 and 2014, the most productive plant in the region.«



List of Interviews

Liana Dalton, former League liaison officer in Asia, 23 September 2016.

Jack Mahoney, former League liaison officer in Central America and the Caribbean, 18 September 2016.

Tara Mathur, WRC representative, 19 September 2016.

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With Trade Unions in Transformation, the Friedrich-Ebert-Stiftung (FES) aims to direct trade union discourse at successful union work. Using the power resources approach, two dozen case studies analyze how unions were able to secure victories. For us, the Global Trade Union Programme of the FES, and our partners, learning from positive experience opens opportunities to reflect about strategic opportunities for unions in a rapidly changing environment. This project thus aims to analyze and strategize union action, including the needed transformation and mobilization of power resources within and outside the organizations.

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