Bangladesh: Ten Years after Rana Plaza

Wednesday 26 April 2023, by <u>AMIRUL Amin</u>, <u>GULRUKH Saydia</u>, <u>MISHU Mushrefa</u>, <u>STRACHOV Kristina</u> (Date first published: 24 April 2023).

Looking back on a corporate crime in Bangladesh that cost over 1,000 lives

The Rana Plaza textile factory in Dhaka, Bangladesh collapsed on 24 April 2013, burying some 5,000 people underneath. The day before, cracks had been discovered in the walls of the factory building and the collapse of the eight-storey building was already imminent. Textile workers raised their concerns, but were refused by the factory owner and threatened with pay cuts and dismissal if they did not show up to work.

Due to the lack of safety precautions and due diligence, around 1,070 people died the following day and around 2,000 were injured. The event sparked waves of horror and indignation throughout the world as many people became aware of the inhumane working conditions under which our textiles are mass-produced.

These conditions include starvation wages that cannot cover workers' basic necessities, even when working overtime on a daily basis, as well as dangerous working environments. The defined minimum monthly wage is 8,000 Bangladeshi taka, the equivalent of about 68 euro. According to the Global Living Wage Coalition, a living wage would be significantly higher, around 201 euro. Women, who have to struggle daily to provide for their children, are particularly at risk.

The situation is compounded by the fact that the illiteracy rate in Bangladesh is 46.9 percent — creating fertile ground for exploitation. Employees are often unable to understand their work contracts nor their pay slips. Many factory owners exploit this vulnerability, while foreign brands exert additional pressure throughout aggressive price negotiations, short delivery times, and last-minute order changes.

Moreover, the exploitation is facilitated by the strong politicization of the garment industry, partly due to the close cooperation between factory owners and political functionaries in Bangladesh. As ready-made garments are the country's main source of income, accounting for 83.4 percent of total exports and about 26 percent of the country's legally employed workers nationwide, the industry gives garment factory owners additional decision-making power. Violent clashes between police and striking factory workers, activists, and trade unionists occur regularly.

On the tenth anniversary of the tragic disaster, Kristina Strachov from the Rosa Luxemburg Foundation's South Asia office spoke to activists and trade unionists to learn about how the rights of garment workers have changed over the past decade, and what unresolved issues still need to be tackled by the international community.

What was the reaction to the Rana Plaza disaster by the Bangladeshi government and the garment industry?

Saydia Gulrukh (SG): It was extremely difficult to respond to an event of loss of this magnitude. Everyone struggled — except for the factory owners, the government, and global brands. Their

response was rather business-as-usual. The Bangladesh Garments Manufacturers and Exporters Association and cabinet members perceived the event as damaging the image of a thriving exportearning sector in the country and quickly shifted to damage control to remedy their "hurt image".

To evade criminal liability, global brands more readily entertained the demand for compensation. In less than three weeks after the collapse, long before the Rana Plaza Arrangement and the Rana Plaza Donors Trust Fund was established, PRIMARK injected money to steer the situation in their favour. Some of us thought the overwhelming discussion on financial compensation was an attempt to put a price tag on a poor apparel worker's dead body.

The process of financial aid — I refuse to call it compensation — has made it difficult for the global public to raise concern about the question of corporate criminal liability and has acted as absolution for multinational corporations.

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How has the social rights situation for garment workers changed in the past ten years?

SG: Workers continue to join the factory with the knowledge that death at workplace is always a possibility. If you go to a worker's home, you will see a laminated copy of their factory ID on the wall. Now they know that, in the event of their death, this ID is crucial for their family's survival and will help them to claim financial compensation.

The fire and building safety issues that were earlier just a box to tick off on a compliance checklist are now a real concern. Neither the factory management nor the global brands can treat it as a mere procedural matter, and have to invest in this kind of safety. However, the exclusive focus on fire safety and structural integrity of a building has not only invisibilized the issue of corporate criminal liability, but also deprioritized the overall question of fair labour practice and instrumentalized the class question.

During the pandemic, for example, everyone but garment worker's health safety was considered. COVID-19 restrictions were not applicable in the apparel factories. The way workers' lives are treated as expendable and disposable is a class concern that needs to be acknowledged. Workers are still working extremely long hours for poverty wages.

Mushrefa Mishu (MM): In my opinion, working conditions in the garment factories have not improved in the last ten years. A significant number of workers, especially female workers, still live in slums in very unhygienic environments. According to the International Labour Organization, garment workers in Bangladesh receive the lowest wages in the world. They are not aware about their rights. They are not class conscious nor gender conscious. Therefore, it is our task as a trade union to inform them about their rights as human beings and as workers.

Above all, in the last ten years, the victims of Rana Plaza have still not received any real compensation. The brands have given them a pittance, but the five factory owners — these murderers — have still not been punished for their crimes.

Amin Amirul (AA): As NGWF, we are committed to safe workplaces for garment workers in Bangladesh, and there are improvements — especially in terms of safety and health at work. In addition, the union registration of workers has changed.

In the last ten years, the number of unions has increased thanks to local campaigns and pressure from the international community. Before Rana Plaza, there were only 100 active unions in the

entire garment sector nationwide, but now we have almost 1,100 registered unions.

As a union member, garment workers are part of something bigger, and the growing number of unions is crucial to ending the worst abuses and injustices that they face collectively.

We need somesupport from the international community. We need to address the new challenges like the due diligence law, climate change, and automation in the garment industry.

How is the garment industry changing and what effects does this have on female workers?

MM: Currently, garment manufacturers have incorporated automation into factory production systems. This is a new phenomenon, and the garment industry is now demanding a better-trained workforce. As a result, a significant number of workers, especially women, have been fired from the factories. A few years ago, the percentage of women workers in garment factories was 80–85 percent — now, the scenario has changed and decreased to around 55–60 percent.

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What kind of international efforts do you think could improve the working conditions of garment workers?

MM: As the garment industries of Bangladesh are 100-percent export-oriented, international efforts are important to improve working conditions. The Clean Clothes Champaign has played a good role in uniting American and European buyers to reinforce the buildings of garment factories, but strengthening factory buildings is not enough to improve working conditions.

Buyers and the international community should ask garment factory owners about workers' wages, freedom of expression, registration of government opponents' unions, clean washrooms, safe food, and clean drinking water in the factories. They should ask the garment factory owners about forced overtime until midnight, torture and harassment, illegal dismissals, and a lack of compensation.

SG: Since much of my focus is on raising the issue of corporate criminal liability, I have been advocating for a global alliance to eliminate corporate crime and abuse. To improve labour standards in the global value chain, we have to demand a mechanism to seek justice for rampant corporate crime and abuse, be it in the case of death or everyday economic and social exploitation.

In simple terms, we must continue to mobilize across countries for a global coalition that advocates for an International Corporate Crime Tribunal.

AA: One useful tool are due diligence laws that set out requirements for international companies to ensure compliance with human rights standards along the entire supply chain. I think this law has already come into force in Germany, and the European Union is in the process of implementing it.

However, none of the European countries have entered into discussions with us to understand our concerns and the needs of the Global South. The law claims that it not only applies to workers in their home country, but to the entire supply chain — like in Bangladesh. Implementing the law in their home countries is not very difficult, but covering the whole supply chain is. From the side of the local trade unions, we are of course happy to participate in the implementation and monitoring system.

Hence, I ask the EU and other countries to discuss these issues with the trade unions. The international community must also raise their voices and put pressure on the Bangladeshi

government to make this our own law. For these issues, we need some sort of support from the international community. We need to address the new challenges like the due diligence law, climate change, and automation in the garment industry.

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