

Nike's sweatshops working conditions issue

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I believe that Nike should be held responsible for working conditions in foreign countries that it does own but subcontracts to make products for Nike. A subcontractor is an individual or company that signs a contract to perform obligations for another company. The incentive to hiring subcontractor a subcontractor is to reduce costs for a company. I believe that even if Nike doesn't own the factories they should see thru it because they do get a net benefit out of the whole ordeal. The subcontractor helps reduce the cost for Nike and does make the products that they sell. I think since Nike gets a net benefit out of the whole deal they should be liable since the factory does sell the product that Nike does have. Another example that comes to mind was when Wendy's got lawsuit claiming that they found a finger in their bowl of chili. Wendy's eventually did find out the lawsuit was bogus. If the claim was true they could have been held liable for it. I am mentioning this lawsuit because Wendy's had supplier much like Nike to produce them the ingredients to make the chili. Wendy's had to trace back ingredients all the suppliers provided to make sure that there was no one that had a work related accident from the supplies that caused some one to lose their finger. They eventually found that that the lady got a finger from a friend after doing that investigation.

There should be more laws protecting Child Labor in other countries. There are Children 11 years of age making Air Jordan shoes that go on sale at premium prices in the US. One country that needs to have better Child Labor laws is China. In China there are kids as young as thirteen years old that are working as much as seventeen hours a day and only making ten cents an hour. They also make laws about how many breaks you should get for

working. They should allow at thirty minute for every two to three hours worked and allow the workers to socialize with each other. Workers in China work sometimes up to thirteen straight hours with out breaks. They probably do not force the laws though I am pretty sure of that. The factories only care about efficiency compared to the working conditions. The Nike shoe factory probably has huge quotas of how many shoes they need to produce. According to the text around 400, 000 Nike shoes are produced every month. They are probably pushing the workers to make the shows much faster. The workers are also with out proper protection in the factories as they are exposed to a lot of chemicals as well since the workers don't wear protective masks or gloves.

In Indonesia the base pay for factory workers is \$2. 28 compared to the average wage of working in farms being under \$1, and the argument is that its ok for Nike to pay low rates to subcontractors as a result of this. I don't think that even with factory workers getting a better pay that they should low ball the subcontractors. The money paid to the factory workers sometimes compensates the poor conditions that they have to work under and I am pretty sure that the working conditions are better for people working in farms in Indonesia. The work conditions that they investigated in those factories are really bad and they really need to improve up those conditions. From a business standpoint Nike would lowball the subcontractors otherwise there would be no personal need for them. If Nike isn't saving on costs they would take care of the foreign factories themselves and cut out the middle man.

I think that the changes Nike were doing were the best that they could do. Nike called a news conference after the negative publicity they had. Nike joined a task force afterwards and limited the work week to sixty hours a week and made sure they paid the local minimum wage to factory workers. Nike tried to then establish a task force known as the FLA. The FLA is known as the Fair Labor Association. Nike also then had third party organizations do an audit on the factories run the subcontractors. The company also tried to show that they were really active in their efforts by terminating four subcontractors in Indonesia for not meeting their wage requirements.

I think that Nike needs to make any changes to their policy. I think however Nike does need to stand by what they mentioned in the news conference though. They need to continue having unbiased auditors. They need to make sure that their subcontractors are doing everything by the book and following all the minimum wage laws and the labor laws that are in place by the county that the Subcontractor has. I think that Nike has to have more involvement. They only started to care after the negative attention they got with the sweatshop. They don't need get negative attention to fix things at Nike they should be able to do it independently.

The WRC does have a right to argue about the FLA is a tool of the industry. The FLA stands for the Fair Labor Association. The Fair Labor Association was established after all the negative publicity that was given after the sweatshops. The WRC does not want to work in companies on talking shortcuts since they are funded thru Labor workers rather than thru the companies themselves. The FLA was established by the companies themselves that allowed all of the bad things to happen at the factories that were run by the <https://assignbuster.com/nikes-sweatshops-working-conditions-issue/>

subcontractors. The FLA includes members from the International Labor Rights fund and 135 universities that have extensive licensing agreements with the companies such as Nike.

I think that really a solution to the problem of the global sweatshops is to inform people in countries like the US and other Western Countries about how bad the conditions in the factories are. Being informed will keep a check on the companies and will put the pressure on them to make sure to keep their subcontractors in check. The companies want the consumers to buy their product and do not want to have the negative attention and want people to buy their products. We as consumers buy the products so we have the power and the biggest voice since we pay a premium for them.