



## *Stitching Governance for Labour Rights*

Transnational labour governance is in urgent need of a new paradigm of democratic participation, with those who are most affected – typically workers – placed at the centre. To achieve this, principles of industrial democracy and transnational governance must come together to inform institutions within global supply chains. This book traces the development of ‘transnational industrial democracy’, using responses to the 2013 Rana Plaza disaster as the empirical context. A particular focus is placed on the Bangladesh Accord and the JETI Workplace Social Dialogue programme. Drawing on longitudinal field research from 2013–2020, the authors argue that the reality of modern-day supply chain capitalism has neither optimal institutional frameworks nor effective structures of industrial relations. Informed by principles of industrial democracy, the book aims at enhancing emerging forms of private transnational governance as ‘second-best’ institutions.

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# Stitching Governance for Labour Rights

Towards Transnational Industrial  
Democracy?

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## *Foreword*

In 2014, I was honoured to deliver the annual Sir Patrick Lowry lecture at Warwick University. It was early in my tenure as Director General at the ILO, and my topic was the relevance of tripartism in a world of work challenged to adapt to the realities of new technologies and innovative business models.

It was evident at the time that the traditional checks and balances of regulation, industrial relations and the social contract itself were not keeping pace with new work modalities; the troubling consequences included growing informality, inequality and weaker social protection in some cases. Yet there was also evidence of the enduring capacity of democratic and representative institutions to evolve in the ways they protect workers and regulate and resolve conflicts at work. My argument was that as these functions are vital to the development of prosperous, democratic, inclusive and peaceful societies, a central role of the ILO must be to support them to meet the challenges posed by our changing realities.

It was in the vibrant discussion that followed that I first met Juliane Reinecke and Jimmy Donaghey and learned of their research into new forms of industrial democracy in Bangladesh. It was less than a year after the catastrophic collapse of the Rana Plaza building in which over 1,100 workers died and many more were injured. The tragedy broadcast to the world the human cost of weak regulations and protections at work and raised complex questions about the responsibilities of global garment brands to ensure the safety of the workers in the supply chains that make the clothes they sell.

The ILO had been instrumental in supporting the government and employers' and workers' organisations in Bangladesh to develop and implement a programme of reforms aimed at ensuring stronger governance, high standards of industrial safety and proper compensation for victims of the accident. I therefore took the opportunity to

introduce the authors to colleagues at the ILO in order to support their research.

Their book is valuable as it looks in some detail at two interventions in Bangladesh that were designed to increase the role of workers and their representatives in initiatives that improved their safety at work. It assesses their effectiveness and, while the authors conclude the interventions fell short of perfect, it is clear that they made significant contributions to the dramatic improvement in industrial safety that has taken place in the Bangladesh garment sector since 2013. Understanding how and why is important.

The authors further pose the question of what we can learn for other sectors and other locations by putting democratic values at the centre of workplace institutions and supporting them to adapt and strengthen. Answers to this question are even more pertinent than in 2014 when we first met. The COVID-19 pandemic has led to further informalisation of work and inequality between peoples; and globally, women, youth and vulnerable communities have been the biggest losers.

The recovery and indeed the future of work must be human-centred and socially just. Restoring democratic institutions to the heart of the workplace is part of the solution.

Guy Ryder  
*Director-General, ILO, 2012–2022*

## Foreword

In the wake of the 2013 Rana Plaza disaster in Bangladesh, one of the world's worst instances of the abuse of workers' rights in global supply chains, Juliane Reinecke and Jimmy Donaghey build a case for transnational labour democracy in global supply chains central to so much of social and economic life. In the absence of effective nation-states, they propose an approach in which workers and their representatives can participate in international supply chain governance to secure labour rights.

This approach is founded upon two emerging trends. First, there is the emergence of collaborative private governance between business and civil society organisations *on behalf* of workers who are otherwise unrepresented in rule-making, specifically for their own working conditions. Second, there are systems of international industrial democracy in which workers' rights are secured and defended by *their own* representatives.

The beauty of the book is in combining two sorts of insights on which Reinecke and Donaghey substantiate and illustrate their case for transnational industrial democracy. The first are from their research in post-Rana Plaza Bangladesh, a laboratory for combinations of public and private, national and international initiatives directed at working conditions in the apparel industry. The second is from their theorisation of the problem of the abuse of labour rights and the possibilities of democratic innovation drawing on a wealth of relevant private and public governance literature.

As they readily admit, Reinecke and Donaghey's vision of market-driven transnational industrial democracy is far from perfect and even far from sure. But *Stitching Governance for Labour Rights: Towards Transnational Industrial Democracy?* illumines, first, how emerging initiatives recognise the importance of representing workers' interests and that these interests should be balanced against those of business and, second, how these initiatives can have positive impacts on

industrial safety and on wider institutional attitudes to worker representation.

More broadly, *Stitching Governance* provides a fine platform for further research, practice and policy-making for new forms of democratic transnational governance.

Jeremy Moon  
*Series Co-Editor*  
*Copenhagen Business School*

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It is difficult to acknowledge everyone whom we have discussed this project with over the past nine years. In addition, the need for anonymity of interviewees prevents us from naming them. On that note, we thank all those 100 plus people who were interviewed or allowed us to observe meetings to conduct the research. Without their time, research like ours would be impossible. In addition, we know many of our interviewees met with multiple other research teams and while one one-hour interview may not seem like much, they quickly add up in time. There are some people, though, who do deserve singling out: Polly Jones who suggested the Accord as an initiative to research; Rob Wayss at the Bangladesh Accord; Peter McAllister, Martin Buttle, Jamil Ansar and particularly Debbie Coulter at the ETI; Guy Ryder for both writing the Foreword to this book and opening doors for us with the ILO in Geneva and Dhaka; Laura Gutierrez of the WRC for linking us to labour actors in Dhaka and being such a vivacious person in such a challenging context; Liz Kwast for her excellent and rapid transcription skills as well as our driver Jangahir who showed unbelievable patience in navigating the complexities of Dhaka.

Building on the theme of the book, our funding sources were many and certainly ‘stitched’ together! We acknowledge funding from British Academy/Society for the Advancement of Management Studies Small Grant (SG141754, ‘Developing Innovative International Labour Governance: The Response to the Rana Plaza Disaster’); Andy Lockett, who as dean of Warwick Business School provided internal funding; the ESRC Impact Acceleration Account, which enabled us to work with the Ethical Trading Initiative; and the Warwick-Monash Alliance. Juliane Reinecke acknowledges the support of the British Academy Mid-Career Fellowship (MD20/200043), which helped her in writing up the research. We also acknowledge the research assistance of Davinia Hoggarth on our ETI Workplace Social Dialogue research. In addition, we thank the following academics who

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A number of chapters draw upon parts of journal articles that were previously published, though all have substantial updates and changes. We acknowledge the editors and reviewers of these articles who certainly helped to sharpen the contributions in the book. In this regard, the relevant chapters and linked articles are Chapter 2, which draws on parts of Donaghey, J., Reinecke, J., Niforou, C., and Lawson, B. 2014. From employment relations to consumption relations: Balancing labor governance in global supply chains. *Human Resource Management*, 53(2): 229–252; and Reinecke, J., and Donaghey, J. 2021. Towards worker-driven supply chain governance: Developing decent work through democratic worker participation. *Journal of Supply Chain Management*, 57(2): 14–28; Chapters 3–5, which draw partially on Reinecke, J., and Donaghey, J. 2015. After Rana Plaza: Building coalitional power for labour rights between unions and (consumption-based) social movement organisations. *Organization*, 22(5): 720–740; and Reinecke, J., and Donaghey, J. (2022). Transnational representation in global labour governance and the politics of input legitimacy. *Business Ethics Quarterly*, 32(3), 438–474. Chapter 6, which draws on Donaghey, J., and Reinecke, J. 2018. When industrial democracy meets corporate social responsibility: A comparison of the Bangladesh Accord and Alliance as responses to the Rana Plaza disaster. *British Journal of Industrial Relations*, 56(1): 14–42; and Chapter 8, which draws on Reinecke, J., and Donaghey, J. 2021. Political CSR at the coalface: The roles and contradictions of multinational corporations in developing workplace dialogue. *Journal of Management Studies*, 58(2), 457–486.

Abbreviations

ACT	Action, Collaboration, Transformation.
AFL-CIO	American Federation of Labor and Congress of Industrial Organizations
BGMEA	Bangladesh Garments Manufacturers and Exporters Association
BKMEA	Bangladesh Knitwear Manufacturers and Exporters Association
BSCI	Business Social Compliance Initiative
BUET	Bangladesh University of Engineering and Technology
CAP	corrective action plan
CCC	Clean Clothes Campaign
CSR	corporate social responsibility
DIFE	Department of Inspection for Factories and Establishments (Bangladesh)
EPZ	export processing zone
ETI	Ethical Trading Initiative
EU	European Union
FDI	foreign direct investment
GDP	gross domestic product
GIZ	Gesellschaft für Internationale Zusammenarbeit
GSP	Generalized System of Preferences
GUF	global union federation
IFA	international framework agreement
ILO	International Labour Organization
ITUC	International Trade Union Confederation
JETI	Joint Ethical Trading Initiatives
MFA	Multi-Fibre Arrangement
MNC	multinational corporation
MOLE	Ministry of Labour and Employment (Bangladesh)
MoU	memorandum of understanding

NGO	non-governmental organisation
NGWF	National Garment Workers Federation
OSH	occupational safety and health
PC	participation committee
RCC	Remediation Coordination Cell
RMG	ready-made garment
RSC	Ready-Made-Garment Sustainability Council
TUC	Trades Union Congress (UK)
UCU	University and College Union (UK)
UNGPs	UN Guiding Principles on Business and Human Rights
WRC	Worker Rights Consortium
WTO	World Trade Organization