

INDUSTRY INSIGHT

A Better Bangladesh

Last year's tragic accidents exposed a fractured system. How can we improve it?

BY DAVID J. BEBON

On April 24 last year, 1,133 garment workers died in the Rana Plaza Factory collapse in Dhaka, Bangladesh. Several months earlier, a fire at another garment factory in Dhaka, Tazreen Fashions, killed 112 garment workers. In the course of just six short months, the garment industry in Bangladesh had become synonymous with unsafe working conditions and the exploitation of the factory worker.

The sudden spotlight on Bangladesh exposed a fast-growing garment manufacturing industry that thrived in a virtually lawless, unregulated wild west of government malfeasance and corruption. It was an industry that few consumers here in the United States and Europe were aware of or fully understood.

Just before last year's disastrous Rana Plaza accident, Bangladeshi garments accounted for 5.8% of all imported U.S. clothing, according to the U.S. commerce department. A year later, despite all the negative attention, it grew to 6.2%. Rising prices and other factors in China (the dominant apparel producer in the world) will continue to send apparel manufacturers into Bangladesh. That's how the apparel industry operates – it always gravitates toward the lowest-cost producer. But will that lead to more disaster? Can the inadequacies of the country's apparel factory regulation be fixed?

Many don't know that the history of Bangladesh is a relatively short one – it only achieved independence in 1971 in a war to

separate from Pakistan. Its garment industry sprouted by the end of the decade as a means to help curb the desperate hunger and famine that gripped the country of 150 million people. Jute was a significant industry and source of foreign dollars in the early years, but the worldwide consumption of jute rugs and household items eventually declined. Something else was needed.

Bangladesh was a perfect place globally to develop a needle trade and garment industry. It had close proximity to cotton and the big fabric mills of Asia as well as a huge, able-bodied population that was ready and eager to work. The garment manufacturing industry takes relatively little capital investment or heavy machinery – you only need a building, good lighting and a few sewing machines to begin production.

By 1984 there were a total 384 garment factories in Bangladesh, all focusing on cut-and-sew operations utilizing fabric imported from countries such as China, India, Pakistan and Malaysia. As world consumption of clothing has steadily increased, fed by cheap labor and less expensive apparel, Bangladesh

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has grown its garment manufacturing sector. In 2012, the country boasted over 5,600 garment manufacturing factories employing over five million workers. It exported over \$20 million in apparel worldwide, behind only China (\$125 million) and Italy (\$25 million) in global export dollars.

This explosive growth over the past three decades has resulted in shoddy factory construction, dangerous electrical and power supplies and corrupt illegal flouting of local building codes and safety standards. In the rush to grab more garment production and more American and European dollars, garment factories were built with little regard for local building codes, fire safety or worker safety.

It is said that you reap what you sow – and now Bangladesh has suffered fatal factory fires, building collapses and the loss of precious human lives.

In the firestorm of world condemnation that followed the tragic loss of human life in the Rana Plaza factory collapse, apparel brands and retailers from Europe and North America established two organizations with the sole purpose of improving factory conditions and worker safety in these garment factories. One organization – The Alliance for Bangladesh Worker Safety – is comprised of 26 companies, all based in North America. The second organization – The Bangladesh Accord for Fire and Building Safety – touts over 150 companies as members, with most being from European countries with a few North American firms such as PVH.

These two organizations have begun a major initiative to improve factory conditions, fire safety and general worker safety in the Bangladesh manufacturing sector. Between both organizations, they plan to inspect over 2,000 garment manufacturing factories in the year 2014. And with help from the Bangladesh government, factories that fail inspections can be temporarily or permanently closed due to unsafe working conditions or unsafe building and structure issues.

In addition to these two organizations and

the rigorous factory inspection schedule, a trust fund has been established by labor groups and clothing companies with the goal in mind of raising \$40 million for the families and survivors of the Rana Plaza factory collapse.

There are many safe, clean, good factories in Bangladesh, but there are a lot of poorly run facilities as well. Will the inspections and prodding make a difference in a country with historically lax oversight of building codes and elements of payola and corruption? The jury is still out. Yes, help from the Bangladesh government is critical. But we know ultimately who will make the difference in Bangladesh: apparel companies and the consumers.

American and European apparel companies are buyers of products in a foreign country. We do not own the factories, but we have a social responsibility to ensure worker safety and human dignity wherever we spend our

money. Working conditions for every Bangladesh garment employee can be improved, but we need accountability throughout the entire supply chain. We – the apparel brands, retailers and garments manufacturers – must insist

“We have a social responsibility to ensure worker safety and human dignity.”

on audited, safe factories that pass inspections from organizations like WRAP (Worldwide Responsible Accredited Production) and guarantee basic human rights for clean, safe working environments. We must stop the subcontracting of production to sub-par factories that hide the blame, allowing apparel companies and retailers to skirt their responsibilities.

Any company or brand that states it did not know its production was in any particular factory does not deserve your business.

We can do this. Bangladesh is a beautiful country populated by warm, kind people who are just like you and me. They are wives and husbands who have children and grandchildren, who have a basic desire to provide a better life for their families.

We can make a difference in Bangladesh – but it starts with social responsibility and accountability.

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