

**T**he American flag flutters almost noiselessly in a mild breeze outside the Kukdong factory in Atlixco, a strange sight in this small town 70 miles southeast of Mexico City. The flag is there because, while the factory is Korean-owned, it is also a *maquiladora*—a plant where U.S.-produced materials are assembled with foreign labor and the finished products returned to the States.

Inside, 700 workers, mostly women, sit at computerized sewing machines stitching together sweatshirts. With a few deft strokes they embroider bolts of navy blue fleece with bright yellow thread, spelling out the word “Cal.”

Or at least they did a year and a half ago, when the plant was busy producing hundreds of fleece sweatshirts for Berkeley and dozens of other universities across America. But conditions then were far from ideal. “The Korean supervisors used to scream at us, and a woman supervisor hit us with a hammer,” says sewing machine operator Maria del Coral. In January 2001, complaining bitterly of low wages and poor treatment, the workers went on strike.

Back in Berkeley, a few weeks later, a group of students gathered on campus to put on a fashion show. The students modeled Cal sweatshirts, strutting down the steps of Sproul Hall as though it were a Milan runway. Later, these same students marched over to the Bear’s Lair cafe and surprised patrons by brandishing a four-foot long papier-mâché hammer to illustrate the conditions at Kukdong.

“We juxtaposed the fashionable image of these clothes with the harsh reality of how they were made,” says senior Jon Rodney, a member of Students Organizing for Justice in the Americas (SOJA). Rodney felt a particularly strong connection to the Kukdong workers, having just visited them in their homes in Mexico.

Over the next 18 months, Kukdong was to become a test case for the University of California’s recent pledge to crack down on sweatshops. In this case, say student anti-sweatshop activists, the University passed the test. In April this year—under pressure from universities, workers, and students—Kukdong management signed a union contract providing a 38 percent wage increase and substantially improved working conditions.

The University “has done a terrific job,” says former student leader Jeremy Blasi ’00, who now works at Berkeley’s Center for Labor Research and Education. But Blasi, a former member of Students Against Sweatshops (SAS), cautions that the battle is far from over. Some UC clothing is still manufactured in sweatshops, he says. Nevertheless, Blasi believes that Kukdong serves as a valuable lesson for how students and University administrators can join forces to fight against sweatshop conditions.

**T**he Kukdong struggle sheds light on a little noted but highly profitable niche market for the American garment industry. Manufacturers like Nike and Reebok have a guaranteed market to sell hats, T-shirts, and sweats with college logos on campuses across the country. When a university’s sports team has a winning

**Student  
activists  
and campus  
administrators  
join forces to  
fight against  
sweatshops**



By Reese Erlich

**No Sweats**



season, sales boom even more, with virtually no advertising required. Nationwide, sales of college-licensed merchandise total \$2.5 billion annually. The universities also get a piece of the action. Berkeley earns approximately \$500,000 a year from all its licensing agreements, including clothing.

A hooded, fleece sweatshirt with an embroidered Cal logo—like the ones made at Kukdong—costs \$4.50 for the factory to produce and is sold to Nike for \$9, according to industry sources. Nike sells that same sweatshirt to retailers for about \$22. Cal students, alumni, and everyone else pay the retailers \$45. Even taking into account the cost of raw materials, transportation, warehousing, overhead, and other expenses, everyone along the chain does pretty well—except the workers. They make less than 20 cents for each sweatshirt sewn.

In the mid-1990s, students across the country set out to correct such imbalances. They had the backing of U.S. garment unions and the AFL-CIO and, in retrospect, were on the leading edge of a powerful anti-globalization sentiment that led to the 1999 demonstrations in Seattle.

In the past, companies such as Nike and Reebok argued that they had no control over wages paid by their subcontractors or over the working conditions in those factories. But activists were skeptical of such claims, noting that company representatives regularly entered the factories to insure quality control but, once inside, somehow failed to notice labor law violations.

Universities themselves were also guilty of looking the other way. Like most, the University of California did not monitor conditions in factories making clothing under its name. But, in August 1998, under pressure from the student anti-sweatshop movement, UC issued a Code of Conduct requiring manufacturers licensing UC logos to guarantee reasonable pay and working conditions—whether they directly owned the factory or not. Still, Students Against Sweatshops argued that the language wasn't strong enough and lacked enforcement mechanisms. So the group held a series of protests demanding that UC strengthen its code.

In April 1999, in front of President Richard Atkinson's office in Oakland, UC students from around the state held a rally that included Congresspersons George Miller and Barbara Lee as speakers. The students held up "Oski the Sweatshop Boss," a large papier-mâché puppet, to symbolize their concerns. One week later, UC announced it would beef up its Code of Conduct and formed a student-faculty-administration committee to propose plans to improve enforcement.

In January 2000, after discussion and ratification, UC finally issued a much-strengthened Code of Conduct. It now incorporated the students' major concerns regarding monitoring and enforcement.

"It's the strongest Code of Conduct in the country, and we're proud of it," says Horace Mitchell, Berkeley's vice chancellor for business and administrative services. "We want to make sure that any merchandise that carries any of the University's logos or

trademarks have not been produced in sweatshops."

Students were gratified by this victory. Administrators were open to dialogue, says Blasi, who was the student representative on the committee. "But it did take a year of protests to get them to revise the code." He also says that "UC made a terrific decision" in declining to join the Fair Labor Association, a manufacturer-led consortium, instead joining the Workers' Rights Consortium (WRC), a coalition of unions, nonprofit groups, and major universities.



**HARD LABOR:** Garment workers make college sweatshirts in Atlitico, Mexico (above); a worker makes Cal caps in Bangladesh (left). Collegiate clothing is made in factories across the world, sometimes under abysmal conditions, say student activists.

The new Code of Conduct requires manufacturers like Nike and Reebok to guarantee that their own factories—or their contractor's factories—comply with labor laws, meet standards for health and safety, and pay living wages, and also that workers have the right to union representation. But the Code of Conduct is only a piece of paper. Kukdong was to become the first major test of its implementation.

**B**erkeley had licensed Nike to make hats, T-shirts, sweatshirts, and other Cal gear. Nike, in turn, contracted Kukdong to make Cal fleece sweatshirts. On January 9, 2001, the workers went on strike, protesting very low pay, abusive supervisors, and an awful cafeteria. "The food had worms in it," remembers factory worker Ivan de Eric. "The meat was spoiled. It was green."

On January 11, the company brought in the Puebla state police, who roused the striking workers from a company parking lot. Workers say they were viciously beaten, and 17 required hospitalization. The attack ended the strike.

Rafael Jung, a Korean-born Kukdong manager, defends the company's actions. He says the police were rough but didn't beat anyone. And he claims the workers were not really mad at management as much as critical of the previous, undemocratic union. "Some people didn't like the politics of the old union," said Jung. "They just used the issue of bad food."



In past disputes, American garment companies tended to side with their subcontractor's version of controversial events. But this time a committee of experts from the Workers' Rights Consortium investigated the Kukdong case. Two weeks after the strike, the committee submitted a devastating report that confirmed many of the workers' claims, including instances of physical abuse, pay below the minimum wage, and illegal child labor.

It proved to be a major turning point in the Kukdong battle. When Vice Chancellor Mitchell saw the report, he was shocked. "These were unacceptable conditions," he says. They "had to be

a new name: Mexmode. The company built a large cafeteria and brought in seven different food vendors. "The food is a lot better now," says sewing machine operator Josefina Hernandez. "We have a lot more options."

Workers like Hernandez received a 38 percent wage increase that included bonuses for punctuality and regular attendance. Questioned at random, assembly-line workers indicated that their wages had gone from about \$30 to \$50 per week, including cash bonuses for food and overtime pay.

Kukdong workers now receive something close to the median pay for *maquiladora* workers in the area—a living wage, according to the company, although a study by labor expert Humberto Juarez of the Autonomous University of Puebla indicates that the living wage for a family of four in the area is \$85 per week.

Despite the significant improvements made at Kukdong, Blasi says that the struggle against sweatshops continues. "Conditions in many thousands of garment factories worldwide remain abysmal," he says, "and there's no reason to think factories making collegiate wear are any different."



**WEARING A SMILE:** Sonya Mehta, Jeremy Blasi, Jon Rodney, and Tarak Shah celebrate their victory against sweatshop conditions in a Mexican factory that makes college sweatshirts.

changed." Berkeley students asked campus administrators to issue a public letter to Nike calling for immediate improvements at Kukdong; but administrators declined, arguing they could better pressure Nike with quiet diplomacy.

"This is a global issue, and it's going to take a long time to resolve it," explains Maria Rubinshteyn, director of the campus's Office of Marketing and Management of Trademarks. "To write a public letter each and every time an infraction occurs would not necessarily promote changes. In some cases, it might inflame the situation."

Even today, Students Organizing for Justice in the Americas remains highly critical of that decision. It wants the University to set a national example in the fight against sweatshops, not negotiate in back rooms. "I think they could have taken a much more public, visible role," says SOJA's Jon Rodney. "These kinds of injustices must be brought to light." UC may have the strongest Code of Conduct on paper, says Rodney, but other universities did more in practice to help Kukdong workers, including writing public letters.

UC administrators say they did speak with Nike about the Kukdong case. And in the summer of 2001, under pressure from UC and other universities, Nike canceled its contracts with Kukdong. Sales from the factory dropped to under \$3 million that year, less than one-fifth of previous levels.

By the fall of 2001, Kukdong management finally capitulated and allowed free union elections. The workers voted overwhelmingly to get rid of the previous corrupt union, and the company recognized the newly elected, independent union. Kukdong corporate headquarters changed plant managers and gave the factory

**T**he American flag continues to flutter above the Atlitxco factory. The high roofs provide cool air and lots of light. The three-year-old factory looks nothing like the popular conception of a garment sweatshop. More importantly, it no longer feels like one to the women who work there. In fact, they now want the factory to get more orders.

Since Nike and others withdrew their business, Mexmode has been running at below 70 percent capacity—not enough to stay in business in the long term. So now the independent union and Berkeley students are urging Nike, Reebok, and others to resume orders. This summer, Berkeley was in the process of renegotiating its entire licensing agreement with Nike. Both sides expect the agreement to be renewed. When it is, Rubinshteyn says she will encourage Nike to make Cal fleece sweatshirts at Mexmode.

Nike, too, is keen to get back to Mexmode. "We have a vested interest in making Mexmode successful," says a Nike official. The company wants "to sustain the workers' gains," and so far has placed an initial order of 65,000 other college sweatshirts, which will generate sales of about \$2.5 million, and plans to order more.

While student activists, University administrators, and Nike may not always agree on tactics, for now they do agree on one thing: They all want to see gold Cal signatures being sown onto those bright blue fleeces in Atlitxco once more.

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