

Three Clear Bottom Lines

LEVI-STRAUSS AND CO. decided to clear out of China in 1993, retaining a minimal presence of "friendship stores" to maintain its trademark brand name. The reason: pervasive human rights violations, says spokesman Sean Fitzgerald. Because Levi-Strauss sources from a wide variety of nations and cultures, it's particularly concerned with picking partners who won't undermine company values or threaten commercial success by damaging brand image, he says.

The company has strict terms of engagement with its business partners, including prohibiting the use of prison or forced labor, making employees work more than sixty hours a week, or maintaining unsafe work environments. It also avoids countries that are politically or socially unstable, have a legal system that puts the company trademark at risk, or violates human rights.

The Timberland Co. also pulled out of China in 1993, stating that the Chinese did not share the company's beliefs on the value of workers.

Timberland and Levi-Strauss periodically review whether to return to China—only on terms compatible with company viewpoints.

Meanwhile, another company with strong convictions on employee rights, Reebok International, remains in China with joint venture factories in Guong Dong and Fution Provinces.

The company sent a firm message to the Chinese government after the Tiananmen Square massacre by immediately creating a human rights award and giving it to the demonstration's four leaders. One of the leaders remains an advisor to Reebok's board, according to Doug Cahn, the company's director of human rights programs.

"There are many Chinese who react to corruption and climb out on a limb to express opinions unpopular with the Communist Party," says Cahn. "During this transition period it's vital to reinforce their efforts. There may be a long-term benefit to getting on the side of what's right."

As for ensuring that prison labor isn't used to make its products, Cahn says the company asks for affidavits from its partners assuring that no forced labor is used. "The response from our Chinese factories, which are not government companies, has been good," he says.

Reebok, with the singer Peter Gabriel and the Lawyers Committee for Human Rights, financially supports Witness, an organization providing video cameras and fax machines to local human rights groups around the world. Statements don't come much clearer than that. —S.K.