

# FOIA MARKER

**This is not a textual record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.**

---

**Collection/Record Group:** Clinton Presidential Records  
**Subgroup/Office of Origin:** National Economic Council  
**Series/Staff Member:** Jake Siewert  
**Subseries:**

---

**OA/ID Number:** 13557  
**FolderID:**

---

**Folder Title:**  
No Sweat

Stack:	Row:	Section:	Shelf:	Position:
S	18	2	7	2



## Report of Apparel Industry Partnership

The members of the Apparel Industry Partnership hereby report to the President and to the public on:

- The announcement of the attached "Workplace Code of Conduct" as a set of standards defining decent and humane working conditions;
- The individual determination of each company participating in the Partnership to adhere to the Code and to implement as soon as reasonably practicable a monitoring program consistent with the attached "Principles of Monitoring," by adopting an internal monitoring program consistent with such Principles and utilizing an independent external monitor that agrees to conduct its monitoring consistent with such Principles; and
- The Partnership's commitment to work together to form, during a six-month transition period, a nonprofit association that would have the following functions intended to provide the public with confidence about compliance with the Code:
  - To determine the criteria for company membership in the association and for companies to remain members in good standing of the association;
  - To develop criteria and implement procedures for the qualification of independent external monitors;
  - To design audit and other instruments for the establishment of baseline monitoring practices;
  - To continue to address questions critical to the elimination of sweatshop practices;
  - To develop means to maximize the ability of member companies to remedy any instances of noncompliance with the Code; and
  - To serve as a source of information to consumers about the Code and about companies that comply with the Code.

The association would be governed by a board whose members would be nominated by companies, labor unions and consumer, human rights and religious groups. The Partnership would work together during this transition period to further determine the governance of the association.

### Workplace Code of Conduct

The Apparel Industry Partnership has addressed issues related to the eradication of sweatshops in the United States and abroad. On the basis of this examination, the Partnership has formulated the following set of standards defining decent and humane working conditions. The Partnership believes that consumers can have confidence that products that are manufactured in compliance with these standards are not produced under exploitative or inhumane conditions.

**Forced Labor.** There shall not be any use of forced labor, whether in the form of prison labor, indentured labor, bonded labor or otherwise.

**Child Labor.** No person shall be employed at an age younger than 15 (or 14 where the law of the country of manufacture<sup>1</sup> allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.

**Harassment or Abuse.** Every employee shall be treated with respect and dignity. No employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse.

**Nondiscrimination.** No person shall be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.

**Health and Safety.** Employers shall provide a safe and healthy working environment to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of employer facilities.

**Freedom of Association and Collective Bargaining.** Employers shall recognize and respect the right of employees to freedom of association and collective bargaining.

**Wages and Benefits.** Employers recognize that wages are essential to meeting employees' basic needs. Employers shall pay employees, as a floor, at least the minimum wage required by local law or the prevailing industry wage, whichever is higher, and shall provide legally mandated benefits.

**Hours of Work.** Except in extraordinary business circumstances, employees shall (i) not be required to work more than the lesser of (a) 48 hours per week and 12 hours overtime or (b) the limits on regular and overtime hours allowed by the law of the country of manufacture or, where the laws of such country do not limit the hours of work, the regular work week in such country plus 12 hours overtime and (ii) be entitled to at least one day off in every seven day period.

**Overtime Compensation.** In addition to their compensation for regular hours of work, employees shall be compensated for overtime hours at such premium rate as is legally required in the country of manufacture or, in those countries where such laws do not exist, at a rate at least equal to their regular hourly compensation rate.

Any company that determines to adopt the Workplace Code of Conduct shall, in addition to complying with all applicable laws of the country of manufacture, comply with and support the Workplace Code of Conduct in accordance with the attached Principles of Monitoring and shall apply the higher standard in cases of differences or conflicts. Any company that determines to adopt the Workplace Code of Conduct also shall require its contractors and, in the case of a retailer, its suppliers to comply with applicable local laws and with this Code in accordance with the attached Principles of Monitoring and to apply the higher standard in cases of differences or conflicts.

## **Principles of Monitoring**

### **I. Obligations of Companies <sup>2</sup>**

## A. Establish Clear Standards

- Establish and articulate clear, written workplace standards <sup>3</sup>
- Formally convey those standards to company factories as well as to contractors and suppliers <sup>4</sup>
- Receive written certifications, on a regular basis, from company factories as well as contractors and suppliers that standards are being met, and that employees have been informed about the standards
- Obtain written agreement of company factories and contractors and suppliers to submit to periodic inspections and audits, including by independent external monitors, for compliance with the workplace standards

## B. Create An Informed Workplace

Ensure that all company factories as well as contractors and suppliers inform their employees about the workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and undertake other efforts to educate employees about the standards on a regular basis

## C. Develop An Information Database

- Develop a questionnaire to verify and quantify compliance with the workplace standards
- Require company factories and contractors and suppliers to complete and submit the questionnaire to the company on a regular basis

## D. Establish Program to Train Company Monitors

Provide training on a regular basis to company monitors about the workplace standards and applicable local and international law, as well as about effective monitoring practices, so as to enable company monitors to be able to assess compliance with the standards

## E. Conduct Periodic Visits and Audits

- Have trained company monitors conduct periodic announced and unannounced visits to an appropriate sampling of company factories and facilities of contractors and suppliers to assess compliance with the workplace standards
- Have company monitors conduct periodic audits of production records and practices and of wage, hour, payroll and other employee records and practices of company factories and contractors and suppliers

## F. Provide Employees With Opportunity to Report Noncompliance

Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable company employees and employees of contractors and suppliers to report to the company on

noncompliance with the workplace standards, with security that they will not be punished or prejudiced for doing so

#### G. Establish Relationships with Labor, Human Rights, Religious or Other Local Institutions

- Consult regularly with human rights, labor, religious or other leading local institutions that are likely to have the trust of workers and knowledge of local conditions and utilize, where companies deem necessary, such local institutions to facilitate communication with company employees and employees of contractors and suppliers in the reporting of noncompliance with the workplace standards
- Consult periodically with legally constituted unions representing employees at the worksite regarding the monitoring process and utilize, where companies deem appropriate, the input of such unions
- Assure that implementation of monitoring is consistent with applicable collective bargaining agreements

#### H. Establish Means of Remediation

- Work with company factories and contractors and suppliers to correct instances of noncompliance with the workplace standards promptly as they are discovered and to take steps to ensure that such instances do not recur
- Condition future business with contractors and suppliers upon compliance with the standards

## II. Obligations of Independent External Monitors

### A. Establish Clear Evaluation Guidelines and Criteria

Establish clear, written criteria and guidelines for evaluation of company compliance with the workplace standards

### B. Review Company Information Database

Conduct independent review of written data obtained by company to verify and quantify compliance with the workplace standards

### C. Verify Creation of Informed Workplace

Verify that company employees and employees of contractors and suppliers have been informed about the workplace standards orally, through the posting of standards in a prominent place (in the local languages spoken by employees and managers) and through other educational efforts

### D. Verify Establishment of Communications Channel

Verify that the company has established a secure communications channel to enable company employees and employees of contractors and suppliers to report to the company on noncompliance with the

workplace standards, with security that they will not be punished or prejudiced for doing so

#### **E. Be Given Independent Access to, and Conduct Independent Audit of, Employee Records**

- Be given independent access to all production records and practices and wage, hour, payroll and other employee records and practices of company factories and contractors and suppliers
- Conduct independent audit, on a confidential basis, of an appropriate sampling of production records and practices and wage, hour, payroll and other employee records and practices of company factories and contractors and suppliers

#### **F. Conduct Periodic Visits and Audits**

Conduct periodic announced and unannounced visits, on a confidential basis, of an appropriate sampling of company factories and facilities of contractors and suppliers to survey compliance with the workplace standards

#### **G. Establish Relationships with Labor, Human Rights, Religious or Other Local Institutions**

- In those instances where independent external monitors themselves are not leading local human rights, labor rights, religious or other similar institutions, consult regularly with human rights, labor, religious or other leading local institutions that are likely to have the trust of workers and knowledge of local conditions
- Assure that implementation of monitoring is consistent with applicable collective bargaining agreements and performed in consultation with legally constituted unions representing employees at the worksite

#### **H. Conduct Confidential Employee Interviews**

- Conduct periodic confidential interviews, in a manner appropriate to the culture and situation, with a random sampling of company employees and employees of contractors and suppliers (in their local languages) to determine employee perspective on compliance with the workplace standards
- Utilize human rights, labor, religious or other leading local institutions to facilitate communication with company employees and employees of contractors and suppliers, both in the conduct of employee interviews and in the reporting of noncompliance

#### **I. Implement Remediation**

Work, where appropriate, with company factories and contractors and suppliers to correct instances of noncompliance with the workplace standards

#### **J. Complete Evaluation Report**

Complete report evaluating company compliance with the workplace standards

---

**Endnotes:**

<sup>1</sup> All references to local law throughout this Code shall include regulations implemented in accordance with applicable local law.

<sup>2</sup> It is recognized that implementation by companies of internal monitoring programs might vary depending upon the extent of their resources but that any internal monitoring program adopted by a company would be consistent with these Principles of Monitoring. If companies do not have the resources to implement some of these Principles as part of an internal monitoring program, they may delegate the implementation of such Principles to their independent external monitors.

<sup>3</sup> Adoption of the Workplace Code of Conduct would satisfy the requirement to establish and articulate clear written standards. Accordingly, all references to the "workplace standards" and the "standards" throughout this document could be replaced with a reference to the Workplace Code of Conduct.

<sup>4</sup> These Principles of Monitoring should apply to contractors where the company adopting the workplace standards is a manufacturer (including a retailer acting as a manufacturer) and to suppliers where the company adopting the standards is a retailer (including a manufacturer acting as a retailer). A "contractor" or a "supplier" shall mean any contractor or supplier engaged in a manufacturing process, including cutting, sewing, assembling and packaging, which results in a finished product for the consumer.

[DOL Home Page](#)[ESA Home Page](#)[Top of Document](#)[Top of List](#)

## **PRESIDENT CLINTON ANNOUNCES APPAREL INDUSTRY PARTNERSHIP AGREEMENT**

April 14, 1997

### **TODAY, PRESIDENT CLINTON WELCOMES TO THE WHITE HOUSE THE MEMBERS OF THE APPAREL INDUSTRY PARTNERSHIP TO ANNOUNCE A NEW AGREEMENT.**

Leaders from the footwear and apparel industry, labor, nongovernmental organizations (NGOs), and consumer groups have found common ground, agreeing to a Code of Conduct and independent monitoring systems that will assure Americans that the clothes and shoes they buy are made under decent and humane working conditions. The Partnership also agreed to recruit others in the industry and to develop an independent association to assure compliance and inform consumers about the Code and which companies comply.

**THIS AGREEMENT FOLLOWS FROM WHITE HOUSE MEETING LAST YEAR.** On August 2, 1996, the President and Vice President met with these parties to discuss the problem of sweatshops, consumer concerns, and the need to join together to address these issues. The parties formed a voluntary, industry-driven partnership that proposed to report back to the President its recommendations for action.

- **Participants in the Partnership** include: Liz Claiborne; Nike; Phillips-Van Heusen; Reebok; L.L. Bean; Patagonia; Tweeds; Nicole Miller; Karen Kane; UNITE; the Retail, Wholesale, Department Store Union; Business for Social Responsibility; the Interfaith Center on Corporate Responsibility; the International Labor Rights Fund; Lawyers Committee for Human Rights; the National Consumers League; and the RFK Memorial Center for Human Rights.

**THE PARTNERSHIP'S AGREEMENT IS THE FIRST OF ITS KIND.** The agreement contains the following components:

- ✓ **A Strong Workplace Code of Conduct** that companies will voluntarily adopt and require their contractors to adopt, which, among other things, includes:
  - Prohibitions against child labor, worker abuse or harassment, and discrimination;
  - The recognition of workers' rights of freedom of association and collective bargaining;
  - A minimum or prevailing industry wage, a maximum 60-hour workweek, and a cap on mandatory overtime; and
  - A safe and healthy working environment.
- ✓ **Independent External Monitors** to conduct reviews of company policies and practices and to verify that the company is in compliance with its obligations and commitments under the Code of Conduct. Companies will also maintain an internal monitoring system that outlines the obligations each company will undertake to ensure that the Code is enforced in its facilities and its contractors' facilities both domestically and internationally.
- ✓ **Commitment to Form an Association Over the Next Six Months** that will (1) recruit new member companies which also will abide by the Code and implement independent monitoring; (2) develop a reliable, independent means to provide for public confidence that the above obligations are being met; and (3) develop a mechanism or seal of approval informing consumers about which companies abide by the Code and monitoring.

## **DETAILS ON THE APPAREL INDUSTRY PARTNERSHIP AGREEMENT**

*The Apparel Industry Partnership agreement contains the following:*

- ✓ **A Strong Workplace Code of Conduct** that individual companies will voluntarily adopt and require their contractors to adopt, which includes:
  - The prohibition of employing any persons under the age of 15 (unless permitted by the country of manufacture to be 14);
  - Prohibitions against any worker abuse or harassment and discrimination;
  - The recognition and respect for workers' rights of freedom of association and collective bargaining;
  - The requirement that employers pay at least the minimum or prevailing industry wage, whichever is higher, and provide mandated benefits;
  - The requirement that workers be provided with a safe and healthy working environment;
  - A cap on mandatory overtime to 12 hours per week and the regular work week of the country (or 48 hours, whichever is less); and requiring a day off in every seven day period; and
  - The requirement that overtime be compensated for at the premium rate required in the country or at least equal to their regular hourly compensation.
  
- ✓ **Independent External Monitors** who will conduct independent reviews of participating company policies and practices; provide company employees and contractors' employees with secure communication channels to report concerns of noncompliance; audit production records and practices to ensure compliance; conduct employee interviews and site visits; and verify that the company is in compliance with its obligations and commitments under the Code of Conduct.
  
- ✓ **An Internal Monitoring System** that outlines the obligations each company will undertake to ensure that the Code of Conduct is enforced in its facilities and its contractors' facilities both domestically and internationally.
  
- ✓ **A Commitment to Form an Association** over the next six months that will:
  - Recruit new member companies which also will abide by the Code and implement independent monitoring;
  - Develop a reliable, independent means to provide for public confidence that the above obligations are being met; and
  - Develop a mechanism or seal of approval informing consumers about which companies abide by the Code and monitoring.

## **CHRONOLOGY ON CLINTON ADMINISTRATION'S "NO SWEAT" INITIATIVE**

- Summer 1993** Secretary Reich launches initiative to fight sweatshops.
- Spring 1994** National Conference on Garment Workers in NYC.
- Fall 1994** Labor Department hosts Retailer Roundtable in Washington, DC.
- August 2, 1995** El Monte, CA sweatshop busted for "slavery." Sec. Reich steps up fight against sweatshops.
- September 1995** Retailer Summit in NYC on how to improve industry compliance with workplace standards.
- December 1995** Secretary Reich announces Trendsetter List -- retailers and manufacturers working to end sweatshops in the US.
- May 1996** First Quarterly Enforcement Report Released by the Labor Department.
- May 1996** DOL investigation reveals that Kathy Lee Gifford's clothing line being made in sweatshops. Gifford and Sec. Reich join forces to fight abuse.
- July 1996** Sec. Reich hosts Fashion Industry Forum. Kathy Lee Gifford, Cheryl Tiegs and 300 fashion industry representatives -- including retailers, manufacturers, designers, workers, labor and consumer advocates -- participate.
- Summer 1996** Legislation introduced on Capitol Hill to hold manufacturers and retailers liable for the conditions under which their contractors operate.
- August 2, 1996** President Clinton brings a diverse group of industry, labor, and

human rights leaders to the White House to discuss industry conditions. The Apparel Industry Partnership is formed, and challenged by the President to take steps to assure that company products are made in compliance with acceptable labor standards, and to inform consumers that the products they buy are not made under exploitative conditions. The group agrees to report back in six months.

**Fall 1996**

Monitoring Workshops for manufacturers and retailers in New York, Chicago, and Los Angeles.

**Sept 1996-April 1997**

The Apparel Industry Partnership meets regularly with technical assistance from the Administration.

**October 1996**

Release of Volume 3 of the international child labor report, "By the Sweat and Toil of Children" on the impact of Codes of Conduct on child labor conditions in the apparel industry.

**December 1996**

Department of Labor's "No Sweat" Initiative receives Innovations in American Government Award from the Ford Foundation and John F. Kennedy School of Government.

**January 1997**

Clinton Administration has collected more than \$10.4 million in back wages for minimum wage and overtime violations for more than 34,000 garment workers across the country.

**February 1997**

Labor Department pledges funding to International Labor Organizations' initiative against child labor in the Pakistani soccer ball industry.

**March 25, 1997**

Three companies added to the Trendsetter List, bringing the total to 34 companies representing over 125 apparel lines and tens of thousands of retail stores.

**April 14, 1997**

Apparel Industry Partnership presents its agreement and plan of action to end sweatshops to President Clinton at the White House.

## MEMBERS OF THE APPAREL INDUSTRY PARTNERSHIP

### **Liz Claiborne, Inc.**

Paul Charron, Chairman and CEO  
[co-chair]

### **National Consumers League**

Linda Golodner, President  
[co-chair]

### **Interfaith Center on Corporate Responsibility**

David Schilling, Director

### **International Labor Rights Fund**

Pharis Harvey, Executive Director

**Kathie Lee Gifford**

### **Lawyers Committee for Human Rights**

Michael Posner, Executive Director

### **LL Bean, Inc.**

Tom Harden, Senior Vice President

### **NIKE, Inc.**

Philip Knight, Chairman of the Board and CEO

### **Patagonia**

David Olsen, CEO

### **Phillips-Van Heusen**

Bruce Klatsky, CEO

### **Reebok International, Ltd.**

Paul Fireman, CEO

### **Retail Wholesale Department Store Union, AFL-CIO**

Lenore Miller, President

### **Robert F. Kennedy Memorial Center for Human Rights**

Sandra Cuneo, Executive Director

### **Tweeds, Inc.**

Martin Brill, President

### **Union of Needletrades, Industrial and Textile Employees (UNITE)**

Jay Mazur

### Unable to Attend

### **Business for Social Responsibility**

Robert Dunn, President and CEO

### **Karen Kane, Inc.**

Lonnie Kane, CEO and President

### **Nicole Miller, Inc.**

Bud Konheim, CEO

EXEC SUMMARY  
718/462-8343

# Altering Labels, Not Clothes, China Sidesteps Trade Limits

By RAYMOND BONNER

**HONG KONG** — Every day, shiploads of clothing cranked out by China's prodigious textile industry are unloaded on the docks of this commercial crossroads and taken by truck to back-alley factories. Nimble-fingered workers add a few finishing touches and, most important, a label that reads, "Made in Hong Kong."

Thus altered, the garments are sent to retailers in Europe and the United States as the exports of Hong Kong in what American officials say is a vast effort to circumvent European and American limits on imports of Chinese textiles.

This clandestine traffic in suits, shirts and gloves has long rolled trade relations between the United States and China. And American officials fear that it could expand further after July 1, when Hong Kong comes under Chinese control and movement of goods through the former colony may become even easier.

Billions of dollars are at stake. A painstaking study by the United States Customs Service found that in 1992, while China's textile exports totaled \$13 billion, the world's countries reported importing more than \$23 billion worth of textiles from China.

In a section titled "The China Syndrome: Clothing That Multiplies En Route," the study said that only some of the discrepancy could be explained by statistical confusion.

American officials say the illegal exports harm American workers and the dwindling domestic textile industry. Critics of China also say the long history of evading the rules calls into question Beijing's willingness to abide by terms under negotiation, the most important of which involve China's drive to join the World Trade Organization.

The issue's prominence is another sign of a major shift in Asia's economy. Textile manufacturing fueled the growth of Hong Kong, Taiwan and Korea after World War II. But today, clothing companies in the region have shifted their factories to China, where workers are paid \$50 a

Continued on Page A4, Column 3

Continued From Page A1

month, as against \$1,300 a month in Hong Kong. American officials say China's textile empire produces far more than it can legally export, though it, too, is facing pressure from even lower-wage countries like India. China, said one American official, "would clothe most of the world if we let it."

There is no intention to allow that. Nearly all of the world's developed nations set limits, or quotas, on the quantity of textiles that they import from any single country. Those rules reflect the production patterns of an earlier era, and places like Hong Kong and Macao are allowed far more exports than they now produce.

International trade laws will continue to treat Hong Kong and China as separate entities for the next seven years, with separate quotas, even though Hong Kong will become part of China this year. "We're waiting to see how it plays out," said one American official. "If we don't have the same level of cooperation, we'll have to look very hard at what our next step would be."

The quotas themselves are a vestige of a previous era, and will eventually be phased out.

In its annual report on foreign trade barriers, the Clinton Administration argues that China's illegal shipments are still a major problem, but expresses hope that they will be reduced under a four-year pact signed this year. That agreement lowers China's quota for 14 apparel and fabric categories and calls for stronger enforcement measures.

Hong Kong's underused quotas have long provided an opening that many Chinese factories and Hong Kong companies cannot resist.

In some instances the phony label — "Made in Fiji," "Made in Macao" — is sewn into the garment before it even leaves the factory in China. In

other cases, once the garments reach Hong Kong, the "Made in China" label is taken out and replaced with one that reads, "Made in Hong Kong." Other times, the labels are sewn in Hong Kong and the garments repacked in their original boxes, with a piece of tape that says, "Made in Hong Kong" slapped over the "Made in China" markings on the outside.

Trade and employment statistics suggest the scope of illegal exports through Hong Kong. While Hong Kong's textile work force has declined by two-thirds in the last decade, its exports to the United States are mysteriously up by almost 50 percent, according to Hong Kong government data. At least 90 percent of the textiles and garments sold in the United States with a "Made in Hong Kong" label are in fact made in China, said two senior Hong Kong textile executives, who sell different types of textiles.

The three largest Hong Kong exporters of men's suits and jackets to the United States have a combined work force today of some 400, people in the industry say. Yet those companies exported nearly 200,000 suits and jackets to the United States in 1994.

Hong Kong companies shipped 60 million pairs of work gloves to the United States last year, even though the companies employ fewer than 100 workers, a senior executive in the industry said. Nearly all of the gloves were in fact made in China, he said.

In a complaint that runs to nearly 300 pages, the American Textile Manufacturers Association has accused The Limited Inc., which operates retail outlets like Abercrombie & Fitch, Victoria's Secret and Lane Bryant, with falsifying documents, smuggling and other violations of American laws to get Chinese-made goods into the United States via Hong Kong, say American officials and persons close to the association.

The Justice Department and Customs Service are investigating the allegations before deciding whether to file criminal charges against the company, the officials said. If the Government does not act, the association plans to file a civil action against The Limited, officials close to the institute said.

The Limited, a publicly held company based in Columbus, Ohio, would not comment directly on the allegations. A company official said that he had heard that the industry had filed a complaint, but that he had not seen

it. The company's general counsel, Samuel P. Fried, said The Limited was "committed to full compliance with the spirit and letter of all legal requirements of goods into the United States."

After years of prodding from the United States, trade officials in Hong Kong have begun to crack down on some of the local companies that export Chinese-made textiles as their own.

And for the first time, American customs agents have been allowed to inspect Hong Kong factories where false labels are said to be sewn on, though the agents are allowed into factories only if the company permits. They are not allowed to examine a company's books.

Illustrating the scale of the problem, and the difficulty of curbing it, American officials and Hong Kong textile executives point to Peninsula Knitters, which is headed by Henry Tang Ying-yen. He is one of Hong Kong's most powerful political leaders, and he has been implicated in export violations.

A few years ago, Mr. Tang was fined \$250,000 by the British authorities after being caught trying to smuggle Chinese-made cashmere sweaters into England, American officials said. The sweaters were destined for the United States, the officials said, where with a "Made in England" label they would have fetched a far higher price than with a "Made in China" one.

Mr. Tang is chairman of the Federation of Hong Kong Industries, a quasi-governmental business organization, and has been appointed to the executive council that will come into power when Hong Kong reverts to Chinese control on July 1.

The United States is investigating whether Mr. Tang illegally shipped four million Chinese-made sweaters to the United States last year, American officials said. Mr. Tang declined

## China 'would clothe most of the world if we let it.'

to discuss any aspect of either case, other than to say that he had paid a fine in England. "We don't engage in transshipping," he said, using the term for the illegal exporting of goods originating elsewhere.

Mr. Tang, who said Peninsula Knitters sold "tens of millions of dollars" of sweaters to United States companies annually, dismissed the issue as a minor problem, the result of a few "unscrupulous operators." And he called American efforts to curb it "barbaric."

The Customs Service has primary responsibility to stanch the flow. But several senior agents said illegal textile exports were not a high priority for the agency, which also handles higher-profile cases involving drug trafficking and money laundering.

Justice Department lawyers find the cases difficult, time-consuming and expensive. And the State Department has been reluctant to be too vocal in its criticism of China or Hong Kong, critics of the Administration's record said.

One of the most contentious issues is whether an American importer knows that the garments have been made in China and not Hong Kong.

"They know where the stuff comes from," said an American law enforcement official. "Proving it in court is another matter." The companies generally insist that they do not, saying they buy from Hong Kong manufacturers or through Hong Kong agents.

PRESIDENT HAS SEEN  
4/2/97

The New York Times

TUESDAY, APRIL 1, 1997

Guus  
F  
PK

U.S. Department of Labor

Employment Standards Administration  
Wage and Hour Division  
Washington, D.C. 20210



**FAX COVER SHEET**

**OFFICE OF THE ADMINISTRATOR**  
**WAGE AND HOUR DIVISION**

**FAX NUMBER (202) 219-4753**  
**COMMERCIAL (202) 219-8305**

TO: Maria Echaveste / Gene Sperling DATE: 4/4/97  
cc: Anne Lewis

FAX NUMBER: 456-2983 PAGES: \_\_\_\_\_  
456-2878 (include cover sheet)  
(301) 718-7946

LOCATION: \_\_\_\_\_  
FROM Suzanne Seiden / Stephanie Swirsky

If you do not receive all of the pages please call:

NAME: Suzanne Seiden

NUMBER: 219-8305

COMMENTS/INSTRUCTIONS: Re: Apparel Partnership  
Enclosed are: ① Analysis of differences  
② talking points on Partnership  
③ talking points for call to Jay  
Mazur - (who should call?)  
④ Options for impasse

We think it may be useful to brief you on  
a conference call (today if we need to rework documents  
over weekend or make calls to key members).  
Suzanne and Stephanie

## PARTNERSHIP ISSUE ANALYSIS

### Major Areas of Difference:

**1. Issue: Clarity of the functions of the association**

***NGO/union draft:***

*[Language has been in earlier NGO/union drafts, and omitted from the company versions]*

- o to develop criteria and implement procedures for the accreditation of external monitors
- o to design audit and other instruments for the establishment of standard monitoring practices for internal company monitors and accredited external monitors
- o to study questions critical to the elimination of sweatshop practices

***Company draft:***

Association would ... provide information to signatory companies and assist them in the implementation of the Code and monitoring and seek to develop and improve the monitoring practices of external monitors in a manner which would provide the public with confidence about compliance with the Code of Conduct.

***Explanation:***

The companies would not agree at this time for the association to play the role with regard to accreditation and standard setting for external monitors and monitoring and conduct of studies regarding sweatshop conditions. In addition, the NGO/union group interprets that the "studies" would include the fair wage issues, particularly overseas, which the companies are opposed to.

**2. Issue: Clarity regarding the governance of the association**

***NGO/union draft:***

*[Modified language of what has been in earlier drafts]*

the association would be governed by a board whose members would be nominated by companies, labor unions, and consumer, human rights and religious groups.

***Company draft:***

"...an association representing a diversity of interests including business, consumers, workers and human rights organizations."

***Explanation:***

The issue boils down to whether the document will refer to "unions" or "workers" participating on the board of the association. Whether UNITE will serve on the association's board has been ongoing, (the companies want "workers" and UNITE insists on "unions"), and stems, in large part, from the "mistrust" that has developed between the parties. The concern over board composition also makes the companies unwilling to agree on the functions of the association. We are not sure whether this new iteration would be acceptable to the companies.

**3. Issue: Hours of work standard in the code of conduct**

***NGO/union draft:***

*[Modified language based on several drafts-may be basis for agreement]*

"Except in extraordinary business circumstances, employees shall not be required to work more than 12 hours overtime in addition to the regular work week established by the law of the country of manufacture or 48 hours per week in those countries where the regular work week is not defined or where the country's regular work week exceed 48 hours per week) and shall be entitled to at least one day off every seven day period."

***Company draft:***

"Employees shall not be required to work more than the maximum weekly work hours, including overtime, allowed by the law of the country of manufacture.

Except in extraordinary business circumstances, employees shall:

1. not be required to work more than 48 hours per week and more than 12 hours additional overtime per week in those countries where the maximum weekly work hours, including overtime, are not defined or in those countries where the maximum weekly work week, including overtime, cumulatively exceed the hour caps above; and
2. be entitled to at least one day off in every 7 day period.

***Explanation:***

The difference in the language comes down to the NGO/unions wanting 40 hours plus 12 hours mandatory overtime for a 52 hour work week; and the companies wanting 48 hours plus 12 hours mandatory overtime for a 60 hour work week. This would apply both domestically and internationally.

**4. Issue: The role of labor, human rights, religious and other local groups in the monitoring process**

***A) NGO/union draft:***

*[Including language that was in the document under both internal and external monitoring.]*

- o Utilize such local leaders to facilitate communications with company employees and employees of contractors and suppliers
- o Make relationships with local leaders known to company factories and contractors and suppliers as well as to company employees and employees of contractors and suppliers.

***Company draft:***

*[in both internal and external monitoring]*

In assessing compliance with workplace standards, consult periodically with local human rights, labor unions, religious or other local leaders who are likely to have the trust of workers and knowledge of local conditions.

***Explanation:***

The group has gone back and forth on this issue, initially including a role for labor and human rights groups in earlier "agreed to" drafts for both internal and external monitoring. The bottom line is that the NGOs are looking for more specificity with regard to the role of local leaders in external monitoring. The companies want to keep this commitment general.

***B. NGO/union draft:***

*[Language that has been modified, but never agreed to in earlier drafts]*

Assure that implementation of monitoring is consistent with applicable collective bargaining agreements and performed in cooperation with legally constituted unions representing employees at the work site.

***Company draft:***

No language included.

***Explanation:***

The unions want a stronger commitment with regard to the local union's role in both internal and external monitoring. The companies want to keep this commitment general.

**Other Issues:**

1. ***Issue:*** Language in prologue to code of conduct regarding circumstances where local laws allow different levels of behavior

**NGO/union draft:***[New language]*

“comply...in accordance with the attached Principles of Monitoring and to apply the higher standard in cases of differences or conflicts.”

**Company draft:**

“A signatory company will apply the higher standard in cases of differences between the code and the applicable laws of the country of manufacturing, where doing so is not in violation of local law.”

**Explanation:**

This is the “China” problem in that the companies do not want to be under pressure to apply code of conduct provisions (such as collective bargaining) where it may conflict with local laws.

**2. Issue: Establishment of remediation principles**

**NGO/union draft:***[Earlier drafts have contained a number of different iterations of this concept]*

“Work with company factories and contractors and suppliers to correct instances of non-compliance with the workplace standards promptly as they are discovered and take steps to ensure that such instances do not recur, terminating business relationships only after reasonable efforts at securing compliance have been exhausted.”

**Company draft:**

Work with company factories and contractors and suppliers to correct instances of non-compliance with the workplace standards promptly as they are discovered and take steps to ensure that instances do not recur.

**Explanation:**

This is another ongoing issue that originally appeared in a recent draft from the NGOs/unions and was subsequently eliminated by the companies. This is another rewrite in an attempt to “word smith” the disagreement.

**3. Issue: Grievance procedure in both internal and external monitoring**

**NGO/union draft:***[new language]*

“develop a grievance procedure to enable company employees to report to the company on non-compliance with the workplace standards when they occur, with security that they will not be punished or prejudiced for doing so.”

*[“verification” that this procedure exists is newly contained in the new NGO/union external monitoring language.]*

**Company draft:**  
*[no language]*

**Explanation:**  
This was not in any earlier drafts, although we expect that the companies will object, particularly because there has been no prior discussion of the issue.

**4. Issue:           Development and dissemination of the external monitor’s evaluation report**

**NGO/union draft:**  
“Complete report evaluating company compliance with the workplace standards, a copy of which will be delivered to the association upon its establishment.”

**Company draft:**  
“Complete a report evaluating company compliance with workplace standards.”

**Explanation:**  
Different language has been circulated. This is the new iteration. There have been a number of language proposals, all of which seem to fit, yet none seem to last between drafts.

**5. Issue:           Duration of transition period**

Various proposals have the transition period (the time during which the association will be created) from 9 months in the most recent company draft to 4 months in the most current NGO/union draft.

**Apparel Industry Partnership  
Talking Points for Monday April 7, 1997 Meeting**

---

**BACKGROUND:**

- On August 2, 1996, the President and Vice President met with leaders of industry, labor, NGOs, and consumer groups from the footwear and apparel industries to discuss the problem of the production of goods under sweatshop conditions, consumers' concerns, and the need to join together to identify solutions and strategies that mean something to shoppers.
- The August meeting resulted in the Rose Garden announcement that a voluntary, industry-driven effort would begin that would report back to the President its recommendations for industry action. At that time, the President also announced that the group agreed to report back to him within six months.
- This group has been meeting since that time and is developing plans and recommendations for industry action, which was to include an agreed upon set of standards, a comprehensive, verifiable domestic and international monitoring system, and consumer communication strategies.
- Most recently, the group has become somewhat polarized between the companies and the NGO/unions with new drafts being exchanged and threats of abandoning the process if no agreement is reached.
- Specifically, two weeks ago, the companies circulated a revised draft containing their language changes as what they described as their final offer and now the NGO/union group has circulated their draft for discussion at Monday's meeting. The issues in disagreement have remained fairly constant, with only a few new ones appearing in the new draft. (See attached analysis)

---

**TALKING POINTS:**

- This is a critical point for the industry. It would be historic for the partnership to develop an agreement that would address the critical issues facing the industry. For the companies and NGOs and unions to agree on a set of standards, independent monitoring and a mechanism for ensuring that the process will continue to have credibility is remarkable.
- I understand from staff that has been working closely with the process that the two positions (the companies and the NGO/unions) are remarkably close, with several issues still remaining.
- We know all of the parties are tired of the process but want to encourage you to continue in this final stretch--too much work has been put into it and the possibility of success is

too great to let it fall apart now. We must all move beyond our differences and look to the long term positive impact success of this group could have.

- We understand that much progress has been made, but it will all be for naught if any one group either abandons the process or goes it alone. Any proposal must provide for long term, credible change with all groups on board. Anything less will be considered suspect by the public, and any progress will be discounted.
- If an announcement does not have a mechanism for assuring that the process will continue and the endorsement and long term involvement all the parties, the negative reaction will overwhelm anything positive that may exist.
- We are committed to working with the parties, in whatever capacity you want us, to help resolve the differences and begin the process of implementing this historic achievement.
- But let us all be realistic with each other. The time for real action by all of you is now. You have spent over eight months negotiating the really critical elements of your recommendations. You cannot allow the remaining issues on the table to thwart your efforts now. We must look at each other and decide we are going to make this happen and do it today.
- We are at the bottom line, you have the finish line in your sights. You now must determine what your real interests and long term goals are; put aside your positions, egos, and frustrations; and take this process to its historic conclusion. If you don't do it today, your opportunity to make real change--not for the people in this room, but for the millions of garment workers around the world-- will be lost for now. But we all know, none of us can let that happen because too much is at stake for all of us--and I do mean all of us are here today.

## TALKING POINTS FOR CALL TO JAY MAZUR

### BACKGROUND:

- Our information from the participants in the NGO/union caucus indicates that while the others are prepared to negotiate this to a successful conclusion, the representatives from UNITE are unwilling to make reasonable compromise to get an initial agreement and keep the process moving forward.
- We believe a call from Gene or Maria would be helpful prior to Monday's meeting.

### TALKING POINTS:

- We are at a critical juncture in this process. While we do not expect, nor ask UNITE to back away from its fundamental values, we want to be sure that the process comes to a successful conclusion and keeps the companies at the table with the unions and NGOs.
- We understand that the companies are prepared to walk away from this process, declare their victory, and their intention to implement the code of conduct and internal and external monitoring systems as written in their most recent proposal. This action on their part would naturally be viewed as historic, despite the absence of the unions and NGOs. It would be the first time that the industry took such concerted leadership on this issue.
- If this happens and the companies proceed on their own, the unions will be out of the game without any mechanism at all for ensuring that the companies are living up to their commitments.
- The bottom line for us, is that it would be almost impossible for the Administration to not commend the industry for its willingness to take these actions, even though we know they are doing without any checks and balances.

**Options for Impasse:**

If no agreement is reached on Monday, we expect that the companies will announce their intention to go ahead and immediately announce their intentions to the press. We expect the companies to announce the adoption of the code of conduct and their last proposal regarding internal and external monitoring principles, and their call to other companies to join their efforts. The following are options for an Administration response.

*[neutral]*

1. The administration is disappointed that all the parties could not reach consensus, but we will study the options and remain ready to work with the groups in the hope that agreement can ultimately be reached.

*[pro-union]*

2. The administration is disappointed that the parties were unable to come to agreement on these important issues. We will be exploring various options, including legislation and other means, to address the critical problems facing garment workers worldwide.

*[pro-company]*

3. While the administration is disappointed that the parties could not come to final agreement, we are pleased that the industry is taking some steps, including a common code of conduct and external, as well as internal monitoring procedures, to improve the conditions under which their products are being made.

In America

BOB HERBERT

A Good Start

A25

President Clinton's initiative in the fight against apparel-industry sweatshops around the world will be formally announced today in a ceremony at the White House. Given the scope and complexity of the problems to be addressed, it's not a bad start at all. But it is only a start. It is much too soon to think about sewing those "No Sweat" labels into the clothing and footwear of the companies that have signed onto the initiative.

The Workplace Code of Conduct agreed to by the members of the President's task force prohibits forced labor and the employment of young children in apparel factories, requires apparel companies and their contractors to pay the minimum wage established by local law, recognizes the right of employees to associ-

were able to do whatever they wanted. Now there are certain guidelines that are supposed to be followed."

His comments were tempered by a certain skepticism, however. "My concerns have to do with follow-through," he said. "It's like collective bargaining. It's one thing for them to say they're going to do it and another to get them to do it."

Probably the biggest disappointment for people who have done pioneer work on the sweatshop issue was the inability of the task force to agree that all factory workers should be paid at least a subsistence wage. In places like Haiti and Vietnam, for example, the legal minimum wage is not enough to cover the most basic needs of a full-time worker.

"Until workers are paid a livable wage a sweatshop will continue to be a sweatshop," declared Medea Benjamin, director of Global Exchange, a human rights group based in San Francisco.

"Is that my primary concern? Yes," said Jeffrey Ballinger, who heads Press for Change, an organization that spent several years documenting conditions in Nike factories in Indonesia. He added, "We know it's the workers' primary concern."

There are other concerns. Will the inspections be thorough and fair, and will abuses be made public? What good will it do to recognize that workers have a right to organize in, say, a country like China that has exhibited such contempt for the concept of freedom of association? Will companies that operate in that kind of atmosphere be allowed to stitch "No Sweat" into their garments?

Will the "No Sweat" labels, so coveted by the companies, be meaningful guides for consumers when they are finally awarded, or will they become mere public relations devices that serve to obscure rather than eliminate workplace abuses?

The latter could happen in the absence of real safeguards. But at some point on difficult issues you have to take a chance. You have to move. If the companies act in good faith on just the issues that have already been agreed upon, many workers around the world will be helped.

As Charles Kernaghan, director of the National Labor Committee and one of the most militant advocates for sweatshop workers, said: "We don't have the choice to sit on the sideline. This is a step forward, and now we have to fight to make this thing real and make it work." □

---

Now, put some  
muscle behind  
'No Sweat.'

---

ate freely and bargain collectively, and prohibits physical, sexual, psychological and verbal abuse or harassment.

The task force, known as the Apparel Industry Partnership, is a coalition of labor, human rights and consumer groups, and several major apparel makers, including Nike, Reebok, Liz Claiborne and Nicole Miller. The coalition will now set up an association to begin implementing the code of conduct, and to address some of the many important issues still to be resolved.

The companies that have joined the partnership have agreed to allow outside monitors to inspect their factories. And while the monitors will be hired by the companies, they will have to be approved by the new association and will be required in the course of their inspections to consult with human rights organizations concerned about the plight of sweatshop workers.

"It's a historic and significant beginning," said Jay Mazur, a member of the task force and president of the Union of Needletrades, Industrial and Textile Employees. Referring to the apparel companies, Mr. Mazur said: "For a long time a large part of the world has been their oyster and they

45

# The Taiwan Factor

For a small island that has had no diplomatic relations with the United States since 1979, Taiwan has played an outsized role in the furor over White House fund-raising and the management of American policy toward China. Many of the contested donations to the Democratic Party bear Taiwanese connections and the high tensions in relations between Washington and Beijing last year were to a considerable degree precipitated by Taiwan.

Taiwan wants both strong commercial links to China and political autonomy from Beijing, a split agenda that cannot help but produce trouble in the years ahead. Taiwan also looks to Washington to help secure its prosperity and its freedoms, putting the United States in a bind.

As a democratic country locked in a difficult relationship with a Communist behemoth, Taiwan deserves American sympathy and support. But American policy must be measured against other interests and cannot be sustained if Taiwan abuses Washington's support.

The mischief that Taiwan can produce was apparent in the 1995-96 crisis in relations between the United States and China. The dispute arose when the Clinton Administration approved a visa for President Lee Teng-hui of Taiwan to make an unofficial visit to Cornell, his alma mater. China saw the visa as a threat to America's one-China policy, which commits Washington to recognize only one government, Beijing's, within the historic boundaries of China, which includes Taiwan.

While China overreacted to the decision, Taiwan knew full well that the visa would upset relations between Washington and Beijing. Cornell invited Mr. Lee after receiving two large contributions from Taiwan. Taiwan then successfully pressed Congress to demand that the White House issue the visa. Once in the country, Mr. Lee used his visit to make politically tinged speeches.

Taiwan and Taiwanese-Americans played a

central role in the White House fund-raising abuses. In this case, the most likely motivation was to strengthen American commercial ties with China and Taiwan. The Democratic Party fund-raising trio of John Huang, Johnny Chung and Charlie Trie are all Taiwanese-Americans. The Los Angeles Buddhist temple where Al Gore attended a fund-raising event is affiliated with a Taiwanese religious leader. There is nothing wrong with Asian-Americans being politically active. But funneling foreign contributions or buying political access, as suspected in these cases, is illegal and troubling.

Those who worked to win President Lee his visa knew their success would poison relations between the United States and China. Mr. Huang, meanwhile, is a strong advocate of warmer ties between Washington and Beijing and Mr. Chung has links to Chinese companies, including the Chinese military's main arms-dealing outlet.

These contradictions reflect the complexity of today's democratic and affluent Taiwan. Multiple parties tug its foreign policy in different directions. Local businesses have developed close relationships with the Chinese mainland, where factory labor is dramatically cheaper. But while Taiwan's economy is now more closely entwined with China's, President Lee has sought to recover the distinct diplomatic identity Taiwan enjoyed until 1979.

America's interest is to encourage China and Taiwan to avoid confrontation in the hope that more attractive resolutions may be available in the future. In practice, Washington needs to discourage not only military adventurism by China, but also diplomatic adventurism by Taiwan. America also has a clear interest in maintaining strong economic ties with both Taiwan and China, respectively its seventh- and fourth-largest trading partners. When China and Taiwan crudely try to manipulate American politics and policy, it is natural for Americans to be dismayed.

# Clinton, Garment Makers Hail Accord on Sweatshops

## *Critics Say Pact Falls Short on Key Work Issues*

By William Branigin  
Washington Post Staff Writer

President Clinton yesterday announced agreement on a U.S. "Apparel Industry Partnership" aimed at ending sweatshop conditions around the world and reassuring American consumers that the clothes and shoes they buy are not made by exploited workers.

Industry, labor, consumer and human rights groups in the partnership hailed it as a "breakthrough" and an important first step toward eliminating child labor and abusive conditions in factories that produce garments for the U.S. market, the world's largest. But some human rights groups not party to the accord said it falls far short of what is needed, ratifies an existing system of worker exploitation and camouflages the "hypocrisy" of major manufacturers in seeking out low-wage countries with docile workers in the first place.

The pact "will improve the lives of millions of garment workers around the world" and help end "deplorable and unacceptable" working conditions, "mostly overseas but, unbelievably, sometimes here at home as well," Clinton said in a White House ceremony. Stressing that the accord "is just the beginning," he added, "We know sweatshop labor will not vanish overnight." He called for "more companies to join this crusade and follow its strict rules of conduct."

The voluntary agreement, reached after eight months of negotiations, bars the use of prison and other forced labor and prohibits the employment of children under 15 in most nations, or 14 where the country's law allows. It recognizes workers' rights of "freedom of association and collective bargaining" and generally requires adherence to local laws on wages and working hours.

It stipulates that workers be paid "at least the minimum wage . . . or the prevailing industry wage, whichever is higher" and generally limits the work week to 60 hours "except in extraordinary business circumstances."

Companies that join the partnership are responsible for ensuring that contractors and suppliers also comply. To that end, the accord calls for "internal monitoring" by the participating firms and the use of "independent external" monitors.

Nine companies signed on as direct participants: Liz Claiborne, L.L. Bean, Nike, Karen King, Nicole Miller, Patagonia, Phillips-Van Heusen, Tweeds and Reebok. Television talk show personality Kathie Lee Gifford joined in the name of her clothing label.

Critics said the agreement contains "major flaws" and called on the companies to pay a "living wage," not the just minimums that are already required by law in most countries. Often, governments set the minimums below subsistence levels to attract foreign investment, the critics said. They also called for monitoring by local human rights, labor or religious groups that are trusted by the workers, instead of the private multinational accounting firms that the agreement allows.

"I think it's business as usual, while giving the consumer the impression that the issue has been taken care of," said Medea Benjamin, director of Global Exchange, a San Francisco-based human rights group. "It's not good enough to be the best plantation owner on the block," she added, arguing that the companies could easily afford to pay "living wages," which in some countries are as low as 40 cents an hour.

The accord's recognition of workers' right to form unions is "pure hypocrisy," Benjamin charged. "Why, then, do the companies manufacture in countries where it is illegal to organize?" she asked. "If the companies really respected the right to organize, they wouldn't be manufacturing in China, Vietnam or Indonesia . . . In virtually all the countries where they have gone, they go precisely because wages are below subsistence levels and workers are repressed." At a Taiwanese-owned factory in Vietnam that makes footwear for Nike, many of the workers, mostly young women, go hungry because their wages of \$1.60 a day are below the subsistence level, said Thuyen Nguyen, director of the New York-based group, Vietnam Labor Watch.

Charles Kernaghan, head of the independent National Labor Committee, said the agreement marks a "real step forward," but that rights groups and the public must keep up pressure on companies to implement it properly.

**The Washington Post**  
TUESDAY, APRIL 15, 1997

Court Rejects Bias Claim in Crack Cocaine Sentencing

A1

By Joan Biskupic  
Washington Post Staff Writer

The Supreme Court yesterday rejected an appeal that contended federal sentencing laws discriminate against blacks by punishing people caught with crack cocaine more severely than those caught with the drug in powder form.

Yesterday's action, while not unexpected and taken in a one-sentence order, nonetheless calls attention to one of the most fractious issues of the criminal justice system—one that has caused prison unrest, troubled lower court judges and created a dilemma for lawmakers and officials charged with ensuring fairness in prison time.

While most federal sentencing is based on the weight of drugs involved in a crime, first-time crack dealers get the same time behind bars as people who sell 100 times the amount of cocaine powder. Such disparity necessarily invokes concerns of class and race because crack is associated with the inner-city crime of minorities, while powder is known for its use among affluent whites.

Separately yesterday, the justices stayed away from another hot-button issue by letting stand a lower court decision striking down an affirmative action plan for the Prince George's County fire department. [Details on Page C3.]

In the sentencing case, the justices left intact a District man's 10-year sentence arising from a drug sting and rebuffed arguments, made by prominent defense

See COURT, A11, Col. 1

COURT, From A1

counsel Johnnie L. Cochran Jr. and Harvard law professor Charles J. Ogletree Jr., that the disparity in powder and crack sentences perpetuates unfairness against blacks.

"There is a perception among African Americans that there is no more unequal treatment by the criminal justice system than in the crack v. powder cocaine racially biased federal sentencing provisions," wrote local counsel John C. Floyd III, joined by Cochran and Ogletree. They urged the high court to look at whether the differential unconstitutionally targets blacks, violates due process and constitutes cruel and unusual punishment.

How can Congress justify a 100-to-1 ratio in punishment of offenders "for essentially the same crime," they asked, contending that the law targets young, poor, African American urban males.

But the Justice Department and leaders in Congress, which in 1995 rejected an effort to equalize crack and powder punishments, insist the crimes are different and that crack is associated with more violent trafficking. The U.S. Sentencing Commission reported that the stiff crack penalties have "a disproportionate effect" on black defendants and called for penalties to be racially neutral. But Congress rejected its recommendation.

Overall, yesterday's appeal in *Edwards v. United States* was thick with passion but thin on the law. The lawyers' reasons for why the court should take the case ran for a mere four pages (compared to standard arguments three times as long), with no real development of any of the points. The Justice Department even waived its right to respond to the petition by Cochran, who represented O.J. Simpson, and the others.

According to a lower court, Duane Colbert Edwards pleaded guilty to one count of distributing crack after he and Vonda M. Dortch were caught selling drugs to an undercover officer in June 1995. His lawyers said Edwards, a decorated Persian Gulf War veteran with no criminal record, was simply along for the ride as a bodyguard and chauffeur.

Because Edwards was involved in the sale of more than 50 grams of crack, he got the mandatory minimum 10-year sentence. (Edwards would have had to have been involved in 5,000 grams or more of cocaine powder to draw 10 years.)

The U.S. Court of Appeals for the D.C. Circuit, which rejected Edwards's challenge to his sentence, said Congress has "not acted with a discriminatory purpose in setting greater penalties for cocaine base crimes than for powder cocaine offenses." It said that because the law applies to all defendants, it does not single out blacks or any other particular class for rougher treatment.

Other appeals courts have consistently rejected claims that the crack-powder disparity shows an unconstitutional bias, and the high court has declined to take up prior appeals.

In the Prince George's affirmative action case, the 4th U.S. Circuit Court of Appeals had ruled that the fire department's caps on the number of whites and men who would be hired was too drastic a response to past discriminatory attitudes within the department. "Explicit racial preferences, if available at all, must be only a last resort option," the court said, finding that the program violates constitutional guarantees of equal protection. The Supreme Court refused the county's appeal in *Prince George's County v. Alexander* with no comment.

Separately, the court agreed to use an Oklahoma bank case of illegal lending to decide whether people forced by federal regulators to pay civil fines for wrongdoing can also be prosecuted for the same conduct without violating constitutional protections against double jeopardy. A Denver-based appeals court upheld both government actions, saying the civil fines were not punishment but compensation to the government for handling the case (*Hudson v. United States*).

# Sweatshop code gets skeptical response

By Lorraine Woellert  
THE WASHINGTON TIMES

President Clinton and some clothing industry leaders yesterday unveiled a voluntary code of conduct designed to wipe out sweatshops worldwide, a plan that was met with immediate skepticism.

In a White House ceremony announcing the plan, Mr. Clinton and members of a presidential task force that worked on the proposal acknowledged it needs more work.

"We know that there are no magic bullets or quick fixes," said Jay Mazur, president of the Union of Needle Trades Industry and Textiles and a task force member.

The plan had its genesis in a consumer uproar last year over the discovery that some clothing endorsed by TV talk-show host Kathie Lee Gifford was made in domestic and Latin American sweatshops.

The effort would establish voluntary guidelines that include a 60-hour workweek with at least one day off, including no more than 12 hours a week of overtime for workers in shoe and clothing factories owned or operated by U.S. companies.

It also will set safety standards for working conditions and prohibit worker abuse and harassment. The plan also will crack down on child labor by requiring workers to be at least 15 years old in most countries.

The new Apparel Industry Partnership created under the proposal also would require a minimum "living wage" and monitor and enforce the rules. In theory, the plan would be adopted by U.S. clothing manufacturers and their overseas subsidiaries.

"This partnership has reached an agreement... that will significantly reduce the use of sweatshop labor," Mr. Clinton said.

Companies that abide by the new rules will get to stitch a "No Sweat" label into their merchandise. Many industry leaders, including Nike and Reebok International Ltd., already have endorsed the rules and expect to be able to use the label.

Critics dismissed the plan as short on actual reform.

"This program is just window dressing," said Laura Jo Foo, managing lawyer for the civil rights group Asian Law Caucus. "If American firms really wanted to monitor the conditions of workers overseas, they're going to have to do a lot more."

Miss Foo said American consumers could be fooled into thinking the "No Sweat" label means that overseas workers are working under conditions similar to those found in America.

And she noted that the guidelines still allow companies to employ factory workers as young as 14 in many places, working for a wage that can be 50 times less than an American worker would make.

Nancy Chistolene, spokeswoman for the D.C.-based Hecht's Corp., said the retail chain already has its own rules for doing business overseas.

"We're certainly aware of the stories that come out about sweatshop conditions," Miss Chistolene said. "If any charge is ever brought to our attention, it is followed up and looked into. We have no intention of ever doing business with a company that would violate our contract."

How the rules will be enforced is not yet clear.

"This is all about marketing and trying to communicate to the consumer," said Robin Lanier, senior vice president of government affairs for the International Mass Retailers Association. "But without all of the details about who will be the monitors, there's the open question of how manufacturers will be able to substantiate their claims."

Task force member Michael Posner, executive director of the Lawyers Committee for Human Rights, conceded that the proposals are only a first step.

"There are many details to be worked out in the coming months," Mr. Posner said. "This is the right formula to advance the human rights of working people around the world."

The Washington Times

TUESDAY, APRIL 15, 1997

# It takes a book to make first couple millionaires

## Clintons' federal taxes near \$200,000

By Terence Hunt  
ASSOCIATED PRESS

A1

Thanks to his wife, President Clinton can claim he's a millionaire, at least on paper.

A day before the tax deadline, Mr. Clinton and first lady Hillary Rodham Clinton reported 1996 adjusted gross income of \$1,065,101. They paid \$199,791 in federal taxes.

But the Clintons are not as wealthy as the numbers suggest. Most of the money — \$742,852 — came from royalties from Mrs. Clinton's book, "It Takes a Village," and she is giving most of that money to charities.

From her royalties, Mrs. Clinton made donations totaling \$590,000 and kept about \$152,000 to pay the federal and state taxes the Clintons owe because of the book's revenues.

"As a general principle, Mrs. Clinton will neither benefit or end up in less fortunate circumstances as a result of having written her book," presidential spokesman Michael McCurry said.

As for Mr. Clinton's millionaire status, Mr. McCurry said, "He's got some bills hanging around that probably would diminish his enthusiasm for that designation." The last accounting, in February, said the Clintons face \$2.25 million in legal expenses for various investigations.

see BOOKS, page A11

## BOOKS

From page A1

The president and his wife met with their accountants before their tax forms were released.

"He said he obviously pays a considerable amount of taxes," Mr. McCurry said. "That's not new. He did say that he was proud that the first lady had been able to sell so many books and proud that she had been in a position to give the proceeds from those books to a number of very worthy charitable causes."

A year ago, the Clintons paid \$75,437 in taxes on \$316,074 in income.

For 1996, the Clintons reported \$100,066 from a blind trust administered by Boston Harbor Trust Co. The trust returned \$88,441 in 1995. The Clintons had \$28,606 in interest last year and \$5,141 in dividends.

The president received \$57 in residuals from a 1992 appearance on "The Arsenio Hall Show." As a result, he had to file a California income tax return, on which he owed \$2. Overall, the Clintons paid \$8,910 in tax-preparation and accounting fees.

The Clintons overpaid their taxes by \$5,876 and elected to apply that to their 1997 liability.

Mrs. Clinton reported \$12,000 in interest and dividend income from the Henry G. Freeman Jr. Pin Money Fund, established in 1912 for presidential spouses. Mrs. Clinton said the money will be donated to charity, as it was in her earlier years in the White House.

The Clintons said they filed a separate tax return for daughter Chelsea, reporting income of \$13,101 and a tax of \$1,774. The income came from an autobiography by her grandmother, Virginia Kelley, the president's late mother. Royalties from that book were dedicated to Chelsea.

The Clintons claimed itemized deductions totaling \$545,644. In addition to gifts, they deducted \$38,245 in state and local taxes and \$3,263 in mortgage interest from Mrs. Clinton's half-share in her mother's home in Little Rock, Ark.

The Clintons listed \$609,300 in gifts — from Mrs. Clinton's book royalties and their own funds — but they were able to claim only \$532,551 because the law restricts charitable deductions to half of adjusted gross income. The tax form said \$76,749 in charitable deductions would be carried forward to next year's return.

The White House also released the tax returns of Vice President Al Gore and his wife, Tipper, showing they earned \$279,285 in 1996 and paid federal tax of \$80,941.

They made \$35,530 in charitable contributions; \$35,000 of that came from Mrs. Gore's book, "Picture This," and was donated to the National Health Care for the Homeless Council.

Top of page:

Col 1: Feature on Martha Stewart. Moving Wednesday.

Cols 2-4: Graphic on local gas prices.

Cols 5-6: Whitewater conspirator James B. McDougal has his prison term trimmed to three years in exchange for providing Independent Counsel Kenneth Starr with new details about President Clinton's alleged involvement in a plot to defraud the government. (with art) (WHITEWATER-TIMES, moved).

Above fold:

Cols 2-3: Several ex-trainees testify against an Army training officer accused of sexual assault, but the women's testimony may have inflicted its heaviest damage on the reputation of the service itself. (ARMY-TIMES, moved).

Col 4: Feature on California college education system.

Below fold:

Cols 5-6: The White House provided trips on Air Force One or presidential helicopters to 56 campaign donors and fund-raisers in 1995 and 1996, administration officials say. (DONATE-TIMES, moved).

Bottom of page:

Cols 1-2: Feature on NATO expansion. Moving Tuesday.

Cols 4-6: Feature on 50th anniversary of Jackie Robinson breaking baseball's color barrier. (with art) (BB-ROBINSON-BLACK, moved on ALL-SPORTS!)

---

**Clinton Backs New Rules for Sweatshops (Washn)**  
**By Jonathan Peterson and George White (c) 1997,**  
**Los Angeles Times**

WASHINGTON In a bid to combat child labor and worker exploitation in the United States and overseas, President Clinton Monday endorsed a new set of sweatshop standards devised by some of the United States' best-known apparel makers, along with unions, religious groups and others.

The new code which would impose limited caps on workweeks, restrictions on child labor and loosely worded wage protections in factories notorious for exploitative conditions was praised by the White House as a "historic step" toward fighting workplace abuses at home and abroad.

The recommendations are part of a voluntary code of conduct for apparel manufacturers and their contractors in the United States and abroad. Companies on the task force Liz Claiborne, Nike, Reebok and L.L. Bean among them have agreed to adopt the standards.

"Of course this agreement is just the beginning," Clinton said in a White House ceremony. "We know sweatshop labor will not vanish overnight." He added: "That is why we need more companies to join this crusade and follow its strict rules of conduct."

The voluntary code was assailed immediately by human-rights activists who said that it does not go nearly far enough to help workers and is riddled with loopholes, as well as by some apparel manufacturers who object to proposed monitoring of their workplaces to ensure compliance.

"We don't see solutions to the industry's domestic problems in this report," said Lonnie Kane, president of the California Fashion Association, a trade group that represents major apparel manufacturers in Southern California. "I doubt that the task force will get many companies to sign on to this code."

Among the provisions, which would apply to apparel manufacturers as well as its contractors:

Workers under age 15 could not be employed, unless the country permits 14-year-old workers, in which case the lower age would apply.

Participating employers would be expected to pay either a nation's minimum wage or prevailing industry wage, whichever is higher, and

provide employees with a "safe and healthy" v.

Mandatory overtime would be limited to 12 hours a week. A day off would be required every seven days.

The task force also agreed that consumers should be notified if companies have adopted the standards, but the group decided what form that notification would take.

The code has been endorsed by an array of groups, including the Union of Needletrades, Industrial and Textile Employees, the National Consumers League, the Lawyers Committee for Human Rights and such apparel labels as Phillips-Van Heusen, Patagonia, Tweeds, Nicole Miller and Karen Kane.

But some labor and human-rights activists denounced the code as virtually meaningless.

"We were pretty shocked when we saw what the final agreement was," said Medea Benjamin, executive director of Global Exchange in San Francisco, citing the broad latitude allowed companies in paying low, local wages and loopholes, such as a provision that enables companies to skirt caps on overtime hours if they cite "extraordinary business circumstances."

---

**Hillary's Book Gives Clintons Millionaire Status**  
**(Washn) By Jonathan Peterson(c) 1997,**  
**Los Angeles Times**

WASHINGTON President Clinton, who hails from a decidedly modest background, last year entered the rarefied realm of the millionaires, according to his 1996 tax return in which he and first lady Hillary Rodham Clinton reported \$1,065,101 in adjusted gross income.

But the lion's share of money came from the first lady, who earned \$742,852 in royalties from her book, "It Takes a Village." As president, Clinton was paid \$200,000. The couple paid \$199,791 in federal taxes, according to tax returns released Monday.

From her book royalties, the first lady made donations totaling \$590,000 and kept about \$152,000 to pay the federal and state taxes she and the president owe.

"As a general principle, Mrs. Clinton will neither benefit or end up in less fortunate circumstances as a result of having written her book," said Mike McCurry, the White House press secretary.

The Clintons also reported \$100,066 in capital gains from a blind trust administered by Boston Harbor Trust Co. In addition, they had \$28,606 in interest and \$5,141 in dividends last year.

McCurry also suggested that the president who along with his wife faces more than \$2 million in legal bills might not fully regard himself as a millionaire: "He's got some bills hanging around that probably would diminish his enthusiasm for that designation."

Clinton's income was enhanced by \$57 through residuals from a 1992 appearance on the "Arsenio Hall Show." But the show biz windfall also triggered a tax liability \$2 to the state of California.

The White House also released the tax returns of Vice President Al Gore and his wife, Tipper, showing that they earned \$279,285 and paid federal income tax of \$80,941 in 1996. They made \$35,530 in charitable contributions; \$35,000 of the money came from Tipper Gore's book, "Picture This," and was donated to the National Health Care for the Homeless Council.

# Officials have duty to lead

**OPPOSING VIEW** Divorce hurts communities as well as individuals. If we can help reduce it, we must.

By James E. Sheridan

Divorce is a community problem. Divorced individuals have twice as many alcohol-related problems as married people. Single-parent families have twice the dropout rate from school that two-parent families have. Higher dropout rates bring higher welfare costs and teen-age pregnancies. Divorced individuals have a higher mortality rate than married men and women. Higher crime rates and increases in teen-age violence and gang activities have been linked to the breakdown of the family. Divorce usually causes more problems than solutions.

Nationally, nearly 50% of first marriages end in divorce, a rate too high to ignore. A group in Lenawee County, Mich., decided something needed to be done. We focused the attention of those performing weddings on the facts concerning divorce. We reviewed reports showing that Quincy, Ill., had a 12% drop in divorces and Peoria, Ill., had an 18.6% drop between 1991 and 1995. From 1986 to 1995, Modesto, Calif., had a 39.9% drop. In these areas, a common solu-

tion was attempted: a community agreement among many of those doing weddings to require premarital education before marrying a couple, a waiting period of four months and the use of a premarital inventory to help identify issues the couple needed to discuss. We concluded premarital education could have a major impact.

Michigan law authorizes, but does not require, judges, magistrates and mayors, along with clergy, to perform weddings. Faced with the community cost of divorce, Lenawee County's public officials decided it is irresponsible to do discretionary acts which increase the risk of higher taxpayer expense in the future.

Thus, beginning June 1, we will marry only couples who have done a premarital inventory and discussed communication techniques and tools for dispute resolution. These are not pass/fail tests but rather a matter of talking over issues that tend to lead to divorce. Couples choosing not to participate may still marry but will have to find someone else to do the wedding.

Public officials should lead when problems arise. In Lenawee County we have accepted that responsibility and are trying to do something about the problem of divorce.

*James E. Sheridan is a district court judge for Lenawee County, Mich.*

USA TODAY  
TUESDAY, APRIL 15, 1997

## Voices: What is most complicated about filing federal income taxes?

The Clinton administration has unveiled 60 proposals designed to make it easier to file federal income taxes. One proposal would raise the amount dependents can make without filing separate returns. Republicans in Congress want to replace the current system with a flat tax. USA TODAY asked readers what they dislike most about filing taxes.



**Dolores McAtee, 55**  
Community worker  
San Antonio, Texas

I don't find it complicated because we save all of our receipts. My husband does the paperwork, and it's usually relatively easy. Of course, he checks with our CPA for final approval, but usually we have no problems. It seems to me the system is fine.



**Sandy Stephens, 47**  
Elementary principal  
Anchorage, Alaska

Finding the time to gather all of the necessary paperwork is most confusing. The most helpful addition was electronic filing. It has made filing much easier for me. Of course, I would probably go nuts without my associate, whom I call when I'm having problems.



**Jonathan Wackerly, 25**  
Retirement plan rep.  
Cincinnati, Ohio

Federal taxes are too complicated. When the average American has to pay someone to do his or her taxes, there is a problem. Americans should be able to complete federal tax forms themselves. The federal government needs to find an easier way.



**Ronald Jordan, 26**  
Security director  
Santa Barbara, Calif.

Filing federal income taxes is not a problem for me because I'm single. But if I were married with property or a business, there would be problems. There would be different forms with more questions, and I would have to determine what's taxable and what's not.



**Andrew Berlin, 36**  
Packaging co. pres.  
Chicago, Ill.

The hardest part about filing is collecting all of the necessary documents and receipts to ensure an accurate tax return. Making filing more accessible through the Internet would save both the IRS and individuals time and money. My CPA does my taxes.

# Janet Reno's Decision

**W**E WROTE in this space a month ago that Attorney General Janet Reno seemed to us right, on the strength of what was then known, not to seek an independent counsel to investigate the fund-raising for the president's reelection campaign. Unless more turned up, the job could safely be left with the Justice Department's career prosecutors. We still think that.

This could change. But at this point it continues to seem to us that the tests for taking the extraordinary step of removing the case from the regular chain of command and naming an independent counsel have not been met. It was Congress itself—many of the same people now denouncing the attorney general for not seeking a counsel—that toughened the test, and rightly so in our judgment. There needs to be specific, credible evidence that the president or another high official covered by the law committed a felony, or a conflict of interest—a real one, not just the appearance—that can't otherwise be reconciled in prosecuting some lesser figure. You don't take the step just on spec. You don't do it just because a decision to prosecute or not could be politically awkward; a lot of them are. Nor do you do it just to fish.

The fund-raising practices in which the president and his people engaged were sleazy, unseemly, questionable, close to the edge—you name it. But so far it isn't clear that they were illegal, or at least that the president and other covered officials engaged in such illegality. In a sense that's the problem. The law is so porous and weak that not enough is illegal. The Republicans now denouncing Ms. Reno for what they portray as her flight from responsibility in failing to seek an independent counsel are at a disadvantage

on this one. They yield to none in their indignation as to the president's behavior. But they also happen to be the chief defenders of the fund-raising system within or at the outer edges of which he was operating. They like the fact that the politicians have to go to the interest groups for campaign funds; "the American way," Senate Majority Leader Trent Lott called it recently. They resist any serious effort to reform the system as an infringement on free speech. They no more than the president—he who now wants to reform the system he took such advantage of—can have it both ways. But they can try.

If the Justice Department were in different hands, we might have a different view of the decision Ms. Reno has made. She seems to us, as even to many of those on the Hill who disagree with her, to be a figure of integrity. The last thing she wants on her record is that she folded for political reasons in a high-stakes case such as this. That's true of the career prosecutors as well. It is no favor to the administration to have them on its tail.

Speaker Newt Gingrich has made himself the most outspoken of Ms. Reno's critics. Suggesting that she was turning a blind eye to laws she was sworn to uphold, he went so far yesterday as to liken her to Nixon administration Attorney General John Mitchell, a tarnished figure who, for his role in the Watergate scandal, was sent to jail. It is doubly a smear to have such a remark come from Mr. Gingrich. The speaker may think that the louder he declaims, the faster the public will forget his own considerable ethics problems. The reverse is true; the remark is a fresh reminder of what he seeks to blur.

## Better Than Sweatshops

**P**RESIDENT CLINTON'S increasing use of the White House to issue policy prescriptions has been in part a matter of necessity, since the Republican Congress in many areas has given him little choice. But sometimes using the presidential office to push the private sector toward voluntary change represents a good outcome, not a second-best alternative to legislation. The agreement announced to discourage sweatshop labor conditions around the world may prove to be one such case.

Last August Mr. Clinton and his then-secretary of labor, Robert Reich, assembled representatives of the apparel and footwear industries, trade unions, a consumer federation and religious and human rights organizations and asked these previously warring parties to come up with a single plan to promote humane working conditions here and overseas. The problem was fairly clear. More than 200 million of the world's children work full-time, many of them producing goods for export to this country. Many more adults work in appalling conditions—earning less than a living wage, in dangerous and unhealthy facilities, subject to physical and sexual abuse and held virtually in bondage. Some of these sweatshops are inside the United States, but more are overseas. They are beyond the reach of U.S. law but not beyond the influence of U.S. companies—should those companies choose to pay attention.

On Monday some of those companies, including Nike and Liz Claiborne, agreed to promulgate a set of minimum standards for their overseas plants and subcontractors. The White House commission will

evolve into a nonprofit association that will help monitor compliance. It will seek to enlist companies that are not part of this initial effort and industries beyond apparel and footwear.

Some human rights groups were immediately critical. They wanted industry to guarantee a living wage, not just a locally acceptable minimum wage. They said it was "outrageous" that the commission would tolerate a 60-hour workweek with only one day off. They want more guaranteed independence for monitors of workplace conditions. One critic ridiculed the commission for coming up with a "kinder, gentler sweatshop."

Surely, though, many workers would be grateful for a kinder, gentler workplace, at least as a first step. And the pledges of the commission, if honored, are not trivial: to bar child labor and forced labor, to provide a safe and healthy working environment, to guarantee workers the right to organize and bargain collectively.

Certainly only continued public pressure on this issue can make the commission's efforts succeed. Many companies may well have been forced into this exercise not by conscience but by bad publicity, such as reports of factories in Vietnam, where young women making Nike sneakers earn less per day than the cost of a barely adequate diet. But motives in this case seem less important than results. Globalization of the economy has put these issues beyond the reach of any single government. The promise to create a voluntary, institutional framework as an alternate solution is a constructive first step.

Robert J. Samuelson

# I Love Coke's Report

I don't much like Coke, but I love Coca-Cola's annual report. It contains lots of intriguing information and business insights. It's also fun to read—mainly because its boundless exuberance for Coke is, well, a good chuckle and says a lot about the present obsessional quality of American management. Coke's is just one of the annual reports that I scan every spring, when most are issued. They are an overlooked form of social history and economic commentary.

In its report, for example, IBM says that the Internet's first major commercial use will be business-to-business purchasing; IBM reckons this market to be 10 times larger than the consumer market. From Colgate-Palmolive we learn that in India annual use of toothpaste is only 67 grams per person, compared with a global average of 362 grams; as nations grow richer, their citizens brush more. Johnson & Johnson, the health-products company, reminds us of the rapidity of economic change; last year 35 percent of the company's sales came from new products of the past five years.

These reports, of course, warrant skepticism. Their messages are selective (bad news drops to footnotes, if possible), and their tone is upbeat (few companies admit to bleak prospects or befuddled management). Still, they can instruct and entertain. Coca-Cola is probably the greatest brand name ever. The company claims that it sells nearly half (48 percent) of the world's soft drinks. It also estimates that this represents "less than 2 percent of the approximately 64 ounces of fluid human beings need

---

## *Corporate annual reports often tell us more than their authors know or intend.*

every day." Roberto C. Goizueta, Coke's driven chairman, apparently regards the other 98 percent as fair game. He writes:

"The Coca-Cola Company is still unquenchably thirsty—thirsty for more ways to reach more consumers in more places with more of our products, creating more value for you [the shareholders] . . . truly, *we are just getting started.*" (The italics are in the original.) In the United States, individuals on average drink 363 Coca-Cola soft drinks a year—almost one a day. It's only five a year in China, nine in Indonesia and 13 in Russia. At another point, Goizueta puts Coke in grander perspective: "A billion hours ago, human life appeared on Earth. A billion minutes ago, Christianity emerged. A billion seconds ago, the Beatles changed music forever. A billion Coca-Colas ago was yesterday morning." (Translation: A billion Cokes are sold every two days.)

Fifty years ago, reports weren't like this. The 1946 report of Bethlehem Steel ran to 33 pages, vs. Coke's current 73 pages. The Bethlehem report had a gray cover, no pictures and no charts. Coke's has a fire-engine-red cover and is splashed through with clever charts and graphics. The aim is to project corporate character, even charisma. And the boilerplate rhetoric is revealing; it illuminates prevailing management philosophy.

Bethlehem's 1946 report doesn't mention corporate purpose or social conditions except for a brief reference to strikes. In fact, 1946 was probably the most strike-prone year in U.S. history; one in 11 workers went out. But management was inarticulate and assumed that companies existed to make money. In the 1960s the spirit shifted. "Companies caught on to the idea that an important reader group [for reports] was employees—you could communicate your beliefs, your ethics, your strategy," says William Bruns of the Harvard Business School. And executives wanted to show they were socially responsible as well as efficient. Here's the American Can Co. in 1971:

"[I]n our changing social contract . . . management must satisfy the legitimate needs of all three participating partners—our customers, our owners and our employees." By the mid-1980s the tone shifted again. Institutional investors (pension funds, mutual funds) and stock analysts had to be impressed. So today's champion slogan is "creating shareholder value." This reemphasizes profitability as a goal that, if not satisfied, might mean corporate extinction. (American Can, for example, was merged out of existence.) Still, most companies also try to use their reports to humanize themselves by telling stories about their unsung heroes: their workers.

Every so often, these stories transcend shrewd publicity devices or cheap rewards. In its report, Merck—the \$20 billion drug company—recounts the decade-long history of Crixivan, a protease-inhibitor drug used to fight AIDS. The project suffered constant setbacks. In 1988 the lead researcher died in the bombing of Pan Am 103. Early versions repeatedly failed in clinical trials. Manufacturing of the drug was immensely complex; initially it took a year to make 100 pounds of the active ingredient. But by early 1996 the drug was approved, and by year-end 125,000 patients were using it. The people who made this possible are spread across two pages of Merck's report.

I don't own stock in Merck or any other company mentioned in this column. But stories like this remind us that management—whatever it is—matters. Our well-being depends on it. The trouble is that annual reports never tell us conclusively whether a company is well managed. Is Microsoft? Just because it's hugely profitable isn't a guarantee. Microsoft's great advantage is that its main product (Windows) is so dominant in a fast-growing market that it generates vast amounts of cash that might camouflage or offset other management shortcomings. In 1996 Microsoft had \$2.2 billion in profits on sales of \$8.7 billion.

But these reports do tell us something of the psyche of the people atop major companies. There's a mix of anxiety about competition and bravado about performance. That may explain why so many U.S. companies still excel and why, also, so many CEOs feel entitled to their lavish (sometimes outlandish) pay. Their single-mindedness often verges on fanaticism. Jack Welch, the chairman of General Electric, said as much in a recent interview with Frank Swoboda of *The Post*. Two decades ago, Welch said, being named CEO was the culmination of a career. Now "it's the beginning of a career," he said. "You cannot be a moderate, balanced, thoughtful, careful articulator of policy. You've got to be on the lunatic fringe."

© 1997, Newsweek Inc.

**The Washington Post**

WEDNESDAY, APRIL 16, 1997

# Apparel firms fashion an appeal

## But some view plan as cloak of conduct

By James Cox  
USA TODAY

HONG KONG — The U.S. apparel industry's plan to eliminate sweatshop labor is full of holes that make it virtually meaningless, say workers' rights groups in Asia.

Apparel companies "will be shielded by the code and they won't ever have to live up to it," says Gerard Greenfield of Asia Monitor-Resource Center.

Several U.S. garment companies announced a voluntary code of conduct Monday.

The code requires apparel companies to monitor factory conditions and hire outside auditors as independent monitors.

But it doesn't address issues

### Apparel industry's code of conduct

The apparel industry's voluntary code of conduct:

▶ Bans discrimination, physical abuse, harassment, and use of child and prison labor at clothing and shoe factories.

▶ Guarantees freedom of association, collective bargaining, a minimum or prevailing wage and a safe working environment for apparel workers.

▶ Caps their working hours.

such as how to remedy violations and what penalties to impose on contractors, suppliers and apparel companies that violate the code.

Urged by President Clinton, Nike, Liz Claiborne, L.L. Bean and other companies joined labor, human rights and consumer groups to write the plan.

Companies that use the code will qualify for a seal of approval they can use in ads and on clothing labels.

Dozens of high-profile U.S. apparel makers have faced intense criticism for using outside contractors that treat

workers harshly and pay them poorly, particularly in Asia and Latin America.

Just last month, workers at a Taiwanese garment factory in the Philippines protested that a worker who died was "killed by her 14-hour workday."

The factory makes clothes for Gap, Guess, Jones New York, Eddie Bauer, May Co., Macy, Liz Claiborne, Ellen Tracy, Benetton, Ralph Lauren, Banana Republic and others, according to the Asia Monitor Resource Center.

"I hope the code is not just a public relations gesture. I wor-

ry how they'll monitor suppliers and subcontractors," says Chan Ka Wai of the Hong Kong Christian Industrial Committee, which monitors labor conditions in China.

China, Indonesia and Vietnam have actively suppressed labor organizers and attempts to engage in collective bargaining. And foreign apparel companies have flocked to special trade zones that prohibit unions in the Philippines, Thailand and other Asian countries.

Apparel firms "get the best of both worlds. There's the good publicity from signing onto the code. Then when a situation arises in Indonesia or Vietnam, they get the chance to say, well, we can't (abide) because of the political situation there," Greenfield says.

Says Nike spokeswoman Martha Benson: "There will certainly be people who find fault with it. But coming up with something on paper that has objective standards is a breakthrough."

USA TODAY  
WEDNESDAY, APRIL 16, 1997

# WASHINGTON

## Herman confirmation 'in doubt' over contract ban

President Clinton's proposed executive order to bar federal contracts to companies that don't have labor and employment practices with which the administration agrees has angered congressional Republicans and jeopardized confirmation of Clinton's nominee for Labor secretary.



Reuters

Herman: Vote had been set for today

Senate Majority Leader Trent Lott said Tuesday the nomination of Alexis Herman and approval of the Labor Department budget are "in doubt" because "there is big concern" that Clinton is trying to use executive orders to do things "that should really be done by the legislative process."

Herman's nomination was to be voted upon today, but Lott said that's doubtful "until we get some clarification about what their intentions are."

Vice President Gore told labor leaders Monday that Clinton would issue an executive order "to change federal procurement rules so that companies that just unions won't get and won't keep federal contracts."

Last year, Clinton's order barring federal contracts to employers who hire replacement workers in strikes was overturned in court because it exceeded his authority.

**TAX DAY:** A proposed constitutional amendment that would make it harder for Congress to raise taxes failed in the House on a 223-190 vote, 49 shy of the two-thirds needed. The vote was timed to Tuesday's deadline for filing federal income tax returns. Democrats called the proposal, which would have required a two-thirds approval for any tax increase, a gimmick that would harm the budget process.

The House and Senate overwhelmingly passed measures making it a crime for IRS workers to snoop into tax returns and setting a maximum penalty of one year in prison and a \$100,000 fine for violations.

**DISABILITY RIGHTS:** Moving quickly to defuse an embarrassing brouhaha, the Senate unanimously agreed to allow into the chamber guide dogs or other assistance needed by staff members with disabilities. The temporary rule follows an incident Monday when Moira Shea, a congressional fellow for Sen. Ron Wyden, D-Ore., was barred from the floor because of an objection to her bringing her guide dog Beau, a yellow Labrador. Sen. Robert Byrd, D-W.Va., a stickler for protocol, said he objected in order to ensure "proper procedures" were followed for changing rules on access. After the vote, Shea and Beau sat in the chamber as senators praised the action as historic. Byrd said he was pleased with the outcome.

— Andrea Stone

**RENO DECISION:** President Clinton defended Attorney General Janet Reno's decision not to seek an independent counsel to investigate accusations of illegal fund-raising by the Democratic Party and Clinton aides in the White House. "She had to make a legal decision on a legal matter," Clinton said. "It should not be a political matter."



Reuters

Reno: Defended by the president

House Speaker Newt Gingrich criticized Reno's decision and likened her to John Mitchell, the attorney general under President Nixon.

Mitchell was implicated in the White House cover-up of the Watergate scandal that led to Nixon's resignation.

Gingrich said the Judiciary Committee will look into Reno's handling of the matter.

Senate Minority Leader Tom Daschle called Gingrich "the guru of ethics" — a reference to Gingrich's admission last year that he had violated House rules — and accused the speaker of trying to intimidate Reno.

## ALSO . . .

► **NUCLEAR DUMP:** The Senate passed a bill to temporarily store thousands of tons of spent nuclear fuel from reactors in 41 states at an underground site at Yucca Mountain in Nevada. The 65-34 vote was two shy of what's needed to override a threatened veto. The bill is expected to pass the House easily. President Clinton prefers a longer term solution for permanent storage at a site to be selected later.

► **BANANA PROTEST:** Demonstrators dumped a ton of bananas in front of the U.S. trade representative's office in a dispute over U.S. policy toward Caribbean banana growers. Passers-by helped themselves to the free fruit and the rest was trucked to a food bank.

► **TERRORISM LAWSUITS:** The House passed a bill to make it easier for victims of the 1988 bombing of Pan Am Flight 103 over Scotland to sue in U.S. courts. The proposed law would allow suits for acts of terrorism if either the victim or a survivor is a U.S. citizen. Current law requires both be citizens. Many victims of the Pan Am crash are suing Libya, which U.S. officials have blamed for the bombing.

## Albright planning Hong Kong trip

Secretary of State Madeleine Albright said she will go to Hong Kong for the July 1 return of the British colony to Chinese rule. Albright wants to emphasize the need for China to respect Hong Kong's "current way of life and freedoms." Also:

► For the seventh consecutive year, China blocked a vote on a U.N. Human Rights Commission resolution to criticize the communist nation's record on human rights and its treatment of Tibet.

► U.S. officials defended sale of advanced F-16 fighters to Taiwan. The sale has outraged China, which sees Taiwan as a renegade province to be reunited with the mainland.

► Lee Sands and Deborah Lehr, who are among the top U.S. trade negotiators with China, are resigning and may join a law firm to represent U.S. companies seeking access to Chinese markets, officials said.



Reuters

Albright: To witness changeover

By Paul Leavitt with staff and wire reports

USA TODAY

WEDNESDAY, APRIL 16, 1997

# A Modest Start on Sweatshops

A newly proposed code of conduct for domestic and overseas sweatshops makes useful pledges to improve the appalling working conditions of apparel workers around the world. But the code is so littered with loopholes its impact will probably be limited unless public and press attention remains fixed on the problems of sweatshop workers.

The Presidential task force that developed the code included industry giants like Nike, Reebok, L. L. Bean and Liz Claiborne, as well as representatives of labor and human rights groups. It got industry pledges to provide abuse-free factories, hire children at least 15 years old, limit the workweek to 60 hours and protect the right of workers to organize without fear of retaliation by their employers. The code also calls for companies to hire independent monitors that would work with local human rights groups. This provision is vital, since in oppressive societies workers would only voice discontent to groups that have gained their trust.

Identifying and publicizing abuses is essential to improving conditions. The coverage of inhumane conditions at Central American factories turning out clothes for Wal-Mart under the name of Kathie Lee Gifford led to creation of the task force. Two years ago, the industry would have brushed off any proposal to monitor its third-world factories.

The weakness of the code is its lack of precise commitments. The accord suggests but does not require local independent monitoring of working conditions or public disclosure of infractions. The 60-hour limit on the workweek can be waived for

what are called "extraordinary" circumstances.

Even if a follow-up commission strengthens the wording, the code cannot work unless American consumers penalize non-participants. Some companies will not sign the code. Warnaco, which makes Hathaway shirts, withdrew from the task force because the company fears that public disclosure of monitors' reports will reveal trade secrets to competitors. If consumers flock to lower-priced clothes produced by companies that ignore the code, the effort will fail.

The task force correctly rejected the idea of imposing a "living" wage, calling instead for companies to pay only the locally prevailing minimum wage. An externally determined wage would almost surely victimize the world's worst-paid workers. Manufacturers would close shop in countries like Haiti and Vietnam where workers produce too little to cover the higher wage employers would be required to pay, and reopen production somewhere else where factories are more productive. The more humane course is to rely on competition to drive up productivity and wages, as has happened in South Korea and other Asian economies.

At best, a voluntary accord that includes industry can only accomplish so much. The task force may help reduce the political heat on Mr. Clinton, labor unions and industry to deal with the working conditions in faraway factories. Whether third-world workers will ever see a benefit depends on sharpening the code and intensifying disclosure of companies that violate its provisions.

# Drawing a Line on Drug Tests

The Supreme Court, often too quick to dilute the Fourth Amendment's protection against unreasonable searches in the name of fighting drugs, sent a welcome message yesterday that there are some searches the war on drugs cannot justify. By an impressive 8-to-1 margin, the justices struck down as unconstitutional a Georgia statute that required candidates for most state offices to submit to a urine test for illegal drugs as a condition of appearing on the ballot.

Though two lower Federal courts had upheld Georgia's one-of-a-kind requirement, it was clear that the state had a weak case when it appeared before the Court in January. The issue was not whether a drug test is an intrusive bodily search, which it is, but whether this particular test plan was reasonable. Even the lawyer from the Georgia Attorney General's office conceded that there was no reason to suspect a drug problem among Georgia's politicians and thus no pressing official need of the sort that might begin to justify the tests.

Indeed, upon probing by Justice Sandra Day O'Connor, the best the attorney could offer was that the law sent a strong symbolic anti-drug message to the public. That was not good enough for the mem-

bers of the Court, with the exception of Chief Justice William Rehnquist, a conservative who does not share the libertarian streak of his fellow conservatives on the Court. As Justice Ruth Bader Ginsburg noted in a well-crafted majority opinion, the Fourth Amendment shields society against state action that "diminishes personal privacy for a symbol's sake."

Justice Ginsburg noted further that the testing program was poorly designed to identify candidates who use drugs or deter drug-using candidates from running, since it allowed candidates to select the dates of their tests.

In a troubling decision two years ago, the Court approved random drug testing for student athletes based largely on its concern for the athletes' safety and the public's interest in deterring drug use among minors. In earlier cases, the Court upheld testing programs for railroad crews and for Customs Service employees involved in drug interdictions. But the Court, as Justice Ginsburg stressed, has never endorsed a blanket drug-testing program that was not linked to protecting public safety or deterring known drug abuse. Yesterday's decision holds that critical line.

**The New York Times**

WEDNESDAY, APRIL 16, 1997

leather  
 day: Partly sunny, breezy, warm.  
 gh 70. Low 48. Wind 10-20 mph.  
 rday: Varying cloudy, showers.  
 gh 56. Low 42. Wind 8-16 mph.  
 rday: Temp. range: 38-63.  
 ilet count: 176. Details on Page B2.

20TH YEAR No. 132

WEDNESDAY, APRIL 16, 1997

Prices May Vary in Areas Outside Metropolitan Washington (See Box on A2)

25c

## Consumer Prices Nearly Flat in March

Report Helps Trigger Surge in Stock Prices

By John M. Berry  
 Washington Post Staff Writer

For the past several months consumers have been snapping up new cars, furniture, airline tickets and all sorts of other items, but despite the pending spree and an overall strong economy, the prices Americans pay still aren't rising very much.

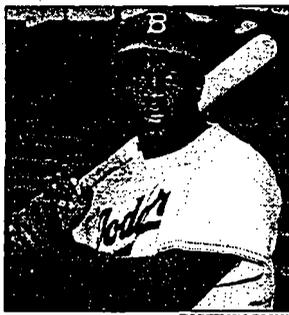
The latest evidence of that came yesterday when the Labor Department reported that consumer prices rose just 0.1 percent last month, unexpectedly good news that triggered a surge in stock and bond prices that mirrored last Friday's big sell-off following other, less favorable reports.

The Dow Jones industrial average rose 135.26 points, or 2.1 percent, to close at 6587.16. The gain pushed the average of 30 big blue-chip stocks slightly back into positive territory for the year but it was still off 7 percent from its record high of 685.16 last month. [Details, Page 3.]

A flow of strong earnings reports from major corporations for the first three months of the year also contributed to the stock market's gains yesterday and Monday, when the Dow rose 60.21 points, analysts said.

The back-to-back increases underscored the market's high volatility. On Friday the Dow plunged 49.64 points after reports that retail sales were running higher than sought and that producer prices for finished goods rose 0.4 percent last month. But the producer price increases were concentrated in a few areas and neither they nor the

See ECONOMY, A13, Col. 1



## Jackie's 50th Baseball Retires No. 42 Forever As It Celebrates Day of Integration

By Marc Fisher  
 Washington Post Staff Writer

NEW YORK, April 15—The National Pastime and the American Dilemma converged tonight on a field of dreams.

On the 50th anniversary of Jackie Robinson's first game with the Brooklyn Dodgers, baseball honored a legend, and the nation once again asked just how far it has come on the road to racial justice.

This was above all a night of tribute, and baseball's acting commissioner, Bud Selig, announced an honor never before bestowed upon a baseball player: Never again will Robinson's jersey number, 42, be issued to any major leaguer, on any team.

Players who now wear No. 42 will be permitted to keep their number until they retire, Selig said, but "Number 42 belongs to Jackie Robinson for the ages."

On a cold night at Shea Stadium, President Clinton warned against any conclusion that Robinson's job is complete. Recalling Opening Day in 1947, Clinton said, "Jackie Robinson scored the go-ahead run that day and we've all been trying to catch up ever since."

"We can do better," said Clinton, who stood in front of home plate and leaned on the crutches he has used since knee surgery last month. "We need to establish equality in the boardrooms of baseball and corporate America."

They also played a baseball game here tonight and the teams involved are part of the history. Robinson's Brooklyn Dodgers.

See ROBINSON, A12, Col. 1



On 50th anniversary of Jackie Robinson's debut, acting commissioner Bud Selig, Rachel Robinson and President Clinton take part in ceremonies at New York's Shea Stadium.

## Justice Dept. Cites Failures Of FBI Lab

Evidence Was Flawed In Several Major Cases

By Roberto Suro and Pierre Thomas  
 Washington Post Staff Writers

The FBI crime laboratory produced scientifically flawed reports and inaccurate testimony in several major cases, including the World Trade Center and Oklahoma City bombings, according to a Justice Department report that recommends a thorough overhaul of the nation's leading forensic facility.

Despite its harsh criticism of some FBI personnel and demands for institutional change, the 500-page report by the Justice Department's inspector general cleared laboratory examiners of allegations that they committed perjury and fabricated evidence—the most serious charges to surface during the 18-month inquiry.

In releasing the report yesterday, Justice Department officials predicted that defense attorneys in an enormous number of past, present and future criminal cases will challenge evidence presented by the lab. In a few cases still under review, the officials conceded, the conduct of laboratory employees might hurt prosecutions.

FBI Deputy Director William J. Esposto said at a news conference that although "very serious" problems had been uncovered in the forensic laboratory, the FBI could remedy them by implementing all of the inspector general's recommendations, including measures that would submit the FBI to an unprecedented degree of outside scrutiny.

See LAB, A4, Col. 5

## Foster Care's Relative Solution

As States Nurture an Old Custom, Extended Families Fill A Larger Role in Helping Children From Broken Homes

By Jon Jeter  
 Washington Post Staff Writer

This is Josh: 5 years old and cheeks like Satchmo, all handstands and high-fives, disagreeable at times, just 'cause. He eats cheese with his orange juice, plays the piano and dominoes with his neighbor Ed, who is retired and lives down the hall. Pouts when he loses. Loves his Aunt Peg.

This is Peg: 50 but looks 40, slender, a Wheaton divorcee and the mother of two grown sons, plays forward on her women's soccer team, named her cat Frank Floyd. She is the eldest of nine children, a big sister to anyone who needs it. When the social workers called one Sunday afternoon and said that her grandnephew needed a new home, she didn't think twice about it because, well, she just didn't.

The pairing of Peggy White and her troubled niece's baby boy into a surrogate nuclear family

is, in miniature, the story of how the nation is transforming its foster care system with a distinctly old-fashioned approach. As crack cocaine, AIDS and other modern-day plagues continue to leave growing numbers of parents unable to care for their children, child welfare workers are increasingly turning to the extended family—grandmothers, aunts, uncles, cousins and even close friends—for help.

The effort is called "kinship care," a bureaucratic-sounding concept that merely codifies the informal arrangements traditionally made by the extended families of children from broken homes. Children unable to live with their parents often were sent to live with a grandmother, or an aunt, until Mom and Dad got their act together.

Kinship care is essentially the same idea. The fundamental difference is that it is the state rather than a relative that parcels out the

See FOSTER, A12, Col. 1



Peggy White plays soccer with 5-year-old Josh, her grandnephew and foster charge.

## Drug Testing of Candidates Struck Down by High Court

Georgia Law Held to Violate 4th Amendment

By Joan Blaskovic  
 Washington Post Staff Writer

States may not force political candidates to take drug tests, the Supreme Court ruled yesterday, striking down a Georgia law as mere symbolism.

By an 8 to 1 vote, the justices said Georgia's law violated the Fourth Amendment's protection against unreasonable search and seizure. The law said that candidates who refused to submit to a drug test or who tested positive for illegal drugs could not be placed on the ballot.

"However well-meant," Justice Ruth Bader Ginsburg wrote for the court, acknowledging the nation's problem of illicit drug use, "the candidate drug test Georgia has devised

diminishes personal privacy for a symbol's sake."

The ruling was a triumph for opponents of broad-scale government drug testing, an increasingly common practice in an era of heightened concern for narcotics abuse. However, the court emphasized that the unique Georgia law, covering the governor, lieutenant governor, other top officials, judges and legislators, was not enacted in response to any reported illegal drug use among politicians. When the risk to public safety is real, the justices said, blanket searches would be allowed.

The court traditionally has forbidden states to search an individual unless the person is suspected of wrongdoing. (Requiring a urine

See COURT, A8, Col. 1

## Records Detail Hubbell Meetings

In the nine months after he resigned from the Justice Department in 1994 and before he pleaded guilty to charges of biasing his former law firm, former associate attorney general and longtime Clinton friend Webster L. Hubbell golfed with the president and had more than 70 meetings with 20 other administration officials, records show.

NATION, Page A4

## Cashing In on a Meeting With the President

S. Korean Made Big DNC Donation in Alleged Scheme to Bilk Partner

By John Pomfret  
 Washington Post Staff Writer

SEOUL—Businessman John K.H. Lee was trying to broker a lucrative business deal here in March 1996 when a dazzling floral tribute arrived at a dinner honoring one of his many enterprises.

The wreath of lilies and roses originated, according to a pink bandanna wrapped around the bouquet, from "the American Clinton, president of the United States."

The flowers were impressive evidence of Lee's White House connections, a convincing factor in the decision by a South Korean electronics company to pour \$1.3 million into a U.S. venture with Lee. The only problem, the White House says, is that President Clinton didn't send them.

In fact, according to documents filed with prosecutors here, the flowers were part of an elaborate alleged scam perpetrated by Lee, 37, to bilk the electronics company, using the U.S. president as bait. South Korean

authorities are now investigating Lee based on a complaint filed by the company, investigators said.

Lee sent the flowers to himself as part of a plot to lure investors into believing that he had friends in high places in America, the company alleges. That impression was enhanced when Lee won a meeting with Clinton after making a \$250,000 donation with company funds to the Democratic National Committee.

Lee's tale, revealed in documents

See LEE, A4, Col. 1



John K.H. Lee is under investigation by authorities in South Korea.

## INSIDE

### Israeli Allegations

Israeli news media said police have recommended felony indictments against Prime Minister Netanyahu's justice minister and chief of staff and a key coalition ally.

### Deadly Pilgrimage

A fire swept through a sprawling, overcrowded tent city outside Mecca, Saudi Arabia, killing more than 210 pilgrims gathered for a sacred Islamic ritual.

WORLD, Page A19

## BUSINESS

... is inside Sports.

### Seat Belt Campaign

As federal agencies debate the safety of air bags, the Clinton administration is launching a campaign to increase seat belt use.

BUSINESS, Page C9

## After 5 Convictions, One Drunk Driver Gets 5 Months' Jail Time

By Brooke A. Masters  
 Washington Post Staff Writer

Last October, Arlington lawyer David Duncan Reynolds hit a Metrobus that had stopped to let off passengers.

He was already on probation for his fourth drunken-driving conviction since 1984, and his Porsche 911 was fitted with an anti-alcohol lock that required him to blow into

car. Police later said they had found 16 miniature vodka bottles in it.

Yesterday, a visibly frustrated U.S. Magistrate Judge W. Curtis Sewell gave Reynolds his first long stint in jail—five months—for violating his probation. "I have done everything I can to keep him from drinking and driving," Sewell said. "I can only assume that the purpose [of the rental car] was to al-

In an interview before his court hearing, Reynolds argued that he shouldn't be sent to jail, saying that he has an illness—alcoholism—and that prison time won't cure him.

"The only person that you're killing is yourself," he said. "The only person that has ever been in the car is me. I haven't killed anybody."

That attitude is common, analysts say. "The chronic drunk driv-

er, an alcohol industry-supported group. "They have this sense of invulnerability."

Traffic and alcohol safety groups say chronic drunk drivers are an increasing threat on the nation's highways. Although public education campaigns have dramatically cut drunken driving by social drinkers, they've had little impact on the repeat offenders and heavy imbib-

offense, according to the National Highway Traffic Safety Administration (NHTSA). And late-night roadside surveys found that the share of drivers with more than a .05 percent blood alcohol level, indicating at least some impairment, didn't change significantly from 1986 to 1996 but that the percentage of drivers who tested completely sober rose from 74 percent in 1986 to 83 percent

The Post on the Internet: www.washingtonpost.com



## Dog, Dogma Amid the Dogwood

**T**he big news from Capitol Hill is that the Senate admitted its first dog, a handsome blond Labrador named Beau, who behaved perfectly on the floor. Beau was originally denied access to assist his mistress, Moira Shea, an aide to Sen. Ron Wyden (D-Ore.). He was, in his way, as perfect a first as Tiger Woods.

There are those who might have followed Beau's example of decorum and dignity, but chose not to. House Speaker Newt Gingrich (R-Ga.) leaps to mind. He is bedeviled by his penalty—\$300,000 for misconduct in office. The strain has begun to tell. He made a bizarre suggestion about getting private school scholarships for children involved in a public school sex episode—can you see Groton or St. Paul's coming forward to add some 9-year-old with a history of oral sex to its student body? Then the day that Beau went to the floor, Gingrich lost it completely.

In a fit of monumental pique over the attorney general's most recent refusal to seek an independent counsel to investigate the campaign finance scandal, he compared her to John Mitchell. Not only was Nixon's attorney general involved up to his bushy eyebrows in criminal activity in Watergate. He served 19 months in prison for conspiracy, obstruction of justice and perjury. Janet Reno has a spotless reputation—and no history of campaign participation. Gingrich's poison arrow is not just a gross injustice, it is a gross inaccuracy. For a self-styled "history teacher," he takes astonishing liberties with the facts.

The devil has truly made work for idle hands in Congress. An inability to make decisions about major matters such as the budget, and poison gas, has left both chambers with nothing to do but pass a law prohibiting federal funding of assisted suicides. It has never come up, but the Senate is deep in the subjunctive while the House will have to stage bridge tournaments to attract members.

The president, meanwhile, is hobbling about through Washington's springtime glories, looking for high ground, seeking to associate himself with unassailable propositions and people—and doubtless taking comfort from polls that show a country in the grip of terminal cynicism, believing that all politicians are thieves and that he's no worse than the rest of them.

On Monday, when the Democratic National Committee was making a large document dump, President Clinton was host in the East Room to an anti-sweatshop task force that submitted

a code of conduct for manufacturers around the world. It provides for monitors who will consult with human rights groups, but reached no consensus on what constitutes "a living wage."

Sen. Tom Harkin (D-Iowa)—just back from Pakistan and a visit to the grave of the little martyr, Iqbal Masih, the 12-year-old rug-maker who was murdered in his home country after he traveled abroad to talk about child laborers—called the code "a baby step. Follow-up will be everything."

The inspiration for the undertaking, Kathie Lee Gifford, was on the platform. She got caught running a \$7 million garment operation where workers got 31 cents an hour for 12- to 13-hour workdays. There were those who thought that the sweatshop issue had been settled in 1911 with the Triangle Shirtwaist fire. But no.

Robert Reich, who as labor secretary in Clinton's first term was a bright light of the Cabinet, started the ball rolling. Now, having seen the results, he said, from Cambridge, "There is every reason to withhold applause for what was not attained, but we are much further along than anyone would have thought possible." In an election year, sweatshops was a good issue. It polled well. How well will it wear?

Jay Mazur, president of the Union of Needletrades, Industrial and Textile Employees, said, "Teenagers don't want to wear clothes that children in Indonesia or Los Angeles have given their childhood to make." Third World children are more shamelessly and openly exploited.

Tiger Woods, a world-class barrier breaker, provided a bridge of sorts between the giant corporations and the factory workers they employ abroad. Nike, which was part of the partnership among the industry, the human rights movement, labor unions and churches that developed the code, is paying him \$40 million to wear a Nike shirt and cap, as he did in the Masters. It's the same Nike that pays Vietnamese women Tiger's age or younger \$1.60 a day.

On Tuesday, Clinton went on another errand that none could fault. He traveled to New York to join a 50th anniversary tribute to one of the noblest figures of the century, ballplayer Jackie Robinson. He was the pioneer black player. He endured abuse when he went onto the field. But he promised Branch Rickey, the Brooklyn Dodgers general manager who hired him, that he would not fight back. He kept his word. Who does that here?

The Washington Post

THURSDAY, APRIL 17, 1997

# The TV Column

By John Carmody  
Washington Post Staff Writer

**C**hannel 7 said yesterday it has received ABC's okay to air a delayed broadcast of this Sunday afternoon's important U.S.-Mexico World Cup qualifying soccer match at 12:30 a.m. . . .

WJLA has a commitment to provide live coverage of the annual Easter Seal Telethon, which will start at noon Sunday and end at 7 that evening on the station. Several dozen letters and calls were received from soccer fans asking for the broadcast, the station said yesterday . . .

ABC Sports will have live coverage of the match from Foxboro Stadium in Massachusetts starting at 2:30 p.m. Sunday . . .

Seven's share of the Easter Seal broadcast will be from Tysons Galleria, hosted by weekday morning co-anchors Mary Jo Walsh and Horace Holmes . . .

CBS's "Face the Nation" this Sunday will feature House Minority Leader Richard Gephardt (D-Mo.), making his first Sunday a.m. talk show appearance since February, to talk about the Democrats, campaign fund-raising and his putative presidential bid in 2000 . . .

The presidential campaign was the leading topic on the three network evening news shows in 1996 by a wide margin, pushing crime, which had led the list for three straight years, to second place . . .

The eighth annual such survey by the Center for Media and Public Affairs notes all 13,201 stories that were broadcast on ABC, CBS and NBC evening newscasts in 1996 . . .

The yearlong race for the presidency drew 1,865 stories, with "ABC World News Tonight With Peter Jennings" following the race most closely, with 683 stories . . .

"CBS Evening News With Dan Rather" was next with 638, while "NBC Nightly News With Tom Brokaw" trailed with 544 . . .

One out of every seven stories in 1996 dealt with the presidential race but coverage was down 44 percent from 1992, when Campaign '92 led the list with 2,427 stories over a year's time . . .

Crime was second with 1,227 stories, a drop-off that the center ascribes to the O.J. Simpson factor. While his murder trial generated 874 stories in 1995, the wrongful-death civil lawsuit produced only 144 in 1996 . . .

The murder trial accounted for one-third of all 2,574 crime stories in 1995; the civil suit, just 11 percent of the 1996 crime total . . .

Health issues (810 stories) were third last year, business and the economy fourth (597), continuing a downward trend in recent years, and aviation accidents were fifth (564), the first time that category had made the center's Top 10 list since 1989 . . .

The coverage of TWA Flight 800 accounted for nearly half the aviation disaster category's total. The ValuJet crash in Florida also received considerable attention, reflecting what center director Robert Lichter yesterday called the tendency by TV news to "take a big story and just crush it" over a long period of time . . .

Rounding out the top 10 topics, in order, were Russia, Bosnia, the weather, the White House scandals and Israel, each with between 300 and 400 stories during the year . . .

## In Other News

The networks are finally showing some interest in that summit on volunteerism in Philadelphia April 27-28, which is drawing some very big names, like President Clinton, former Joint Chiefs of Staff chairman Colin Powell and former presidents Bush, Carter and Ford . . .

Both NBC anchor Tom Brokaw and ABC anchor Peter Jennings will broadcast from the summit on Monday night, April 28. But even if CBS's Dan Rather won't make the quick commute to the Quaker City, that network plans considerable news coverage as well . . .

NBC News, as is its wont, is all over the event. Its initiative "The More You Care," which actually got underway on Tuesday with a public service announcement campaign, is to include a week of "volunteer vignettes" on "Nightly News" starting Monday, as well as a Brokaw interview with Powell. Brokaw broadcasts live from Independence Hall on April 28 . . . . .

"Meet the Press" will broadcast live from the summit on April 27 with both Powell and Carter. "Today" interviews Bush on April 25 and Katie Couric talks to Powell and Clinton on Summit Monday on the morning show . . .

MSNBC, the cable news network, will offer five daily segments on the summit starting this Monday and is sending anchor Brian Williams to Philadelphia to do his evening newscast on April 28 . . .

ABC News's special summit coverage will start April 27, when Willow Bay interviews Powell on "Good Morning America/Sunday" with further coverage on both "This Week" and "World News Sunday" . . .

On Monday, "Good Morning America," with Charles Gibson and Joan Lunden, will originate from Philadelphia; Jennings will anchor the evening newscast from the summit site and late Monday "Nightline" will air a Ted Koppel interview with both Powell and Carter taped the previous week in Washington . . .

CBS News's coverage will begin April 27 with reports by anchor Charles Osgood and correspondent Jacqueline Adams on "Sunday Morning," with further reports on that night's edition of "Evening News" with John Roberts . . .

On Monday, co-anchor Mark McEwen will be in Philadelphia for "This Morning" and on "Evening News" correspondents Rita Braver (accompanying the president), Harry Smith and Wyatt Andrews will report from Philly . . .

C-SPAN said yesterday that it would have live coverage from the summit starting at 9:30 a.m. on the 28th . . .

CBS's "48 Hours" tonight will include a report by correspondent Roberta Baskin on hidden facts about caffeine. She points out that while the FDA does not require beverage companies to list the amounts of caffeine in their products (the new Krank-Two-O caffeinated water products contain 100 milligrams of caffeine) the agency insists that when caffeine is an active ingredient in an over-the-counter drug, the amount must be listed . . .

## Babewatch

Pamela Lee, who was very visible on "Baywatch" for five years, will host NBC's "Saturday Night Live" this, well, Saturday night, her first-ever appearance on SNL . . .

Her autobiography, "Pamdemonium," is due to be released this fall . . .

Musical guest will be the Rollins Band, also making its first SNL appearance . . .

Speaking of debuts, as surely we were, the arrival of Dan Aykroyd's "Soul Man" on ABC Tuesday night easily won its 8:30-to-9 time period, averaging a staunch 12.6 national rating and a 22 percent audience share, compared with an 8.3/14 for NBC's "Something So Right," a 6.4/11 for the second half-hour of the Fox movie "Striking Distance," and a 5.3/9 for the last half-hour of a CBS/Discovery Channel special on CBS . . .

That, of course, helped nail down a comfortable Tuesday night win for ABC, which was also celebrating the return of "NYPD Blue" to the lineup that night at 10 . . .

And that win was welcome news for the network that just last week registered the lowest weekly regular-season Nielsen rating for any of the big three networks—ABC, CBS and NBC—in the history of TV . . .

ABC's 7.7/13 for the week ending April 13 beat the previous low of 8.0/14 set by the very same network for the week ending March 9 . . .

But Tuesday, ABC zoomed to a 12.3/21 for the evening, led by "NYPD Blue's" 12.9/22 . . .

NBC was second at 10.2/17 led by an 11.6/18 for "Frasier," while CBS was third at 8.4/14. Its Discovery Channel/CBS production "A Meerkat Family Saga" averaged a 5.0/9 to take the edge off a 10.0/16 registered by the movie "Deep Family Secrets" . . .

Fox got a 6.3/13 out of a "Striking Distance" repeat . . .

Locally, "Soul Man" led the ABC lineup on Channel 7, averaging a 15.5/24 to slip by "NYPD Blue's" 15.4/26 . . .

"Frasier" led the lineup on Four with a 10.5/16, and "Deep Family Secrets" did an 8.7/14 on Channel 9. Earlier, WUSA bagged the Discovery/CBS special for its own "Chesapeake: Latitude and Attitudes," which averaged a 3.7/6 . . .

"Striking Distance" did a 7.9/13 on Five, "Moesha" averaged a 4.0/7 on 20, and "Hercules: The Legendary Journeys" led 50 with a 1.9/3. As we have apparently pointed out in the past, each national ratingzzz point represents 970,000 television households, while a local ratingzzz point stands for just 19,085 television homes . . .

# The Washington Post

THURSDAY, APRIL 17, 1997

PM Clinton-Sweatshops,470

White House urges better conditions for workers

EDs: Lead likely with Clinton announcement of Apparel Industry Partnership Agreement expected about 12:50 p.m. EDT

WASHINGTON (AP) President Clinton is giving his approval to a new apparel industry code of conduct aimed at improving working conditions in foreign ``sweatshops,' ' where children and adults work long hours producing clothing for only pennies an hour.

The code was devised by a presidential task force of human rights groups, labor unions, religious leaders and some of the nation's largest clothes-makers.

Highlights of the code include a guaranteed minimum wage pegged to existing standards in individual nations, a maximum 60-hour work week with at least one day off and an independent monitor of conditions in overseas factories used by U.S. companies.

The new code, to be announced by Clinton today, would allow participating companies to use a ``no sweatshops' ' label on their garments.

Some human rights groups are already complaining that it doesn't go far enough.

Elaine Bernard, director of Harvard's trade union program, ridiculed the task force work as giving ``the good housekeeping seal of approval to a kinder, gentler sweatshop.' '

``It calls for an end to child labor, prison labor and physical abuse, but it does not set standards for work with dignity,' ' she added.

Critics also contend that provision would give a company like Nike a ``no sweatshop' ' label even as it continued paying Vietnamese factory workers 20 cents per hour.

But Gene Sperling, chairman of the president's National Economic Council, insisted it was ``certainly a positive if not historic step in eradicating sweatshops.' '

``You could always argue this glass is half empty, or this glass is half full, but the fact is there wasn't any glass before,' ' said Sperling.

The task force included such human rights groups as the New York-based Lawyers Committee for Human Rights, Robert F. Kennedy Memorial for Human Rights and the Interfaith Center.

The agreement also includes anti-harassment and anti-abuse provisions and generally would ban workers under 15, although in some countries, factories could employ 14-year-olds.

Adherence to the code of conduct is voluntary and the task force hopes to entice more manufacturers to adopt it. Nike Inc., Reebok International Ltd., Liz Claiborne Inc., L.L. Bean, Patagonia and Nicole Miller were among the task force's corporate members who signed on to the agreement.

``If this task force is serious about eliminating sweatshops, it must call on companies to pay a living wage, not just the minimum they can get away with,' ' said Lora Jo Foo of San Francisco's Asia Law Caucus.

Michael Posner, one human-rights advocate who served on the task force, acknowledged that the prevailing wage in some countries probably is ``not good enough.' ' But, he added, members had to be realistic about their inability to stipulate a ``living wage' ' in every corner of the globe.

\*\*\*\* filed by:APE(-- ) on 04/14/97 at 08:30EST \*\*\*\*

\*\*\*\* printed by:WHPR(JMAS) on 04/14/97 at 14:04EST \*\*\*\*

212/880-6502

## Abroad at Home

ANTHONY LEWIS

# Saved From Itself

WASHINGTON

Again and again in our history Congress has been saved by the courts from the consequences of a passing folly. We have a fresh and exceptionally clear example now: the decision by Federal District Judge Thomas Penfield Jackson last week holding the new Line Item Veto Act unconstitutional.

Congress approved the legislation last year, on the theory that it would help balance the budget. What the Republican majorities in the House and Senate pretended not to notice was that the act would have drastic effects on Congress's constitutional power.

The law provides that the President, after signing a bill into law, may "cancel" any part of it that appropriates money or authorizes entitlement programs. Congress can re-enact a canceled provision, but that legislation would be subject to the President's veto.

The system would give any President enormous new leverage with Congress. "If you vote for my education bill," he might tell a senator, "I won't veto out your sports museum in Podunk City."

Judge Jackson said the item veto as it works in this act would give the President the power to "unilaterally repeal statutory law." That, he found, conflicted with the process laid down in the Constitution: Congress passes laws, which are presented to the President for his approval or disapproval as a whole.

The Clinton Administration and lawyers for the House and Senate defended the new law as an example

---

The courts  
halt Congress's  
folly.

---

of Congress delegating power. It often does that, as when it tells agencies to make rules implementing legislation. But no past delegation, Judge Jackson said, "has gone so far as to transfer the function of repealing a provision of statutory law." That "ceded basic legislative authority."

Newt Gingrich put the item veto at the top of his wish list in the Contract With America. In effect he and other Republican leaders persuaded Congress that it could not resist the temptation to spend and therefore had to pass the buck.

"The Line Item Veto hands off to the President authority over fundamental legislative choices," Judge Jackson wrote. "Indeed, that is its reason for being. It spares Congress the burden of making those vexing choices of which programs to preserve and which to cut."

But why would Congress, usually so jealous of its power, close its eyes to the inevitable loss of power? It was certainly warned of the likely consequences, by among others Democratic Senators Robert C. Byrd of West Virginia and Daniel Patrick Moynihan of New York.

The answer must lie in the current obsession with balancing the budget, which no sensible family or company or country makes an obsessive rule. The same urge pushes the proposed balanced budget amendment to the Constitution, which would supposedly force Congress to act but would more likely lead to a legal morass.

Judge Jackson will not have the last word, of course. The case will go on to the Supreme Court. But it already demonstrates the wisdom of those who framed the Constitution in giving judges the independence to defend it.

In the 78th Federalist Paper, Alexander Hamilton said judges should be "bulwarks of a limited Constitution against legislative encroachments." They would give "more deliberate reflection," he said, to matters that in legislative chambers might be subject to the passions of the moment.

The item veto case is especially interesting because it concerns not the individual rights protected by the Bill of Rights, such as freedom of speech, but the basic structure of the Constitution. The Framers thought that structure itself was a protection of freedom.

The constitutional system can often be frustratingly slow. But "The Framers ranked other values higher than efficiency," the Supreme Court said in 1983. "With all the obvious flaws of delay, untidiness and potential for abuse, we have not yet found a better way to preserve freedom than by making the exercise of power subject to the carefully crafted restraint spelled out in the Constitution."

Senators Byrd and Moynihan, among others, challenged the Line Item Veto Act in a lawsuit. Senator Moynihan had made a prescient comment as it was passed a year ago. "I rise," he said to the Senate, "in the serene confidence that this measure is constitutionally doomed. That speaks to the stability of the American political system, a stability sustained in so many moments of peril by the judiciary." □

## In America

BOB HERBERT

# A Good Start

President Clinton's initiative in the fight against apparel-industry sweatshops around the world will be formally announced today in a ceremony at the White House. Given the scope and complexity of the problems to be addressed, it's not a bad start at all. But it is only a start. It is much too soon to think about sewing those "No Sweat" labels into the clothing and footwear of the companies that have signed onto the initiative.

The Workplace Code of Conduct agreed to by the members of the President's task force prohibits forced labor and the employment of young children in apparel factories, requires apparel companies and their contractors to pay the minimum wage established by local law, recognizes the right of employees to associ-

ate freely and bargain collectively, and prohibits physical, sexual, psychological and verbal abuse or harassment.

ate freely and bargain collectively, and prohibits physical, sexual, psychological and verbal abuse or harassment.

ate freely and bargain collectively, and prohibits physical, sexual, psychological and verbal abuse or harassment.

ate freely and bargain collectively, and prohibits physical, sexual, psychological and verbal abuse or harassment.

ate freely and bargain collectively, and prohibits physical, sexual, psychological and verbal abuse or harassment.

ate freely and bargain collectively, and prohibits physical, sexual, psychological and verbal abuse or harassment.

ate freely and bargain collectively, and prohibits physical, sexual, psychological and verbal abuse or harassment.

ate freely and bargain collectively, and prohibits physical, sexual, psychological and verbal abuse or harassment.

ate freely and bargain collectively, and prohibits physical, sexual, psychological and verbal abuse or harassment.

---

Now, put some  
muscle behind  
'No Sweat.'

---

ate freely and bargain collectively, and prohibits physical, sexual, psychological and verbal abuse or harassment.

ate freely and bargain collectively, and prohibits physical, sexual, psychological and verbal abuse or harassment.

ate freely and bargain collectively, and prohibits physical, sexual, psychological and verbal abuse or harassment.

ate freely and bargain collectively, and prohibits physical, sexual, psychological and verbal abuse or harassment.

---

# The New York Times

MONDAY, APRIL 14, 1997

# The New York Times

MONDAY, APRIL 14, 1997

## Ellis I. Decision Is Good for New York, Too

To the Editor:

Paul R. Verkuil, the arbitrator appointed by the United States Supreme Court, has validated all of New Jersey's claims to more than 80 percent of Ellis Island (front page, April 2). That's good for New Jersey and for all Americans who care

about how this island has contributed to our nation's ethnic culture.

Mayor Rudolph W. Giuliani responded to Mr. Verkuil's decision by surmising that it "must have been a fix." New York City's preservationists reacted by sounding the alarm bells over their own predictions that Ellis Island would be turned into a strip mall. Your April 2 About New York column likened our claim to the island to the way we "stole" the Jets and the Giants.

Rest assured, New Yorkers, the United States Supreme Court is not for sale. I hope New York's preservationists will accept my promise never to sully our immigrant tradition with inappropriate development. As for stealing the Giants and Jets, like millions of immigrants who entered Ellis Island on the New York side but who settled in New Jersey, these two football teams moved to New Jersey because it's a great place to live, work and spend your Sunday afternoons playing football.

Much like the immigrants who put aside their differences and prejudices and held hands to build a better future in America, I hope that New Yorkers will put aside the recent negativity and join with us to preserve Ellis Island's history and tradition. CHRISTINE TODD WHITMAN  
Governor of New Jersey  
Trenton, April 7, 1997

## A NASA Space Ploy?

To the Editor:

How convenient! Within days of the half-billion-dollar failure of a National Aeronautics and Space Administration shuttle flight and the announcement of Russia's delayed payments on its share of a proposed international space station, there is another dusting off of NASA's old "origin of life" ploy: this time on Europa, a large moon of Jupiter (front page, April 10).

I am a science buff who believes that all good science is good. But there are priorities. What is the priority for another half-billion-dollar shuttle flight? Or the \$17 billion international space station? This kind of money could feed a lot of iconoclastic and passionate young scientists who are the future of science and United States competitiveness in the first years of the next millennium. DAVID H. SLADE  
Silver Spring, Md., April 10, 1997

## 'Right to Carry' Gun Laws Help Deter Crime

To the Editor:

Your April 9 news article on Representative Charles E. Schumer's study showing that firearms from states with weak gun laws are often exported to other states and used in crimes was interesting but failed to ask the crucial question: Why do criminals take these guns to other states rather than use them where they obtained them?

One possible answer is that criminals are hesitant to commit crimes in states with weak gun laws because they fear that their potential victims might also be armed. Four of the states mentioned in your article (Texas, Virginia, Florida and Georgia) have seen measurable reduction in rapes, homicides and assaults following legislation granting citizens the right to apply for concealed-weapon permits.

The wild predictions of "Dodge City" have never materialized, and the nonparticipating majority get a free ride from the deterrent value of a small number of permit holders. Thirty-one states have enacted "right to carry" laws, with lower net incidents of violence as a result. Tragedies like the Long Island Rail Road and Empire State Building shootings have

been prevented elsewhere by lawful gun owners on numerous occasions, and criminals know it.

Someday mainstream America will realize that trying to reduce crime by keeping victims defenseless is a failed strategy and that the gun control emperor has no clothes. Until then, Mr. Schumer can continue to play the tailor. HOWARD MANNELLA  
Branchburg, N.J., April 10, 1997



### The New York Times Company

229 West 43d St., N.Y. 10036-3959

ARTHUR OCHS SULZBERGER, *Chairman*  
*Chief Executive Officer*

RUSSELL T. LEWIS, *President*  
*Chief Operating Officer*

DIANE P. BAKER, *Senior Vice President*  
*Chief Financial Officer and Treasurer*

KATHARINE P. DARROW, *Senior Vice President*

LEONARD P. FORMAN, *Senior Vice President*

JOHN M. O'BRIEN, *Senior Vice President*

DONALD S. SCHNEIDER, *Senior Vice President*

SOLOMON B. WATSON IV, *Senior Vice President*

LAURA J. CORWIN, *Secretary*

## Government Protector

To the Editor:

A. M. Rosenthal advocates that drugs "must be fought by every legal technique" (column, April 9). Of course, this is what has been done, over and over again.

When the currently legal techniques don't work, we simply expand what is "legal" for the government to do. Routine body searches (drug tests) and civil forfeiture (confiscation without due process) are just the outrage of the day.

And we didn't even have to change the Constitution; we just had to change our minds about what abuses we would accept.

With enough support for the drug war, there is no limit to what the government could do to "save" us from ourselves. LYNN CAROL  
San Diego, April 9, 1997

## Children's Easy Access

To the Editor:

Re A. M. Rosenthal's "Draining the Drug War" (column, April 8):

Prohibition is the reason that children have easy access to drugs. The war in support of prohibition doesn't decrease the availability of prohibited drugs to children.

It is time to end this 20th-century folly. ARTHUR LIVERMORE  
Arch Cape, Ore., April 9, 1997

## Don't Let U.N. Go

To the Editor:

In 1790, New York City lost its first large industry, the Federal Government, which left for Philadelphia, en route to Washington. Since then we have lost to other places industries like the garment, printing and shipping industries. Even crime, our last major industry, seems to be declining. Yet Mayor Rudolph W. Giuliani shrugs his shoulders at the suggestion that the United Nations might leave New York (news article, April 11).

Improbable as that is, the Mayor should realize that the United Nations, for all its parking violations, is a major contributor to our economy. Those luxury apartments Mr. Giuliani envisions on its site are precisely the type occupied by upper-level United Nations delegates, who spend the money of their constituents here in the city. RICHARD F. SHEPARD  
Fresh Meadows, Queens  
April 11, 1997

## The 'Millennium Bug'

To the Editor:

Your April 7 front-page article on the "millennium virus" that, left unfixed, will cause the crash of computer systems when the century turns, doesn't say that this is not a weakness of all systems. The Macintosh system will go from Dec. 31, 1999, to Jan. 1, 2000, without a blink. But on Jan. 3, 2000, will people be reciting the adage "no one ever got fired for buying I.B.M."? "Me, too" solutions can lead to "me, too" problems as well. ANTHONY VASQUEZ  
Brooklyn, April 7, 1997

## **PRESIDENT CLINTON ANNOUNCES APPAREL INDUSTRY PARTNERSHIP AGREEMENT**

April 14, 1997

**TODAY, PRESIDENT CLINTON WELCOMES TO THE WHITE HOUSE THE MEMBERS OF THE APPAREL INDUSTRY PARTNERSHIP TO ANNOUNCE A NEW AGREEMENT.** Leaders from the footwear and apparel industry, labor, nongovernmental organizations (NGOs), and consumer groups have found common ground, agreeing to a Code of Conduct and independent monitoring systems that will assure Americans that the clothes and shoes they buy are made under decent and humane working conditions. The Partnership also agreed to recruit others in the industry and to develop an independent association to assure compliance and inform consumers about the Code and which companies comply.

**THIS AGREEMENT FOLLOWS FROM WHITE HOUSE MEETING LAST YEAR.** On August 2, 1996, the President and Vice President met with these parties to discuss the problem of sweatshops, consumer concerns, and the need to join together to address these issues. The parties formed a voluntary, industry-driven partnership that proposed to report back to the President its recommendations for action.

- **Participants in the Partnership** include: Liz Claiborne; Nike; Phillips-Van Heusen; Reebok; L.L. Bean; Patagonia; Tweeds; Nicole Miller; Karen Kane; UNITE; the Retail, Wholesale, Department Store Union; Business for Social Responsibility; the Interfaith Center on Corporate Responsibility; the International Labor Rights Fund; Lawyers Committee for Human Rights; the National Consumers League; and the RFK Memorial Center for Human Rights.

**THE PARTNERSHIP'S AGREEMENT IS THE FIRST OF ITS KIND.** The agreement contains the following components:

- ✓ **A Strong Workplace Code of Conduct** that companies will voluntarily adopt and require their contractors to adopt, which, among other things, includes:
  - Prohibitions against child labor, worker abuse or harassment, and discrimination;
  - The recognition of workers' rights of freedom of association and collective bargaining;
  - A minimum or prevailing industry wage, a maximum 60-hour workweek, and a cap on mandatory overtime; and
  - A safe and healthy working environment.
- ✓ **Independent External Monitors** to conduct reviews of company policies and practices and to verify that the company is in compliance with its obligations and commitments under the Code of Conduct. Companies will also maintain an internal monitoring system that outlines the obligations each company will undertake to ensure that the Code is enforced in its facilities and its contractors' facilities both domestically and internationally.
- ✓ **Commitment to Form an Association Over the Next Six Months** that will (1) recruit new member companies which also will abide by the Code and implement independent monitoring; (2) develop a reliable, independent means to provide for public confidence that the above obligations are being met; and (3) develop a mechanism or seal of approval informing consumers about which companies abide by the Code and monitoring.

## **DETAILS ON THE APPAREL INDUSTRY PARTNERSHIP AGREEMENT**

*The Apparel Industry Partnership agreement contains the following:*

- ✓ **A Strong Workplace Code of Conduct** that individual companies will voluntarily adopt and require their contractors to adopt, which includes:
  - The prohibition of employing any persons under the age of 15 (unless permitted by the country of manufacture to be 14);
  - Prohibitions against any worker abuse or harassment and discrimination;
  - The recognition and respect for workers' rights of freedom of association and collective bargaining;
  - The requirement that employers pay at least the minimum or prevailing industry wage, whichever is higher, and provide mandated benefits;
  - The requirement that workers be provided with a safe and healthy working environment;
  - A cap on mandatory overtime to 12 hours per week and the regular work week of the country (or 48 hours, whichever is less); and requiring a day off in every seven day period; and
  - The requirement that overtime be compensated for at the premium rate required in the country or at least equal to their regular hourly compensation.
  
- ✓ **Independent External Monitors** who will conduct independent reviews of participating company policies and practices; provide company employees and contractors' employees with secure communication channels to report concerns of noncompliance; audit production records and practices to ensure compliance; conduct employee interviews and site visits; and verify that the company is in compliance with its obligations and commitments under the Code of Conduct.
  
- ✓ **An Internal Monitoring System** that outlines the obligations each company will undertake to ensure that the Code of Conduct is enforced in its facilities and its contractors' facilities both domestically and internationally.
  
- ✓ **A Commitment to Form an Association** over the next six months that will:
  - Recruit new member companies which also will abide by the Code and implement independent monitoring;
  - Develop a reliable, independent means to provide for public confidence that the above obligations are being met; and
  - Develop a mechanism or seal of approval informing consumers about which companies abide by the Code and monitoring.

## **CHRONOLOGY ON CLINTON ADMINISTRATION'S "NO SWEAT" INITIATIVE**

- Summer 1993** Secretary Reich launches initiative to fight sweatshops.
- Spring 1994** National Conference on Garment Workers in NYC.
- Fall 1994** Labor Department hosts Retailer Roundtable in Washington, DC.
- August 2, 1995** El Monte, CA sweatshop busted for "slavery." Sec. Reich steps up fight against sweatshops.
- September 1995** Retailer Summit in NYC on how to improve industry compliance with workplace standards.
- December 1995** Secretary Reich announces Trendsetter List -- retailers and manufacturers working to end sweatshops in the US.
- May 1996** First Quarterly Enforcement Report Released by the Labor Department.
- May 1996** DOL investigation reveals that Kathy Lee Gifford's clothing line being made in sweatshops. Gifford and Sec. Reich join forces to fight abuse.
- July 1996** Sec. Reich hosts Fashion Industry Forum. Kathy Lee Gifford, Cheryl Tiegs and 300 fashion industry representatives -- including retailers, manufacturers, designers, workers, labor and consumer advocates -- participate.
- Summer 1996** Legislation introduced on Capitol Hill to hold manufacturers and retailers liable for the conditions under which their contractors operate.
- August 2, 1996** President Clinton brings a diverse group of industry, labor, and

human rights leaders to the White House to discuss industry conditions. The Apparel Industry Partnership is formed, and challenged by the President to take steps to assure that company products are made in compliance with acceptable labor standards, and to inform consumers that the products they buy are not made under exploitative conditions. The group agrees to report back in six months.

**Fall 1996**

Monitoring Workshops for manufacturers and retailers in New York, Chicago, and Los Angeles.

**Sept 1996-April 1997**

The Apparel Industry Partnership meets regularly with technical assistance from the Administration.

**October 1996**

Release of Volume 3 of the international child labor report, "By the Sweat and Toil of Children" on the impact of Codes of Conduct on child labor conditions in the apparel industry.

**December 1996**

Department of Labor's "No Sweat" Initiative receives Innovations in American Government Award from the Ford Foundation and John F. Kennedy School of Government.

**January 1997**

Clinton Administration has collected more than \$10.4 million in back wages for minimum wage and overtime violations for more than 34,000 garment workers across the country.

**February 1997**

Labor Department pledges funding to International Labor Organizations' initiative against child labor in the Pakistani soccer ball industry.

**March 25, 1997**

Three companies added to the Trendsetter List, bringing the total to 34 companies representing over 125 apparel lines and tens of thousands of retail stores.

**April 14, 1997**

Apparel Industry Partnership presents its agreement and plan of action to end sweatshops to President Clinton at the White House.

## MEMBERS OF THE APPAREL INDUSTRY PARTNERSHIP

**Liz Claiborne, Inc.**

Paul Charron, Chairman and CEO  
[co-chair]

**National Consumers League**

Linda Golodner, President  
[co-chair]

**Interfaith Center on Corporate  
Responsibility**

David Schilling, Director

**International Labor Rights Fund**

Pharis Harvey, Executive Director

**Kathie Lee Gifford**

**Lawyers Committee for Human Rights**

Michael Posner, Executive Director

**LL Bean, Inc.**

Tom Harden, Senior Vice President

**NIKE, Inc.**

Philip Knight, Chairman of the Board and CEO

**Patagonia**

David Olsen, CEO

**Phillips-Van Heusen**

Bruce Klatsky, CEO

**Reebok International, Ltd.**

Paul Fireman, CEO

**Retail Wholesale Department Store Union,  
AFL-CIO**

Lenore Miller, President

**Robert F. Kennedy Memorial Center for  
Human Rights**

Sandra Cuneo, Executive Director

**Tweeds, Inc.**

Martin Brill, President

**Union of Needletrades, Industrial and Textile  
Employees (UNITE)**

Jay Mazur

Unable to Attend

**Business for Social Responsibility**

Robert Dunn, President and CEO

**Karen Kane, Inc.**

Lonnie Kane, CEO and President

**Nicole Miller, Inc.**

Bud Konheim, CEO

## WHITE HOUSE APPAREL INDUSTRY PARTNERSHIP

Business for Social Responsibility  
Interfaith Center on Corporate Responsibility  
International Labor Rights Fund  
Karen Kane, Inc  
Kathy Lee Gifford  
Lawyers Committee for Human Rights  
Stan Levy, industry consultant  
Liz Clairborne, Inc  
LL Bean, Inc  
National Consumers League  
Nicole Miller  
Nike  
Patagonia  
Phillips Van Heusen  
Reebok  
Retail, Wholesale and Department Store Union  
RFK Memorial Center for Human Rights  
Tweeds  
UNITE  
Warnaco

**INFORMING AMERICA'S CONSUMERS: AN APPAREL  
INDUSTRY PARTNERSHIP**  
August 2, 1996

**A breakthrough agreement.** Today President Clinton announced a commitment by the leaders of the apparel and footwear industries that he hopes will lead to a system for assuring Americans that the clothes and shoes they buy are made under decent and humane working conditions. The President met with leaders from the footwear and apparel industries, representatives from unions and non-governmental organizations who have come together in partnership to ensure that American goods meet acceptable labor standards. This group is working to give consumers the information they need to make responsible decisions.

**A voluntary effort to develop options.** After today's meeting with the President, this partnership will work to develop a series of options for how companies can:

- \* Assure that their products are made in compliance with acceptable labor standards; and
- \* Signal to consumers that products offered for sale are produced without exploitative labor.

**A need to work together.** Consumers have said that they do not want to support sweatshop labor with their purchases, and government can do its part to enforce the labor laws. But real change is not possible without the participation of the industry itself, which is what makes this announcement so important. Participants in today's meeting include leaders from Nike, Liz Claiborne, Warnaco, Phillips Van Heusen, L.L. Bean, Tweeds, Patagonia, Nicole Miller, Karen Kane, Lucky Brands, as well as Kathie Lee Gifford, labor leaders, and other non-governmental organizations.

**A progress report to the President.** The group will report back to the President in six months.

**A record of action for America's workers.** The Clinton Administration knows that many companies in the American apparel industry provide good job, decent wages and fine clothing. In order to make a fair marketplace for those law-abiding companies, the Administration has created a three-pronged "No Sweat" strategy to combat illegal practices:

- \* **Enforcement.** The Department of Labor's Wage and Hour Division conducts targeted enforcement sweeps in major garment centers, and notifies manufacturers of the "hot goods" provision of the Fair Labor Standards Act, which prohibits the shipment of goods made in violation of U.S. wage laws.
- \* **Recognition.** In December 1995, DOL issued its first *Trendsetter* list, highlighting retailers and manufacturers that have assumed responsibility for monitoring the labor practices of contractors that make their garments. Firms that are monitored have significantly fewer violations of labor laws.
- \* **Education.** DOL is spearheading a garment public service announcement initiative and a new Internet World Wide Web site, to provide information to consumers interested in helping to combat sweatshops.

# ACCORD TO COMBAT SWEATSHOP LABOR FACES OBSTACLES

## CONCERN OVER MONITORS

Labor and Rights Groups Hope  
to Work Out Differences  
With Apparel Makers.

By STEVEN GREENHOUSE

With President Clinton and leaders of the apparel industry set to announce a code of conduct on Monday to combat sweatshops worldwide, members of the Administration's anti-sweatshop task force say the success of the effort could turn on issues like what the minimum level of factory pay should be and how much consumers should be told when factories violate the code.

Nike, Reebok, Liz Claiborne and other corporate members of the task force helped develop the code to reassure the public that their products were not made in sweatshops, but some task force members say the apparel makers must agree to further steps to insure that their factories are not sweatshops.

While task force members from labor and human rights groups praise the companies for agreeing to outside monitors, they are also pushing for assurances that the monitors hired by the companies will be free to point out violations. Under the accord, the monitors would be asked to work with human rights groups.

"In no way should employers be the only ones monitoring what they're doing," said Jay Mazur, a task force member who is the president of the Union of Needletrades, Industrial and Textile Employees. "We're saying monitoring should not be left totally in the hands of the companies. You can't have the foxes watching the chickens."

Many of the labor and human rights groups want the monitors to inform consumers when they discover violations, like the recent reports that a Nike factory in Vietnam punished 56 workers by forcing them to run in the hot sun until several collapsed. But many corporate members of the task force do not want violations made public, saying they will quickly correct any problems.

The eight-month-old task force, which includes L. L. Bean, Nicole Miller, Patagonia and the National Consumers League, is the most am-

Continued on Page 20, Column 1

Continued From Page 1

bitious effort by industry, labor and human rights groups to address the problem of sweatshops worldwide. President Clinton set up the group after consumers grew concerned that popular apparel like Wal-Mart's Kathie Lee Gifford line — she is a task force member — was made in sweatshops that did not pay their workers and had 70-hour workweeks.

After sometimes feverish debate, the task force reached agreement on components of a code of conduct, on having companies agree to outside monitoring and on developing an organization to oversee and certify the monitors. In the next six months, the task force hopes to thrash out differences on carrying out the accord.

"This is a breakthrough agreement that really stands to benefit workers around the world," said Michael Posner, a task force member and executive director of the Lawyers Committee for Human Rights. "It establishes a framework that provides consumers with confidence that companies are making good-faith efforts to address sweatshop practices. There's going to be lots of details to work out and lots of conflicts. Remember, we're dealing with an industry where there continues to be very serious abuses and those are not going to end overnight."

Task force members expect battles over doing business in China. Labor and human rights groups called on companies to pull out of that fast-growing industrial giant because it restricts freedom of association and collective bargaining, two violations of the code of conduct.

After the apparel makers said they would not pull out of China, all sides agreed that the companies should take steps — still to be worked out — to promote freedom of association and the right to bargain collectively at their factories in China. Labor union officials say they expect a struggle with companies over the steps their Chinese factories should take to allow freedom of association. "China represents a special kind of problem," Mr. Mazur said. "China has to be dealt with once this thing gets off the ground."

In the task force debates, there was also a tug of war in which industry members pulled to keep manufacturing costs down and maintain maximum autonomy in running their factories. Pulling in the opposite direction, labor and human rights members urged companies to agree to higher wages, shorter hours and independent monitors.

Under the code, apparel workers could not be required to work more than 60 hours a week and factories could not hire children under age 14. The code says a factory must pay at least the minimum wage of the country where it is situated, with an eye to tying wages to the workers' basic needs. The compromise on wages was adopted after labor and human rights members demanded wages that would support a family, while apparel companies said they should only have to pay the minimum wage.

Both sides expect arguments over wage levels in countries like Haiti and Indonesia, where the minimum wage is too low to support a family.

"Unless we talk about a living wage and start to define it, a sweatshop will always be a sweatshop," said Medea Benjamin, who heads Global Exchange, a human rights group not on the task force.

One corporate task force member defended the code, saying: "I don't think companies should be found to violate these standards if they pay the minimum wage. However, there is a recognition that this is an issue we will have to deal with again."

The 10 manufacturers on the task force vowed to comply with the code of conduct, and in exchange, they will be able to declare that their products were not made in sweatshops, perhaps by attaching "No Sweat" labels to their apparel. Task force members hope dozens of other manufacturers will pledge to follow the code.

The biggest battle is likely to be over monitoring. The apparel makers demanded the power to choose who would monitor factories and also the right to select accounting firms to do the inspections.

Fearing that accounting firms would take a pro-business stance, the human rights and labor members wanted nonprofit organizations, like Jesuit universities or indigenous human rights groups, to be monitors.

In a bow to industry, the code gives companies the right to choose monitors and have accounting firms do the monitoring, so long as the firms chosen are accredited by the association that will oversee the monitoring. But in a nod to human rights groups, the agreement says the accounting firms should work closely with local nonprofit groups, like human rights organizations.

Charles Kernaghan, the director of the National Labor Committee, a labor rights group that frequently criticizes apparel operations abroad, said that it was an "enormous break-

through" for so many major American companies to agree to a code and outside monitoring. But he said there were still shortcomings.

"It doesn't look as if the monitoring will be independent enough," he said. "Local human rights groups and other nongovernment organizations can do the monitoring without needing accounting firms. A lot of workers won't talk to accounting firms candidly. They feel they're employed by the company and you open your mouth and suddenly you end up in the ironing section where you're on your feet 12 hours a day."

Many questions must still be resolved about monitoring: What happens if an accounting firm gives a factory a clean bill of health, but the human rights group working with the firm finds violations? If a factory violates the code, should the monitor make those violations public or just tell the company? If violations are found, should a company be banned from putting "No Sweat" labels on all its clothes or on just the clothes made by the offending factory?

Pharis Harvey, a task force member and executive director of the International Labor Rights Education and Research Fund, said: "Deciding how much is to be disclosed is going to take some tough negotiations. We have to balance the companies' needs for confidentiality with the public's need for decent information."

Business members warn that if the rules are too stringent it will be hard to enlist more companies to join.

While task force members say many other apparel makers are interested, Allison Wolf, of the American Apparel Manufacturers Association, said many of the group's 300 members would not sign up.

"The big U.S. companies that have operations offshore already do internal monitoring," Ms. Wolf said.

Warnaco, which makes Hathaway shirts, resigned from the task force this week. Linda Wachner, its chief executive, said that while Warnaco agreed to let outsiders monitor its factories, she feared turning over the monitors' reports to an umbrella organization would divulge information that she does not want revealed in such a competitive industry.

Gene Sperling, chairman of the President's National Economic Council, summed up the situation: "There will be a myriad of complex challenges in trying to take on such a worldwide problem. But what is profound and meaningful about this agreement is the creation for the first time of an ongoing framework to transform sweatshops into decent workplaces around the world."

The New York Times

Sunday, April 13, 1997

Sunday, April 13, 1997

By NICHOLAS D. KRISTOF

KISANGANI, Zaire, April 12 — He and his family are in rags, close to starvation as they sit in a clearing in the jungle waiting to see whether food or death comes first, and Nieuva Fulquice is not quite sure God is on his side.

"God is punishing us," Mr. Fulquice, a Catholic, said weakly, his eyes luminous with the pain of any parent who cannot provide for his famished children. "We're in agony, and we haven't eaten in three days."

Why is God punishing Mr. Fulquice? What vengeance is He wreaking on the 85,000 Rwandan refugees stranded here in the jungle of central Zaire? Why would God be behind the cholera outbreak here, the emaciated children with sticks for limbs, the steady processions of corpses of children who have faded away from starvation and disease?

Mr. Fulquice would not say, instead hastily repeating that had he never killed anybody. At first he acknowledged that in Rwanda he had seen his neighbors, a man and a woman, killed, because they belonged to another ethnic group, the Tutsi, but a moment later he retracted that.

"I never did anything bad to the Tutsi," he insisted, shaking his head fervently. "Never! I never did anything bad. Nothing happened to my neighbors! They weren't killed. Nothing happened. I didn't do anything bad."

Mr. Fulquice and his compatriots are a special kind of refugee, morally troubling ones, not just victims of suffering but also agents of it. It would be difficult to conceive of people who are now enduring more wrenching hardship, yet it is almost as difficult to imagine people who, collectively, have inflicted more brutality on others.

These refugees are members of the Hutu tribe from Rwanda. In 1994, leading Hutu in Rwanda turned on their neighbors, the Tutsi, and tried them out. With guns and clubs, they killed as many as 500,000 men, women and children in just a few months. Tutsi soldiers soon seized power, and many Hutu fled the country out of fear of vengeance, or simply they were manipulated by the genocide into fleeing. Hutu are ordinary Hutu, like Mr. Fulquice, at the end of the line. For nearly three years as refugees they are mostly walking skeletons, some cases crawling skeletons who must depend for their survival on the magnanimity of the Tutsi tribesmen whom they tried to destroy.

Now Rwanda is run by Hutu, and they are in a position to decide whether to welcome these Hutu refugees.

Continued on Page 12, Column 1

Continued From Page 1

But this part of Zaire is controlled by rebel soldiers who are Tutsi as well. The Tutsi in Rwanda have emphasized that they want the refugees to come home to achieve reconciliation, and the Tutsi rebels here in Zaire have grudgingly allowed them to fly out from the airport in the nearby city of Kisangani. But neither group feels much empathy for the refugees.

They are morally troubling in another way, as well: while thousands of small children in the camps have distended bellies and limbs like twigs and seem near death by starvation, there are also a considerable number of strapping young men who look fit and healthy and well-fed.

"When we get food, I eat first," explained Bizumana Faustin, a husky 35-year-old father of three starving children.

Mr. Faustin beamed as he pointed out his boys, including a 7-year-old (or perhaps he was 8; Mr. Faustin was not quite sure) named Agumiman, a shrunken child with arms that seemed as frail as popsicle sticks. The youngest, a 2-year-old whose ribs protruded into his skin, was so tiny he seemed ready to fade away.

Pressed on why he should eat ahead of his starving family, Mr. Faustin laughed good-naturedly.

"I've become thinner, too," he boomed, as his children looked on with vacant stares.

To be sure, Mr. Faustin seemed unusually oblivious to the welfare of his children, although aid workers said his situation was not uncommon. Some fathers are weak and bony themselves, and their concern could be read in the quiver on their faces as the flies gathered on motionless children they hoped were just sleeping.

Aid workers from United Nations agencies and private organizations are trying desperately to bring in food and medicine, to control the cholera and to take away the dead. But the refugees, gathered along a deeply rutted dirt road across the Congo River from Kisangani, are difficult to reach, and about 100 of them are still dying every day.

The aid workers say they know that some of the refugees may be mass murderers. But they add that for now the task is simply to save lives and ease an appalling suffering concentrated on those who are unequivocally blameless.

"There are lots of women and children," said Lars Petersen, a Dane who was organizing one of the refugee camps, "and there are lots of kids under 5. Those young kids couldn't have done anything."

Dorte Sorensen, an organizer working for the United Nations High Commissioner for Refugees, added: "If I knew that someone I was talking to had killed people, well, I'd still do my job, but maybe I wouldn't stay and talk to him. But basically it's not for me to judge these people."

In any case, it seems likely that a majority of the refugees are blameless, particularly because so many are children. And aside from the women and children who simply fled Rwanda with their husbands or fathers, many men joined the exodus not because they had taken part in the genocide but because they feared civil war and random violence.

"Back then, it wasn't everybody who killed," said Pierre-Célestin Komeza, a teacher whose 6-year-old son died a week ago of hunger and sickness. "So maybe three-quarters of us are innocent."

Mr. Komeza, who spoke French as he sat on a log beside his wife and

eight surviving children, insisted as everybody else had that he had not taken part in the slaughter of Tutsi. In the course of a long conversation, he finally acknowledged that he had seen a large group of Tutsi killed inside the church where they had taken refuge, but each time he was asked to describe the incident he simply repeated: "I did not take part in the killing. I did not take part."

Arrangements are being made for a huge United Nations airlift to transport the refugees back to Rwanda. If all goes well, which is far from certain, then the airlift will begin in the next week or two.

It remains unclear how the refugees will adjust to the return. For most of the nearly three years that they have been outside their homeland, they have been under the control of the Hutu militia that helped organize the massacres, both of Tutsi and of Hutu regarded as sympathetic to the Tutsi. The militia intimidated many of the refugees, subjecting them to political "education," as well as training in such subjects as how to lay mines.

The refugees now say that the militia members and the killers have fled into the bush, and that those left are mostly innocent. But it is difficult to gauge how many of the young men left in the camps are militia members posing as ordinary civilians, or to what degree the ordinary refugees believe in the terrorist and genocidal policies of the militia.

Only a minority of the refugees — mostly intellectuals like teachers — even acknowledge outright that the Hutu did wrong, and they are the only ones who seem troubled by any guilt at all.

"We're suffering because we did bad things to the Tutsi," mused a 23-year-old teacher who would not give his name for fear of reprisal from Hutu extremists. He sat under a plastic sheet given to him by an aid agency to be his home, and he watched his first child, a tiny, wizened week-old baby, fighting for milk from its equally famished mother.

But even this teacher would not quite say that the Hutu had killed more people than the Tutsi, and most of the refugees denied flatly that any genocide had happened and suggested that the Tutsi were the root of the problem.

"I don't think there was any genocide," scoffed Frédéric Muzindona, 45, who leaned on a cane. "It was an invention. I don't know why the Tutsi say that."

Most acknowledged that some Tutsi had been killed, but they said that Hutu had also been murdered and that no one had paid attention to their deaths.

"Tutsi never tell the truth," said Jacqueline Mukasune, a teacher. "Whatever the truth is, they say the opposite."

# Apparel Industry Group Moves to End Sweatshops

## Agreement to Bring Worldwide Inspection

By STEVEN GREENHOUSE

A Presidential task force that includes human rights groups, labor unions and apparel industry giants like Nike Inc., Reebok International Ltd. and L.L. Bean has reached a groundbreaking agreement that seeks to end sweatshops by creating a code of conduct on wages and working conditions, including a maximum 60-hour workweek, for apparel factories that American companies use around the world.

The task force has also agreed to set up an association to oversee monitors who would inspect apparel factories worldwide and give a seal of approval to companies that comply with the code of conduct.

Task force members vowed to follow the code in the factories they use in the United States and abroad. Participants said they hoped that dozens of other American companies would commit themselves to meeting the standards, and that the effort would eventually lead to a work standards for the clothing industry worldwide.

The members reached agreement at a seven-hour meeting on Monday, attended by Gene Sperling, chairman of the President's National Economic Council. Task force participants said President Clinton hoped to announce the agreement next Monday at a White House ceremony where he will be flanked by industry, labor and human rights officials. Mr. Sperling, who refused to confirm details of the agreement, said, "The progress that's been made represents a unique and historic step to eradicate sweatshops here and around the world."

He said the diverse group of members "were willing to sacrifice each of their sense of what was perfect to achieve something for the common good."

Companies that comply with the code will be able to put a label or tag on their clothing assuring consumers that it was not made in a sweatshop.

Linda Golodner, the co-chairwoman of the task force and president of the National Consumers Federation, said, "The benefit for everyone is what the whole task force was about: that's to make sure consumers can purchase goods that have not been made in a sweatshop and make sure that there's a process in place to check that factories are not sweatshops."

The agreement came after weeks of meetings in which the apparel companies clashed with labor and human rights representatives about minimum wages and maximum hours in factories and who should monitor the factories. Task force members said they are still debating some wording in the proposed guidelines.

Roberta Karp, the task force co-chairwoman who is general counsel at Liz Claiborne Inc., said, "Industry, human rights, labor and the Clinton Administration shared a commitment and our collective work will result in improved working conditions around the world."

Underlining the difficulty of reaching an accord, the task force agreed on an ambiguous standard for wages, saying that while factories that American companies own or contract with should pay the minimum wage in the countries where they are located, there should be a link between wages and the basic needs of workers. Several labor and human rights representatives on the task force contended that in countries like Haiti, the minimum wage is too low to support a family.

At Monday's meeting in Washington, the most hotly debated issue was working hours. The corporate members, which included Nicole Miller, Patagonia and the Phillips-Van Heusen Corporation, agreed to a maximum 60-hour workweek with several wrinkles: that the maximum standard workweek would be 48 hours in countries that do not already have a standard of fewer hours, while the maximum number of overtime hours required of apparel employees would be 12.

The two labor unions represented were the Union of Needletrades, Industrial and Textile Employees and the Retail, Wholesale and Department Store Union. Jeff Ballinger, president of Press for Change, a labor rights group that has often deplored the working conditions of shoe factories that American companies use abroad, said the 60-hour maximum was an important step forward.

"If orders are backlogged or if there's a rush, many times workers will have to work 65 to 70 hours a week for weeks on end," he said.

The agreement on maximum hours will even affect factories in the

United States, where there is a standard 40-hour workweek, but no limit on how many overtime hours can be worked. Under the new code, participants would agree not to force employees in their American factories to work more than 12 overtime hours beyond the 40-hour workweek.

The task force, which was set up last summer, reached an agreement early on child labor. Factories should not use workers under 15, although in some countries they would be allowed to employ 14-year-olds.

In addition, in an industry where workers often say they are hit, fondled or shouted at, the task force agree on anti-harassment provisions that human rights representatives praised. The code states that all workers be treated with respect and "no employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse."

In one of the major sticking points, labor and human rights members said they wanted human rights groups or church groups to monitor factories, while corporate members said the monitors should generally be accounting firms with international offices, because such firms can easily operate anywhere.

Under the deal, companies could choose accounting firms to serve as monitors but those firms would be asked to work with human rights groups.

Task force members said that they needed to work out many details over the next such months, including how the governing association will be structured, who will serve on it, who will finance the association and the monitoring, and what labels would be put on clothing to show they were not been made in sweatshops.

Stanley Levy, a Los Angeles lawyer on the task force who represents apparel companies, said, "It's a difficult task to get all the parties to reach an agreement that sets worldwide standards."

# The New York Times

WEDNESDAY, APRIL 9, 1997

# U.S. Says F.B.I. Erred in Using Deception in Olympic Bomb Inquiry

By KEVIN SACK

ATLANTA, April 8 — The Department of Justice has concluded that F.B.I. agents made "a major error in judgment" last July when they used deceptive tactics in an effort to persuade Richard A. Jewell to waive his constitutional rights in an interview about the bombing at Centennial Olympic Park, according to a memorandum from the F.B.I. Director, Louis J. Freeh.

But the memorandum states that a department investigation found "no intentional violation of Mr. Jewell's civil rights and no criminal misconduct" by the F.B.I. agents.

The department ultimately cleared Mr. Jewell, a security guard who found the bomb before it detonated, of any involvement in the bombing. The explosion on July 27 killed one woman and injured 111 other people. No one has been charged.

On July 30, before it was clear to Mr. Jewell that he had become a suspect, agents of the Federal Bureau of Investigation tricked him into speaking with them about the bombing by telling him they wanted his help in making a training film about bomb detection.

At the beginning of the interview at their headquarters in Atlanta, the agents did not advise Mr. Jewell of his rights to remain silent and to retain a lawyer. Justice Department officials have maintained that they did not have to do so because Mr. Jewell was not in custody.

But well into the interview, agents

in Atlanta received instructions from Mr. Freeh in Washington to give Mr. Jewell a Miranda warning, essentially a request to waive his rights. They did so, but still under the ruse that it was part of the training film.

"Putting aside anyone's personal responsibility for that mistake, I can tell you that no prosecutor could go into court, and no Director of the F.B.I. could go before Congress, and claim that necessary constitutional warnings are adequately conveyed by telling a suspect that he is an actor in a training video and that he is being presented Miranda warn-

ings 'just like it's a real official interview,'" Mr. Freeh said in his memorandum.

The text of the memorandum, which is dated April 1 and was distributed to F.B.I. offices around the country, was first published today in The Atlanta Constitution. Several Federal law-enforcement officials, speaking on the condition of anonymity, confirmed its authenticity.

The memorandum summarizes the findings of an investigation into the Jewell affair by the Office of Professional Responsibility at the department. The full report of those

findings has not been made public. But acting on the report, the F.B.I. has notified at least five agents that they may be disciplined for their roles in questioning Mr. Jewell, according to law-enforcement officials.

The five are David W. Johnson, the special agent in charge of the F.B.I.'s Atlanta office; David Tubbs, the special agent in charge of the Kansas City, Mo., office, who was dispatched to Atlanta to assist the inquiry; A.B. Llewellyn, the assistant special agent in charge of the Atlanta office; and Diader Rosario and Don Johnson, the special agents who conduct-

ed the interview with Mr. Jewell.

Those agents now have a chance to respond to the charges against them before the F.B.I. makes final disciplinary decisions. The proposed penalties range from short suspensions to letters of censure, one F.B.I. official said.

Law-enforcement officials familiar with the Justice Department review of Mr. Jewell's questioning said the review concluded that Mr. Freeh was not aware of the training film ruse when he ordered that Mr. Jewell be advised of his constitutional rights.

Several Federal law-enforcement officials said today that there was deep concern within the ranks of the F.B.I., both in Atlanta and elsewhere,

that Mr. Freeh would accept no responsibility for the Jewell incident.

John J. Sennett, an F.B.I. agent who serves as president of the 8,000-member F.B.I. Agents Association, said he was impatient for the internal investigation to be completed.

"For months, we have been seeing disparaging cartoons and articles that would lead readers to think that F.B.I. agents have employed ruthless and unconstitutional tactics," Mr. Sennett said.

Wayne Grant, a lawyer for Mr. Jewell, characterized Mr. Freeh's memorandum as "a whitewash," and said the training film ruse was "a knowing violation of Richard Jewell's constitutional rights."

## Chicago's Catholics Don't Hesitate to Put Their Faith in a Native Son

By DIRK JOHNSON

CHICAGO, April 8 — In this city that so reveres its hometown heroes, Chicagoans were showering praise today on Archbishop Francis E. George, a native son of the Northwest Side, even as they acknowledged not knowing much about him.

"Welcome Home, Archbishop George," proclaimed a sign in front of his old grammar school, St. Pascal's in Portage Park, a largely German and Polish neighborhood with clean sidewalks and immaculately tended lawns.

The news of the appointment caused a great stir in Chicago, a city where the culture of Roman Catholicism is woven into the fabric, as people speculated about the direction the Archbishop will take.

"I don't really know what he stands for," said Mitch Kozlowski, a 40-year-old accountant, stopping for a brief prayer at St. Peter's Church in the Loop. "But he seems like a very good man."

Archbishop George comes from

Portland, Ore., to replace Joseph Cardinal Bernardin, who died in November. Cardinal Bernardin was beloved in Chicago, and even dissenters within the church appreciated his tolerance of different ideas.

"I think he'll be able to fill Bernardin's shoes," said Ellen Cronin, 70, a retired nurse's aide, who lives in Archbishop George's old neighborhood. "He's going to be good for the people, especially the poor."

Regarded as fairly conservative on church doctrine, Archbishop George showed considerable wit at a morning news conference, which was broadcast live locally. He also spoke some Spanish, which delighted many people in the fast-growing Hispanic community here.

"The hand of God has put him here," said Gustavo Aguilar, 32, who scrubs floors at industrial plants. "These are hard times for the immigrants. We need a man like him."

The Chicago Archdiocese numbers some 2.3 million Roman Catholics, and civic, educational and business

affairs are often connected in some way to the church.

A nun is serving in Mayor Richard M. Daley's cabinet, and the head of the public schools meets regularly with the superintendent of Catholic schools.

The Roman Catholic Church in Chicago has long been known for intellectual vibrance, ethnic diversity and a spirited, sometimes contentious style. Indeed, priests in Chicago, like the writer Andrew Greeley, have a reputation for not being hesitant about speaking their minds.

On a blustery opening day at Wrigley Field for the hapless Cubs, priests in the city were busy comparing notes on their new leader. The Rev. Michael Pflieger, a liberal priest who serves an all-black parish on the South Side, said it was "certainly a plus that he's such a smart man."

Father Pflieger said he was a bit concerned about Archbishop George's church politics. "I got about four phone calls from other priests this morning saying, 'You're

in trouble, Pflieger, this guy's real conservative,'" he said, with a laugh. "We'll have to wait and see."

He lauded Archbishop George for visiting a black youth beaten by white Catholic teen-agers in a March attack that underscored racial tensions here. "I hope he will be very direct and aggressive about exposing racism," Father Pflieger said. "We've got a big problem. We're sitting on a tinderbox that's ready to explode."

The Rev. Anthony Brankin, a conservative priest who is pastor of St. Thomas More parish on the South Side, expressed delight with the appointment, saying the new Archbishop was firm about church teaching.

"Let's let the man be a successor to the Apostles," said Father Brankin, noting that speculation about church politics can sometimes obscure the central message of the faith.

Call to Action, a liberal group that calls for changes in the church, like the ordination of women, issued a

statement of welcome today to Archbishop George. The group said it hoped for a continuation of the cooperative spirit that flourished under Cardinal Bernardin.

Many Catholics offered their praise for Archbishop George in the same breath with hope that he will not simply be a stern voice for a Vatican they see as rigidly doctrinaire.

"The church in Rome is so conservative," said Joan Ferraro, a 39-year-old lawyer. "I have confidence that this Archbishop knows that to shepherd the Chicago flock he's going to have to leave room" for views that do not fall in line with church doctrine on some issues, like birth control and the ordination of women. Others had no such worries.

"I'm thrilled about the choice," said Kathy Hoyos, 42, who works for a group that organizes pilgrimages to Catholic holy sites. "He'll bring a lot of unity to the community because of his background. I welcome him back home."

# The New York Times

WEDNESDAY, APRIL 9, 1997

# Apparel Industry Reaches Agreement to End Sweatshops in U.S. and Abroad

By Paul Blustein  
Washington Post Staff Writer

Leading representatives of the U.S. apparel industry, responding to an anti-sweatshop initiative by President Clinton, have reached what they call a "historic" agreement with labor and human rights groups on a code of conduct for factories at home and abroad.

Under the accord, tentatively reached by a presidential task force after a seven-hour meeting on Monday, clothing and shoe companies would voluntarily adhere to guidelines concerning wages and working conditions in factories they own or contract with. The guidelines include a maximum 60-hour workweek, according to members of the panel.

Independent monitors would inspect factories worldwide, and an association would be formed to award a seal of approval to companies whose factories are found to be in compliance with the code. Although the specifics haven't been worked out, one possibility is that companies given the seal of approval would attach labels to their garments or shoes certifying that their products have been made under non-sweatshop conditions.

"This is going to make a major

difference in a lot of people's lives who have been working in the industry," said Linda Golodner, the co-chair of the 20-member task force and president of the National Consumers League, who said the panel is "extraordinarily close" to finishing its report but still is thrashing out a few details.

The report is to be released early next week at the White House in a ceremony attended by Clinton, an administration official said. The president requested the establishment of the task force last August.

"It's historic. I don't know any other industry that has done this," said Stanley Levy, a task force member and lawyer who represents apparel companies.

Among the corporate task force members was Kathie Lee Gifford, the

TV personality whose clothing line became a focus of the recent sweatshop controversy when allegations surfaced that workers making the garments were being exploited and abused.

Other manufacturers represented on the task force were Karen Kane Co., Liz Claiborne Inc., L.L. Bean Inc., Nike Inc., Patagonia Inc., Phillips-Van Heusen Corp., Reebok International Ltd., Warnaco Inc. and the makers of the Nicole Miller and Tweeds labels.

The task force also included two representatives of labor unions, and several representatives of organizations advocating human rights and corporate responsibility.

The agreement, which was first reported in yesterday's New York Times, represents a hard-fought compromise

among the disparate members over touchy issues such as wages and working hours. Disagreements between the corporate and labor members threatened to cause a breakdown in recent weeks, and Monday's meeting included several tense moments.

The meeting, which was held at a Washington law office, was attended by Gene Sperling, chairman of the White House National Economic Council.

The task force agreed on a broad rule for a 60-hour maximum workweek, including a 48-hour regular week and 12 hours of overtime, task force members said.

There would be some important exceptions, however: In countries that legally cap the workweek at less than 60 hours, the lower figure would apply;

and if workers genuinely volunteered to work longer overtime during busy periods, they could.

"You wouldn't say to someone who really wants to work 80 hours for their family's sake that they couldn't," Sperling said. "But the notion that the companies are voluntarily agreeing to not have a mandatory workweek, including overtime, of more than 60 hours is certainly a very positive step in ending sweatshops."

The 60-hour figure would apply even in the United States, where there is no legal limit on the amount of overtime employers can require beyond the standard 40-hour week.

On wages, the panel agreed that factories should pay the legal minimum wage in the country where they are located. In deference to union

complaints that the minimum wage does not offer a decent living standard in some nations, the report includes language asserting that there should be some link between wages and workers' basic needs.

But companies would not be deemed in violation of the wage portion of the code if they paid the legal minimum wage, a corporate task force member said, adding: "Saying that we will absolutely monitor the payment of minimum wage is a very good step forward," because some companies do not always pay it.

The code includes provisions on other worker-rights issues such as abuse by superiors, stating that "no employee shall be subject to any physical, sexual, psychological or verbal harassment or abuse."

## The Washington Post

THURSDAY, APRIL 10, 1997

**INSIDE:****FOREIGN SERVICE**

# Diplomatically Speaking, School's Aging Gracefully

## Class Reunion at Foreign Service Institute

By Thomas W. Lippman  
Washington Post Staff Writer

There was something like a college reunion atmosphere in the usually solemn halls of the State Department's training center yesterday as scores of current and former diplomats revisited the institution where they learned their trade craft and their foreign languages.

The occasion was the 50th anniversary of the creation of the Foreign Service Institute, the government's principal school for training civilians headed for assignments overseas.

The event brought together former ambassadors and senior State Department officials, including diplomatic hall-of-famers who are household names in their line of work—David Newsome, Thomas R. Pickering, Walter Cutler, Roy Atherton—to eat lunch, reminisce about exotic places and think about the future of diplomacy. In the spring of 1947, Newsome and Atherton were members of the institute's first class of new officers. Pickering, one of the few career diplomats to reach the highest position, career ambassador, is about to return to the State Department as undersecretary for political affairs, the department's third-ranking job.

When Newsome and Atherton started out, the institute offered 30 courses and was based in a Foggy Bottom town house that later was demolished to make way for what is now the main State Department building. Now the institute occupies the campus of what was once the U.S. Army's Arlington Hall station, on George Mason Drive in Arlington, and offers 300 courses, including 61 languages.

Nevertheless, Secretary of State Madeleine K. Albright told the gathering, the curriculum

must be broadened still further to train this country's diplomats to address the new issues that threaten the United States in the post-Cold War era.

"As you know, I have only been in my new job for about 10 weeks," she said, "but I have already developed a few ideas for new courses here at FSI. Most

*"I have already developed a few ideas for new courses here at FSI. Most pressing among them, as I look ahead to next spring, is baseball."*

— Secretary of State  
Madeleine K. Albright

pressing among them, as I look ahead to next spring, is baseball," she joked, referring to her anemic first pitch at the Baltimore Orioles' opening day game last week.

But she was not joking in saying that U.S. diplomacy must undergo fundamental change of focus as the definition of national security changes with the breakup of the Soviet Union and the end of the Cold War.

"To function successfully in this diverse, fast-paced and rapidly changing environment, we will need women and men trained to deal with the world not as it was but it is and as it will become," she said.

This has been a foreign policy theme of the Clinton administration, first under Secretary of State Warren Christopher in President Clinton's first term, now under Albright.

The message is that the threats to the safety and well-being of Americans in the next century are more likely to come from heavily armed drug cartels, environmental degradation and overpopulation than from Russian missiles.

In addition, Albright said, some of the most serious diplomatic challenges today are posed by "nonstate actors," such as ethnic militias and drug cartels, that are not amenable to traditional diplomatic techniques.

In such a world, Albright said, future Foreign Service officers will have to function well outside the traditional world of oblique conversations with men in suits.

"They will be asked to promote a mix of economic, agricultural and social policies that will ensure greater food security in Africa," she said.

"They will be visiting factories to ensure that intellectual property and copyright restrictions are being respected. They will be working with public and private sector representatives who are striving to stabilize population growth, prevent complex humanitarian emergencies and care for the new international homeless: displaced persons and refugees.

"And they will be helping to establish police training programs, negotiate extradition agreements and review bank secrecy laws to combat international crime wherever and in whatever form it appears," Albright said.

Many foreign policy specialists, inside the government and outside, have criticized this approach to foreign policy, arguing that the State Department should concentrate on managing relations with major countries such as Russia and China and focus on traditional strategic interests.

Such people, Albright said, "refuse to accept that confronting [the] new threats is real, serious foreign policy. Like Bismarck, they want to play geopolitical chess, but don't realize the board is not two-dimensional any more."

# The Washington Post

THURSDAY, APRIL 10, 1997