Committee on Labor Standards and Human Rights
University of Michigan

Minutes—Meeting of April 12, 2002

Present: David Deeg, Sioban Harlow, James Hines Veronica Johnson, Kevin Kolben, Larry Root, Steven Rosenberg

Absent: Kristen Ablauf, Louis Green, and Rob Howse

The Committee reviewed and approved the minutes from the meeting of March 15.

Recommendation concerning termination of New Era licensing agreement. In response to a request from Interim President White, the Committee discussed whether to recommend the termination of the licensing contract with New Era Cap Company. Discussion by the Committee was preceded by remarks from two of the eleven students in attendance as observers.

Those in favor of recommending the immediate termination of the contract argued that the prolonged failure of the company to respond to the WRC preliminary report and the seriousness of the allegations warranted taking immediate action and that failure to do so would compromise our commitment to our code of conduct. Those arguing against taking this action contended that the current initiatives undertaken by the Company to address the allegations represent steps in the right direction and the process should be allowed to continue without further actions on the part of the University. The issue of avoiding actions that might increase the likelihood of ultimate job loss for New Era workers was also raised in the context of the University’s overall goal of seeking remediation of conditions.

The Committee voted (6-1) to approve the following recommendation:

The Committee on Labor Standards and Human Rights recommends that the University immediately institute procedures to cut the licensing relationship with New Era Cap Company and that reinstatement or renewal of the license not be considered unless New Era adequately demonstrates that it is in conformance with the University’s code of conduct.

Discussion of the FLA. The Committee began its discussion of the University’s membership in the FLA and the WRC, addressing the former in this meeting. The discussion was guided by three overall questions: How does the organization contribute to the goals of the University? What further information is needed to assess the organization? What changes would make organization more effective?

The discussion began with a summary of some of the concerns raised prior to the University joining the FLA. These included criticisms that the FLA was too “company-dominated,” lack of transparency in reporting, and potential weakness monitoring model (factories monitored too infrequently, the effectiveness of internal monitoring, and company control of the selection and payment of monitors).

1. How does the organization contribute to the goals of the University?
   a. The FLA provides an overall plan for monitoring and enforcement of the University’s code of conduct through a system of internal and external monitoring.

2. What further information is needed to assess the organization?
   a. More in-depth knowledge of how monitors were accredited by the FLA; training of the monitors (raised with mention of the problematic reliance upon volunteers by the WRC)
   b. Information about the monitoring experience, including assessment of the accuracy of internal monitoring based on comparisons with external monitoring would be helpful.
   c. Status of the role of “super-majority” rules for Board decisions (related to the concern about corporate dominance in the FLA structure).
   d. Up-to-date information on membership and monitoring activities.

3. What changes would make organization more effective?
   a. Timeliness was raised as a problem. It was noted that the FLA’s delays in addressing New Era, including the handling of their independent monitoring report and the restrictions on New Era’s ability to share it made it more difficult for the University to address this issue.
   b. The issue of communication and transparency continues to be a problem area. Although actions taken at the April 9 meeting of the FLA Board may address some of these issues, this is an area that needed continued attention. It was also noted fiscal reporting should be a part of the annual report that the FLA is preparing this summer.
c. The educational role of the FLA appears to be an area of potential contribution. It was noted that the internships arranged through Verite appeared to be much more expensive than comparable experiences that are available to University students. Drawing upon the resources of member universities, the FLA has the potential to stimulate more advanced training in monitoring-related activities, such as in the area of health and safety and freedom of association.

d. representation of work groups on the Board of the FLA (and the WRC).

Other discussion. The idea of developing some form of certification program for monitors was raised. It was noted that there are significant University resources in a variety of the relevant areas and that such certification might provide a valuable direction for interested students.

The Committee also discussed the importance of sponsoring conferences or other venues for broader discussion on campus of the issues of labor standards and human rights.

The next meeting will be Friday, April 19.