

Source 4 Nike Code of Conduct, circa 1998

NIKE CODE OF CONDUCT

NIKE Inc. was founded on a handshake.

Implicit in that act was the determination that we would build our business with all of our partners based on trust, teamwork, honesty and mutual respect. We expect all of our business partners to operate on the same principles ...

NIKE seeks partners that share our commitment to the promotion of best practices and continuous improvement in:

1. Occupational health and safety, compensation, hours of work and benefits.
2. Minimizing our impact on the environment.
3. Management practices that recognize the dignity of the individual, the rights of free association and collective bargaining, and the right to a workplace free of harassment, abuse or corporal punishment.
4. The principle that decisions on hiring, salary, benefits, advancement, termination or retirement are based solely on the ability of an individual to do the job.

... we also bind these partners to specific standards of conduct. These are set forth below:

Forced Labor: (Contractor) certifies that it does not use any forced labor — prison, indentured, bonded or otherwise.

Child Labor: (Contractor) certifies it does not employ any person under the minimum age established by local law, or the age at which compulsory schooling has ended, whichever is greater, but in no case under the age of 14.

Compensation: (Contractor) certifies that it pays at least the minimum total compensation required by local law, including all mandated wages, allowances and benefits.

Benefits: (Contractor) certifies that it complies with all provisions for legally mandated benefits, including but not limited to housing; meals; transportation and other allowances; health care; child care; sick leave; emergency leave; pregnancy and menstrual leave; vacation, religious, bereavement and holiday leave; and contributions for social security, life, health, workers compensation and other insurance.

Hours of Work/Overtime: (Contractor) certifies that it complies with legally mandated work hours; uses overtime only when employees are fully compensated according to local law; informs the employee at the time of hiring if mandatory overtime is a condition of employment; and, on a regularly scheduled basis, provides one day off in seven, and requires no more than 60 hours of work per week, or complies with local limits if they are lower.

Health and Safety: (Contractor) certifies that it has written health and safety guidelines, including those applying to employee residential facilities, where applicable; and that it has agreed in writing to comply with NIKE's factory/vendor health and safety standards.

Environment: (Contractor) certifies that it complies with applicable country environmental regulations; and that it has agreed in writing to comply with NIKE's specific vendor/factory environmental policies and procedures, which are based on the concept of continuous improvement in processes and programs to reduce the impact on the environment.

Documentation and Inspection: (Contractor) agrees to maintain on file such documentation as may be needed to demonstrate compliance with this Code of Conduct, and further agrees to make these documents available for NIKE or its designated auditor's inspection upon request.

The NIKE Code of Conduct is a document that defines our contractor's obligations to NIKE and the contract worker, and provides a set of standards against which we can measure our contractors' compliance.

First written in January 1992, NIKE's Code of Conduct has been revised recently to add new language and provisions suggested by non-governmental organizations (NGOs) and other bodies. It is a living, breathing document, and can and will be revised again as we learn new and better ways to communicate our standards to the contractor, and to the worker.

Source 5 USAS media release about Nike violations, 2017

FOR IMMEDIATE RELEASE, WEDNESDAY, AUGUST 30, 2017

... The USAS [United Students Against Sweatshops] effort helped gain Nike's acquiescence to a one-time WRC [Worker Rights Consortium] investigation at Hansae [factory in Vietnam] that produced a finding of numerous serious violations of apparel workers' rights including wage theft, the firing of pregnant women, and repeated fainting due to intolerably high temperatures inside the factory. The WRC report undermined Nike's claims about the adequacy of its self-monitoring regime that had given a clean slate to conditions at Hansae over a ten-year period.

... Nike tried to turn back the clock on twenty years of fundamental labor compliance by barring independent inspectors' access to its 680 subcontracted factories. Students and workers launched a global campaign that forced Nike to reverse its position. With pressure from schools like Georgetown University and the University of Washington among others, Nike has committed to return to its obligations under agreements it has with many universities requiring it to allow the Worker Rights Consortium to conduct inspections as needed. This campaign serves as a reminder that even the largest sports apparel company in the world can be forced into compliance with labor rights standards by the combined efforts of students and garment workers, said Angeles Solis, USAS's labor rights campaign coordinator.

... USAS's "Just Do the Right Thing" & "Just Cut It" Campaign 2016 –2017

Georgetown University:

Nike and Georgetown have a longstanding relationship. Renowned retired basketball coach, John Thompson Jr., sits on the Board of Nike and the school has the largest Nike Air Jordan contract of any university in the country. Former Hoyas point guard, Michael Jackson, is now the Vice President and General Manager of North America Basketball for Nike, and a number of Georgetown Athletes are now in professional leagues with Nike sponsorships. However, Georgetown is also a founding member of the WRC and has held a seat on its board since its formation in 2001. Despite their sponsored gear, student athletes stepped up to lead the Nike campaign on their campus — demanding the school stay true to its Jesuit values by organizing campus actions. Their campaign escalated to a 30 hour student occupation of President DeGioia's office, where university administration conceded to only renew Nike's license if the company agreed to WRC monitoring. In August of 2017, Georgetown finalized an agreement between NIKE Inc. and the Workers Rights Consortium on standards of independent access and remediation of Nike supplier factories. The protocol is legally binding once instituted into university licensing agreements, as Georgetown has on August 30th of 2017.

... University of California – Berkeley & Los Angeles:

Cal's athletics program used to be sponsored by Nike. In August, Cal switched its sponsorship to UnderArmour in a 10 year agreement worth \$86 million. UCLA's athletics program used to be sponsored by Adidas. Last May, UCLA switched its sponsorship to UnderArmour, signing a 15 year agreement worth \$280 million and estimated to be the biggest sponsorship deal in NCAA history. The University of California ... recently adopted a policy on March 17, 2016, requiring licensees to "give the University or its Licensing Agent(s) and/or NGOs free and full access to all facilities, materials, and records that may be relevant to such investigation [of factories' working conditions]."

Student Handout 1

Investigative question (note, for the purposes of this activity the investigative question is more specific than the larger question at the beginning of the set): **How does globalization affect businesses, workers, and consumers?**

Basic Source Information	Source Description	Source Analysis	
<p>Title: Nike Code of Conduct</p> <hr/> <p>Author:</p> <p>Nike, Inc.</p>	<p>What is the source about? (Use bullets to describe.)</p> <ul style="list-style-type: none"> • How Nike intends to do business. • That Nike has high standards for its contracting factories to protect the rights of workers, in terms of pay, safety, and other working conditions. • That Nike is opposed to forced labor and child labor. • That Nike is in favor of environmentally-friendly practices. • That Nike recognizes the need to continually update its code of conduct. 	<p>Perspective: Who is the author (their nationality, their job, etc.) and how does that help you understand why they say what they do?</p> <p>This is a company document that is intended to highlight the company's corporate responsibility and to cast Nike in a good light.</p>	
<p>Document type (text, photo, map, etc.): text</p>		<p>What is the main idea/thesis of the source?</p> <p>That Nike holds its contracting factories to high standards with the expectation that they will create conditions that protect workers and the environment.</p>	
<p>Date: Circa 1998</p>			
<p>Audience: General public</p>			

Student Handout 2

Investigative question (note, for the purposes of this activity the investigative question is more specific than the larger question at the beginning of the set): **How does globalization affect businesses, workers, and consumers?**

Basic Source Information	Source Description	Source Analysis
<p>Title: USAS media release</p> <p>Author:</p> <p>United Students Against Sweatshops</p>	<p>What is the source about? (Use bullets to describe.)</p> <ul style="list-style-type: none"> • The USAS successfully pressured Nike to allow for an independent monitoring of its contracting factory in Hansae. • The independent investigation of the Hansae factory found multiple workers rights' violations. • USAS, universities, and the WRC investigation pressured Nike to allow for future investigations of the factory. • Students at Georgetown Univ. pressured campus leadership to only sign contract with Nike if it agreed to independent monitoring of its factories. • That Univ. of California schools ended contract with Nike and chose new contracts that allowed for independent monitoring of factories that supply school apparel. 	<p>Perspective: Who is the author (their nationality, their job, etc.) and how does that help you understand why they say what they do?</p> <p>Details unknown, but the media release comes from an organization of students opposed to sweatshop labor.</p>
<p>Document type (text, photo, map, etc.): text</p>		<p>What is the main idea/thesis of the source?</p>
<p>Date:</p> <p>Aug 30, 2017</p>		<p>USAS argues that by preventing independent monitoring of its Hansae factory the company was allowing for serious workers' rights violations to occur within its contracting factory. USAS believes in the importance of independent monitoring of factory conditions.</p>
<p>Audience: General public</p>		

Student Handout 3

Investigative question (note, for the purposes of this activity the investigative question is more specific than the larger question at the beginning of the set): **How does globalization affect businesses, workers, and consumers?**

Step A. Evidence	Step B. Compare and Contrast
<p>List at least two pieces of evidence from the documents that will help you answer the investigative question. (Quotes are OK.)</p> <p>Answers will vary, but should connect specifically to the impact of globalization on Nike and on contracting factories, on workers, and on consumers.</p>	<p>List here the evidence your groupmates wrote down in Step A:</p> <p>Answers will vary.</p>

Consider the relevant evidence from each of your sources. What similarities do you see? Differences?

Answers will vary.

Thesis statement:

Answers will vary. They should speak to the fact that globalization allows for businesses like Nike to produce products for low prices, but that in contracting with foreign factories it is more difficult for workers to be protected by labor laws because not all countries have these laws in place. Consumers can play a role in demanding that companies like Nike guarantee that their products are produced under conditions that are fair to the worker.
