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## **COVID-19 PANDEMIC EXPOSES FAILURES OF TRADITIONAL CORPORATE SOCIAL RESPONSIBILITY WHILE WORKER-DRIVEN ALTERNATIVES PAVE WAY FORWARD**

*MSI Integrity publishes study based on a decade of research with searing critique of traditional corporate social responsibility model; presents cautionary tale for corporate-led responses to pandemic*

Berkeley, California, August 11, 2020 — As COVID-19 disrupts global supply chains and spreads among essential workers in the US and overseas, the Harvard-incubated Institute for Multi-Stakeholder Initiative Integrity (MSI Integrity) published a [major new report](#), which outlines failures by the world's leading voluntary corporate social responsibility schemes to protect human rights in their suppliers' operations. It presents important lessons for why government oversight of labor conditions in supply chains and worker- and community-centered pandemic recovery responses are needed.

“The MSI Integrity report provides an unprecedented—and extremely timely—measure of a failed paradigm for protecting workers' human rights,” said Gerardo Reyes of the Coalition of Immokalee Workers (CIW). “The cost of that paradigm, known as the Corporate Social Responsibility model, is found in the thousands of workers' lives lost to factory fires, countless employers guilty of forced labor or sexual assault, and rampant hazardous working conditions,” continued Reyes. “The pandemic only underscores the urgency of the report's conclusions, exposing the crowded, unsafe working conditions that have left workers defenseless against the coronavirus, and that have existed for decades while the corporations that buy the food and clothing the workers produce have turned a blind eye.”

The 235-page [report](#), *Not Fit-for-Purpose: The Grand Experiment of Multi-Stakeholder Initiatives in Corporate Accountability, Human Rights and Global Governance*, reflects on a decade of research into 40 [multi-stakeholder initiatives](#) (MSIs): voluntary partnerships between companies/brands and different stakeholders, such as civil society organizations, to jointly establish industry codes of conduct against which corporate members are generally audited for compliance. Many of these highly influential initiatives were created in the 1990s in direct response to major industry-wide labor abuses in supply chains, like sweatshop labor conditions in clothing factories used by Nike and Gap, or the use of child and forced labor in the cocoa and coffee sourced by Nestle and Hershey. Examples of MSIs include Fairtrade International and the Fair Labor Association.

The report concludes that this grand experiment in outsourcing the responsibility of human rights and labor protections from governments to corporations has failed. Many well-documented cases illustrate how these initiatives fall short of protecting workers: Just three weeks before the 2012 garment factory fire in Pakistan that killed nearly 300 workers, Social Accountability International [certified the facility as safe](#); in 2019, tea sourced from Sri Lankan plantations that paid workers as little as [US \\$0.14 a day](#) was certified as slavery-free by Fairtrade International and Rainforest Alliance; and [child labor continues](#) today in certified cocoa farms.

Yet, even with the increasingly dangerous working conditions under COVID-19, these voluntary initiatives continue to be a primary source of “protection” for many of the world’s workers. More than 10,000 companies participate in [these MSIs](#), including 13 of the world’s 20 largest companies by revenue. The report details [systemic flaws](#) in these voluntary initiatives, such as lack of effective measures for workers to report violations or seek remedies for abuse.

The findings are particularly relevant as discussions unfold globally around whether companies should be held liable for failing to protect workers from COVID-19 transmission in the workplace, or more pressure should be put onto the voluntary rights-protection measures corporations adopt. The grave consequences of voluntary pandemic responses have already been revealed in exposés of industry efforts to [strip poultry workers of protections](#) and [assaults on unions](#) and [highly viral conditions in garment factories](#).

“Governments have been experimenting with outsourcing their human rights obligations to corporations for the last three decades. The failure of this experiment has left communities around the world vulnerable to continuing abuse by businesses. Workers in supply chains cannot rely on voluntary measures to keep them safe or protected,” said Amelia Evans, the Executive Director of MSI Integrity. “If we want to ‘build back better,’ then companies need to be legally responsible for the conditions of workers throughout their global supply chains.”

MSI Integrity calls for more effective government regulation and enforcement. It also points to the [Worker-driven Social Responsibility](#) (WSR) approach, which is employed by the Bangladesh Accord for Building and Fire Safety and the CIW-founded Fair Food Program (FFP), for overcoming two central limitations of MSIs: their inability to legally enforce their standards and their entrenchment of corporate interests by failing to center rights holders in their operations and governance. Unlike MSIs, WSR initiatives have been created by workers themselves, with worker-centered rights education, monitoring systems and protected complaint mechanisms. WSR programs routinely reinforce these mechanisms with mandatory economic consequences for violations, making brands and companies more accountable for the abuses that occur in their supply chains.

“The Fair Food Program was launched in 2011 by the CIW on the basis of almost a dozen binding legal agreements with major retail food brands,” said Judge Laura Safer Espinoza, Executive Director of the Fair Food Standards Council and a former New York State Supreme Court judge. “Those agreements require the buyers to suspend purchases from non-complying farms, providing meaningful market consequences for violations of workers’ rights,” continued Judge Safer Espinoza. “The mechanisms of the Fair Food Program are essential to establishing real human rights protections in corporate supply chains, and we are working today on harnessing those same structures to establish—and enforce—additional health and safety protections on participating farms to blunt the impact of COVID-19.”

Since the beginning of the pandemic, many of the existing FFP mechanisms have been leveraged to address COVID-related issues, including the worker complaint hotline, audits, and the worker-to-worker education system, which has helped push crucial public health information to isolated farms. Efforts are currently underway to establish, ahead of the coming fall harvest season, new requirements under the program’s Fair Food Code of Conduct. The new requirements will be treated as new mandatory standards under the program and enforced on all participating farms.

The report and related materials are available from [www.msi-integrity.org/not-fit-for-purpose](http://www.msi-integrity.org/not-fit-for-purpose)

A press FAQ for the report is available from:  
<https://www.msi-integrity.org/not-fit-for-purpose-press-kit-faq/>

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