Project Number: JS6 IQP 1005

# Consumer Activism: An Analytical and Philosophical Prototype for Point of Purchase in the 21<sup>st</sup> Century

An Interactive Qualifying Project Report submitted to the Faculty of the WORCESTER POLYTECHNIC INSTITUTE in partial fulfillment of the requirements for the Degree of Bachelor of Science by

Aaron M. Bell
May 26, 2007

Joshua R. Jamilkowski
May 26, 2007

Approved:

Professor John Sanbonmatsu, Advisor

May 26, 2007

#### Abstract

The goal of our project was to research the history of the modern boycott, create a philosophical framework to address the moral issues of the project, and finally, to design a tool to utilize existing technology and information databases, with the goal of providing information to consumers at the point of purchase. The tool was intended to be only a prototype which, upon completion of the project, could be made available to any preexisting organization who wished to utilize it. In order to accomplish these goals we engaged in extensive research of consumer movements, philosophical positions which were both complementary and antithetical to the project, existing technologies and possible implementations, and already established organizations with similar objectives. Additionally, we interviewed Alice Tepper Marlin, an influential member of the consumer activism movement, conducted a survey of local college students with questions pertaining to user interest and familiarity of the issues addressed by the project, and finally worked on implementation of a Podcast based distribution system.

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# **Executive Summary**

The goal of this project was to assist in the development and expansion of the consumer activism movement. We hoped to achieve this goal through various means, including an external critique of existing actors within the movement, a more thorough treatment of the moral issues involved than had previously been provided, and a form of efficient, portable information distribution<sup>1</sup>. We hoped that these contributions would help both the individual actors and the movement as a whole to be more effective, specifically enabling a more efficient system for reaching a wider range of sympathetic individuals. Due to the participatory nature of the consumer activism movement, we felt that it was essential to recruit as many people as possible.

Our motivation for this project came from our dissatisfaction with the capitalist mode of production, which exploits and oppresses a majority of people so that a minority can enjoy a life of relative luxury, mostly ignorant of the consequences of their action. We were motivated by our care for others and our feeling that the only moral thing to do concerning the situation of capitalist exploitation resulting from globalization is to combat it. We chose education as our vehicle of opposition because of our belief that many people who are actively engaging in the exploitation of large numbers of people half a world away do so without explicit knowledge of the consequences of their action, or may feel overwhelmed by the daunting task of making morally advisable consumer decisions. The purpose of our project was to enable people to make ethical decisions and influence corporate policy with their purchasing power. We did this under the presumption that the corporate sector will only act in an ethical manner if it is forced to by the people that support it monetarily (this subject will be discussed in detail later in the paper). We hoped to do this by creating a prototype of a digital method of information distribution to be used as a guide for consumers that wish to make moral consumer decisions. We hoped to give this prototype to an existing, capable organization to fully implement.

<sup>1</sup> These methods could range from Email Newsletter which could be printed out a relatively little cost to Personal Electronic Devices, specifically focusing on MP3 players

Our research focused mostly on acquiring a thorough conception of historically similar popular movements preceding the one we currently participate in and developing a rigorous philosophical treatment of the ethical and societal implications of the issues which surround the core of the project. During the course of the project we also corresponded with various members of organizations within the movement and organized an interview with Alice Tepper Marlin, an influential actor within the consumer activism movement. Finally, we researched various portable technologies, specifically focusing on percentage of personal ownership in the marketplace, difficulty of developing a compatible interface capable of conveying a sufficient amount of research on chosen corporations, and the ability to easily update and distribute new information with minimal cost to user and provider.

We concluded that working with MP3 technology would be the most valuable course of action due to the ease of distribution, development, and usability for a wide range of users with varying levels of knowledge and expertise. Once we decided upon the use of MP3 technology we researched which forms of distribution would be most efficient and which specific MP3 players were to be focused on. Due to market research which indicated that a significantly large number of users owned iPod MP3 players we chose to focus primarily on developing Podcasts, with an emphasis on the iPod's unique interface. We chose Podcasts as our method of distribution because of their popularity, ease of use, (both for the user and distributor), and the relatively minimal amount of resources required for development. Rather than using an audio format, the traditional use for Podcasts, we chose to encode limited but concise information in the ID3<sup>2</sup> tags of the MP3 files. The ID3 tags were encoded with a categorical assessment pertaining to specific companies, which was derived from an evaluative system we developed for the project. The system was composed of five categories that each company would be rated on: labor rights, human rights, animal rights, environmental policies, and effect on democracy at home and abroad. The system will be described in further detail later in the paper. Additionally, we included a

2 ID3 tags can be attached to MP3 files and hold information about the file, such as title, artist, album, or genre.

PDF file for each corporation evaluated, serving as a verbose description and justification of the assigned ratings.

All together, the Podcast provides concise information to help the consumer make an ethical choice at the point of purchase, in the form of ID3 encoded MP3s to be viewed on the actual MP3 player, and detailed justification and description of all evaluations to be read at the consumer's leisure, in the form of a PDF files. We feel that the project will be a valuable tool for the consumer activism community and we hope to hand over the prototype to an existing organization that has the capability to fully implement and maintain it.

## Chapter 1: Methodology

The goal of our project was to research the history of the modern boycott, to create a philosophical framework to address the moral issues of the project, and finally, to design a tool to utilize existing technology and information databases, with the goal of providing information to consumers at the point of purchase. The tool was intended to be only a prototype which, upon completion of the project, could be made available to any preexisting organization who wished to utilize it. In order to accomplish these goals we engaged in extensive research of consumer movements, philosophical positions which were both complementary and antithetical to the project, existing technologies and possible implementations, and already established organizations with similar objectives. Additionally, we interviewed Alice Tepper Marlin, an influential member of the consumer activism movement, conducted a limited survey pertaining to user interest and familiarity of the issues addressed by the project, and finally worked on implementation of a Podcast based distribution system.

#### Research

Our initial research focused on the history of the consumer boycott movement and exploratory readings concerning the philosophical position of the paper. The benefit of the research on consumer boycotts was two fold; the research familiarized us with the terminology and core concepts of the topic, and

the project helped to establish a historical perspective for our project. The philosophical readings helped us to better understand and articulate the justification for not only the project but consumer activism as a whole. It also allowed us to deal with and develop a means to refute positions which questioned the legitimacy of the movement which we planned to take part in.

In addition to exploring existing research we conducted an interview<sup>3</sup> and a limited survey. The interview took place half way through the project, with us interviewing Alice Tepper Marlin. The issues discussed centered around the movement as a whole, Alice's part within said movement, her reflections on her involvement, and her opinion on the potential benefit of a project such as ours. The interview was beneficial because it further established the place of our project within the past and present status of the movement and served to validate the end goals of our project. The survey, although limited by financial and time constraints, helped to provide a greater understanding of our potential audience and their understanding and interest in the project. We found that many people had what appeared to be a limited understanding of importance of unionization and the use of paramilitary organizations by corporations but still had an interest in the project as a whole.<sup>4</sup>

Finally, we researched currently available technologies, evaluating them on their applicability to the project. Technologies were evaluated on public popularity (ownership), ease of use in terms of ability to update and distribute information, ability to convey necessary project information intuitively, relative ease of implementation, and overall cost to all involved parties. Based on this research, we determined that two implementations were most favorable; the Podcast and electronic newsletter. The Podcast was chosen because of its low cost, ease of use, ability to update quickly and easily for both content creators and end users, and lack of production cost. Electronic newsletters were chosen because of their appeal to individuals not familiar with MP3 technology, their lack of production cost, and their ease of implementation. The same information compiled for the Podcast PDF files will easily be imported into a mailing list with little time or effort.

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<sup>&</sup>lt;sup>3</sup> The interview can be found in its entirety in *Appendix A: Interview with Alice Tepper Marlin*.

4 A detailed discussion of the findings and limitations of the survey will be discussed in **Error! Reference source not found.**.

# Development

Before we could begin developing the interface to represent the information we had discovered about the corporations profiled we had to create a system of evaluation to organize it. The system of evaluation was an important aspect of the project and we attempted to balance concerns of the inherent need for brevity with the goal of accurately identifying and representing the important issues surrounding the movement we hoped to help. We have chosen to divide the criteria that every company is rated on into five categories: environmental, human rights, labor rights, animal rights, and support of democracy domestically and abroad. Each category was chosen to help form an accurate, cumulative picture of the potential destruction immoral business practices can lead to. The most common violations and misconduct engaged in by the private sector fall into the five categories we have chosen. The only category that requires a detailed explanation is the support of democracy domestically and abroad criteria. We felt that it was important to monitor and explain to consumers the different ways that certain companies undermine democracy, either through sponsorship of political candidates or through more overt methods, such as employing paramilitary organizations to coerce or even murder people.

When companies give large donations to political campaigns they are obviously expecting a return from their investment and we must recognize that fact; corporations are in the business of making money and they would not be making campaign contributions to candidates unless they were being paid back in some way. Furthermore, when companies spend money to hire paramilitary groups they are going above the law and government of the countries they operate in, undermining any fragile sense of democracy that developing nations may have.

To simplify the process we have chosen to rate the five categories in a pass or fail method, with an additional mark for the most grievous offenders. We chose to implement this last feature to separate companies with minor violations from those who engage in the most egregious business practices. This mark will not be attributed to a single category but rather to the company as a whole. This

decision reflects our belief that a company can not be viewed as an isolated group of component parts; it is a cohesive organization and therefore must be held accountable for all of its actions. A prime example of this is the Wal-Mart Corporation. Many people with explicit knowledge of Wal-Mart's support of sweatshop labor feel justified in continuing to shop there because they choose not to buy clothing from Wal-Mart. Wal-Mart's many other immoral business practices aside, this strategy is seriously flawed despite its ability to make the individual feel morally pure. This action is similar to only shaking the left hand of a murderer because he grasped the murder weapon in his right; you are still interacting with the murderer, despite the fact that you have distanced yourself from the specific implement of the crime. In other words, one must recognize that it is the corporation that has committed the act not simply the subsidiary which sells its clothing. After developing our moral understanding of the project we working on our practical solution.

To develop the Podcast we first had to familiarize ourselves with the XML programming language, which is used to distribute the compiled information to the end-user. It was a relatively easy language to use, making it beneficial to any organization which hopes to use it because a development specialist would not be required. There are preexisting tools that could be used to generate Podcast content for a small initial fee<sup>5</sup>. Once we felt confident with the language we began to design a test Podcast, which we used to assess the limitations of the iTunes Podcast manager6 and the medium itself. Our primary focus was on the level of detail we would be able to represent after the Podcast was transmitted subsequently formatted, and finally loaded onto the user's MP3 player. Once we had an understanding of the limitations incurred from transmission we began to develop the system of evaluation and how it would be represented through the ID3 format. Our initial vision, to use the internal ratings system of ID3 tags, which consists of a 5 star system, had to be changed because of limitations of the display

<sup>5</sup> Tools for creating a Podcast already exist and can be easily found on the internet. These tools usually have a graphical interface which streamlines the entire process. Because the interface is graphical the user does not need to have an understanding of XML since the program generates the necessary code.

<sup>6</sup> Released by Apple, iTunes is a computer program to manage and listen to audio files and visual files, primarily MP3s. iTunes is relevant for this project because of its popularity for receiving Podcasts and it is free and easy to use.

capabilities of the majority of MP3 players. In response to this, we chose to develop two MP3s for every company, one consisting of a concise, one sentence judgment of the company, the other being a five category rating system<sup>7</sup>, consisting of a passing, failing, or undetermined rating for each. After the development of a template to be used for all of the companies profiled we began to gather the necessary information to evaluate the companies we chose for the prototype. For the prototype, we chose a diverse group of companies, ranging from corporations with the most horrible business practices to those with relatively moral ones. For each company we created a set of the two aforementioned MP3 files and an accompanying PDF file.

After this process was completed we added all of the files into the Podcast feed XML file. To do this we had to create an XML with references to the MP3 files we created. Within the XML file we had to fill in all the appropriate information for each file, consisting of file name, description, date published, and author. The publication date information is essential to the project because it allows for files to be easily and recognizably updated by most Podcast managers. When a file with a more recent publication date is detected by the manager it is automatically downloaded, replacing the older, out of date file.

After completing the initial setup of the XML file we posted the Podcast at a website we created<sup>8</sup> and began subsequent testing with the iTunes Podcast manager and FeedReader<sup>9</sup>. This lead to subtle revisions of the initial ID3 template due to formatting that occurred during the transmission of the Podcast. Originally we planned to utilize the genre and rating variables to display information pertaining to the category of the company and its rating, but iTunes filled this section with information about the Podcast itself. We could not find a way to override this formatting that would be easy enough to implement for a large audience. While there may be internal iTunes features that could be modified to fix the Podcast formatting issues we felt that expecting users to deal with this problem was too demanding for our target audience.

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<sup>&</sup>lt;sup>7</sup> This system is shown in *Appendix D: Example of a Full Rating of a Company*. 
8 http://users.wpi.edu/~aaronb/IQP.xml

<sup>&</sup>lt;sup>9</sup> FeedReader is a free RSS feed reader which allows the user to download and view RSS feeds in the form of XML files. The program is easy to use and takes up minimal space on the user's machine, making it a good tool to use to subscribe to feeds.

# **Chapter 2: Case Studies of Corporate Behavior**

#### Introduction

Because the notion of corporate responsibility or irresponsibility might still seem vague or abstract to our reader, in this section we provide some concrete empirical cases in which the true human and ecological costs of corporate predation become crystal clear. When one thinks of the corporate responsibility movement and the preceding and ongoing travesties which make it necessary, generally images of flaming oil fields, children packed into disgusting factories assembling Nike sneakers, and other commonly understood but infrequently thought of horrors come to mind. One generally does not think of bananas, soft drinks, or consumer electronics. While the general public is conscious, although mysteriously unmoved by, the horrors of Philippine sweatshops and the African conflict diamond trade, our attention is largely fixed on these few examples and refrains from or is ignorant of how pervasive these conditions are in all areas of the global economy. While this may be a societal coping mechanism, to be aware of the problem, but only on a purposefully small scale, our project hopes to bring to light the significance of all of our purchases, not simply the ones which celebrities and politicians deems worthy to mention.

We have chosen to profile these three commodities and companies to more fully illustrate the sometimes hidden and vastly destructive qualities of Capitalism and globalization. Furthermore, the case studies demonstrate the absolute necessity of projects such as this and the consumer activism movement as a whole. These case studies, because of the powerful and well known companies and products they deal with, serve as lasting reminders of the hidden wounds inflicted by Capitalism and our own responsibility, as consumers, for the damage done and that which has yet to be wrought.

# Chiquita Banana

Exposing the truth behind the farce

While the general public is conscious, although mysteriously unmoved by, the horrors of Philippine sweatshops and the African conflict diamond trade, our attention is largely fixed on these few examples and refrains from or is ignorant of how pervasive these conditions are in all areas of the global economy. While this may be a societal coping mechanism, to be aware of the problem, but only on a purposefully small scale, our project hopes to bring to light the significance of all of our purchases, not simply the ones which celebrities and politicians deems worthy to mention. We hope to illustrate this point by profiling a seemingly innocuous product; the banana. We have specifically chosen to talk about Chiquita Brands because they are the leading distributor of bananas in the country. We can expect, due to their success and status, that their business practices are similar to many of their competitors in the fruit importation industry and thus they serve as a valuable case study for how business is conducted with fruit producing nations of the developing world.

Chiquita Brand's most recent publicly acknowledged ethical infraction is its involvement with the Colombian terrorist organizations National Liberation Army (ELN), United Self-Defense Forces (AUC)<sup>10</sup>, and Revolutionary Armed Forces of Colombia (FARC).<sup>11</sup> Chiquita admitted to paying the AUC, a private paramilitary force created by Pablo Escobar in 1981<sup>12</sup>, approximately \$1.7 million dollars in protection money concerning banana harvesting during the period of 1997 to 2004. Additionally, the company allegedly paid both the ELN and FARC paramilitary groups as their banana harvesting territory moved across Columbia throughout their years of involvement in the area.<sup>13</sup>

Chiquita has admitted guilt in an official press release concerning the trial, stating that:

<sup>10</sup> In a report outlining paramilitary organizations in Columbia, the Center for Defense Information stated that "In 2001, the AUC killed at least 1,015 civilians, a statistic that greatly surpasses the 197 civilians killed by the FARC. The AUC also committed over 100 massacres in 2001, a typical terror tactic used to displace large portions of the peasant population in order to better control major coca-growing territories. Indeed, the U.S. State Department noted that the AUC was responsible for about 43 percent of Colombia's internally displaced people in 2001" http://www.cdi.org/terrorism/auc.cfm 11 Leslie Schulman, "Chiquita pleads guilty to paying protection money to Colombian terrorists", Jurist Legal News and Research, March 19, 2007, http://jurist.law.pitt.edu/paperchase/2007/03/chiquita-pleads-guilty-to-paying.php.

<sup>12</sup> Victoria Garcia, "Terrorism – In the Spotlight: United Self-Defense Forces of Columbia". Center for Defense Information., September 23, 2002, http://www.cdi.org/terrorism/auc.cfm.

<sup>13</sup> Matt Apuzzo, "Chiquita to Pay \$24M Fine in Terror Case". ABC New, March 5, 2007, http://abcnews.go.com/Politics/wireStory?id=2952161&page=1.

"In 2003, Chiquita voluntarily disclosed to the Department of Justice that its former banana-producing subsidiary had been forced to make payments to right- and left-wing paramilitary groups in Colombia to protect the lives of its employees... Under the terms of the agreement, the company will pay a fine of \$25 million, payable in five annual installments."

It is worth noting that in the same press release Chiquita attempted to minimize the charges by saying that it had "been forced to make payments to ... paramilitary groups" and that the payments were altruistic, being "motivated by our good faith and concern for the safety of our employees." Most interesting was their claim that they "made this disclosure [in 2003] shortly after senior management became aware that these groups had been designated as foreign terrorist organizations", implying that they were unaware that the paramilitary organizations, one of which was founded by Pablo Escobar, an international drug lord, were classified as terrorist for the seven years that they were paying them. Adding to the dubious nature of this statement is the fact that the AUC was officially declared a terrorist organization by the United States government in September of 2001, two years before their financial arrangement ended. <sup>15</sup>

Chiquita, in addition to its admitted human rights violations, has also disregarded the health of its workers through the use of banned pesticides in the past. Starting in the 1960's and continuing into the 1980's Chiquita and other fruit producing companies were found to be exporting Nemagon, a chemical pesticide that was banned in the US in 1979 for causing sterility, to be sprayed on their crops in Central American countries. In 2004 a lawsuit was filed against Chiquita for using Nemagon by its Costa Rican workers affected by the toxic chemical. The lawsuit, filed in Los Angeles, stands little chance of success, despite sufficient evidence. No US court has ever awarded compensation for alleged damages to any workers bringing forth a case against the companies in question. Similar

<sup>14</sup> Chiquita, Chiquita Website, quite possible, the world's best food. http://www.chiquita.com/announcements/Releases/PR070314a.asp . March 15, 2007. (accessed April 29, 2007).

<sup>15</sup> Apuzzo, 2007

<sup>16</sup> Nicaragua Network, International Action Day in Support of Banana Workers!. http://www.labournet.net/world/0311/nicarag1.html. May 11, 2003 (accessed April 29, 2007).

<sup>17</sup> Stephen Leahy, "Workers Left Sterile by Pesticide Seek Justice", Inter Press Service News Agency, End 2004, http://www.ipsnews.net/africa/interna.asp?idnews=26266.

allegations of employee endangerment through the use of virulent chemicals have been made against Chiquita in Nicaragua.

In addition to directly endangering the lives of its workers through violent paramilitary groups and poisonous chemicals Chiquita indirectly supports "the use of harmful child labor ... [where children] between the ages of eight and thirteen ... were exposed to toxic pesticides, used sharp knives and machetes, hauled heavy loads of bananas, drank unsanitary water, and [sometimes] were sexually harassed"<sup>18</sup>, according to a recent report in 2002. Children interviewed by human rights organizations described incidents of exposure and tactics for coping with their toxic work environment. One child said that "I got a fever. . . . I told my boss that I felt sick. . . . He told me to go home. . . . [The second time,] I became covered with red things. They itched. I had a cough. My bones hurt. I told my boss. He sent me home."19 Another described how he and others dealt with their inhumane working conditions: "When the planes pass, we cover ourselves with our shirts. . . . We just continue working. . . . We can smell the pesticides."<sup>20</sup> In addition to potentially being exposed to toxic chemicals many of the young girls face daily sexual harassment. When asked, Fabiola Cardozo, a girl of twelve, described how her boss called her "Oh, my love.' [Adding,] When we bend down to pick up plastic bags, he says, 'All para meterle huevito.' ['There is a good place to stick my balls.']"<sup>21</sup> The harassment is not limited to verbal abuse either; twelve year old Marta Mendoza testified that her boss "told me that he wants to make love to me. Once he touched me. I was taking off plastic banana coverings, and he touched my bottom."22

It is interesting to note that while all children quoted above were younger than fourteen Chiquita maintains that it "does not engage in or *support* the use of child labor [defined as the employment of any child under the age of fourteen]<sup>23</sup>"

<sup>18</sup> Human Rights News, Ecuador: Widespread Labor Abuse on Banana Plantations, April 5, 2002,

http://hrw.org/english/docs/2002/04/25/ecuado3876.htm.

<sup>19</sup> Ibid.

<sup>20</sup> Ibid.

<sup>21</sup> Ibid.

<sup>22</sup> Ibid.

<sup>23</sup> III. Definitions, number 7

in its official "Code of Conduct" While the aforementioned human rights violations may not appear to exemplify the "Core Values" Chiquita claims to abide by, their PR department has developed a means of sidestepping the issue entirely. According to Chiquita they do "treat people fairly and respectfully" and "act responsibly in the communities and environments in which we live and work", so long as they work for Chiquita Brands and not the banana plantations which supply them. Employing a tactic similar to that used by Coke, Chiquita denies responsibility for these violations, claiming that they are not responsible for the actions and conditions of the plantations which supply them. While legally this is the case, it seems unrealistic that a powerful company such as Chiquita has no control over the companies which it *chooses* to do business with. As José Miguel Vivanco, the executive director of the Americas Division of Human Rights Watch, says, "Banana-exporting companies may tell you they're not responsible for labor abuses but they have financial power and could use it to ensure respect for workers rights. They just don't."

Chiquita is an excellent example of how corporations have chosen to deceitfully embrace and quietly undermine the consumer responsibility movement. They have an entire section of their website devoted to detailing their humanist values and business practices. They have successfully harnessed, and in some ways hijacked, the cultural power of corporate responsibility in a way which enables them to spread convincing misinformation, bolstering their public image and setting at ease anyone who doesn't wish to do further research.

#### Coca-Cola

"Every time people enjoy our beverages, they invite us into their lives." 26

Coca-Cola was first created in Atlanta Georgia on May 8, 1886 by Dr. John Stith Pemberton<sup>27</sup>, and has since been involved in numerous scandals and alleged

 $<sup>24\</sup> Chiquita, Code\ of\ Conduct.\ http://www.chiquita.com/corpres/CRCodes/CVenglish01.asp.\ 2007.\ (accessed\ April\ 29,\ 2007).$ 

<sup>25</sup> Ibid

<sup>26</sup> Coca-Cola, Coca-Cola Corporate Citizenship: Social Responsibility, Corporate Awards, Recognition & More, http://www.thecoca-colacompany.com/citizenship/, 2007

<sup>27</sup> The Coca-Cola Company, Heritage – The Chronicle of Coca-Cola. http://www.thecoca-colacompany.com/heritage/chronicle\_birth\_refreshing\_idea.html. 2007 (accessed April 29, 2007).

criminal actions. In 2004 the Multinational Monitor, a consumer advocacy publication, listed Coca-Cola in The Ten Worst Corporations of 2004<sup>28</sup>. Coke "earned" their position largely because of their alleged support of executions and violent coercion and their resolute stance against independent investigations and overall transparency<sup>29</sup>. For an innocent company with nothing to hide Coke has worked hard to control all information involved and to refute any which casts it in a negative light<sup>30</sup>.

Coca-Cola's bottling plants in Columbia have been the grounds of some of the most grievous worker rights violations, including the murder of eight workers, all of which were active union members. The list of men killed can be divided into the three unions which were targeted; Sintradingascol, Sinaltrainal, and Sinaltrainbec, with Sinaltrainal suffering the worst of the violence. Avelino Achicanov Erazo, a "member of the ... executive committee [of the Sintradingascol union] and a member of the strike committee" was the first to be murdered, on July 30<sup>th</sup> 1990.<sup>31</sup> The next union targeted was Sinaltrainal; Jose Eleasar Manco David, Luis Enrique Gomez Granado, Isidro Segundo Gil Gil, Luis Enrique Geraldo Arango, and Jose Libardo Herrera Osorio were all killed between 1994 and 1996. Excluding Arango and Osorio, all members killed held executive positions within the Sinaltrainal union. The last union was attacked in 2001 when Oscar Dario Soto Polo, a leader of Sinaltrainbec, was murdered during negotiations with a Colombian bottling plant. The most recent murder occurred in August of 2002 when Adolfo de Jesus Munera Lopez, a Sinaltrainal member returning from exile, was shot and killed on his mothers door step. Munera had won an appeal in the Constitutional Court of Colombia to be reinstated at the Coke bottling plant he had been unlawfully fired from nine days earlier.

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<sup>28</sup> Coke's absence in the subsequent Ten Worst Corporations "awards" is not necessarily due to an improvement; The Multinational Monitor does not feature corporations two years in a row because "there are always more deserving nominees than we can possibly recognize." (Quoted from following article)

<sup>29</sup> Multinational Monitor. Ten Worst Corporations of 2004. http://multinationalmonitor.org/mm2004/122004/mokhiber.html 2004 (accessed April 19, 2007)

<sup>30</sup> If one goes to www.cokekills.org they will be redirected to an entire site designed to refute accusations against Coke's business dealings in the developing world, specifically Colombia.

<sup>31</sup> Add this and all other footnotes

In addition to murders, Columbian employees of Coca-Cola have been subjected to threats, abductions, and even torture, causing the membership in trade unions in the area to decrease by half.<sup>32</sup> Although Coca-Cola denies any part in the violations, "eye-witness accounts and circumstantial evidence supports allegations that company personnel have organized the murder and intimidation of Coke employees."<sup>33</sup> Sinaltrainal filed a lawsuit against Coke on July 21, 2001 in response to the alleged violations committed in its Columbian plants.<sup>34</sup> Coke responded to the suit by denying the allegations, saying "We do not own or operate the plants". This response is a familiar one. Large multinationals often attempt to deny responsibility for human and labor rights violations committed by their suppliers, claiming that they are not responsible for actions committed by their business partners. Although Coke does not own the bottling plants, they do collect profits from their voluntary partnership with them and therefore hold at least some power over them. The case was ruled out in 2003 because "Coca-Cola couldn't be held responsible for the actions of its bottlers"<sup>36</sup>. The case against the bottlers themselves was allowed to continue. After the cases were thrown out, Hiram Monserrate, a New York City Councilman, led an investigation looking into human rights violations of the Columbian plants. Monserrate revealed 179 human rights violations in the Columbian plants alone, while also finding evidence which supported the allegations regarding Coke's arrangements with paramilitary groups.<sup>37</sup>

While Colombians appear to be powerless to stop the damage being done in their own country, in India strong opposition to Coca-Cola has caused many bottling plants to be shut down. From March 2004 to August 2005 one of the largest Coca-cola plants in India was shut down by the Indian government<sup>38</sup>. Actions resulting in the eventual shutdown were taken in response to wide spread

32 Department of Anthropology, Labor and Human Rights: 'The Real Thing' in Columbia. (report to the Human Rights Committee of the American Anthropological Association, Novemer 28, 2004), 3.

<sup>33</sup> Ibid., 10.

<sup>34</sup> Ibid., 3.

<sup>35</sup> BBC News, Coke sued over death squad claims, July 20, 2001,http://news.bbc.co.uk/1/hi/business/1448962.stm.

<sup>36</sup> Michael Blanding, "The Case Against Coke", The Nation, April 14, 2006, http://www.commondreams.org/views06/0414-27.htm.

 $<sup>37 \</sup> Killer \ Coke, Another \ 'Classic \ Coke' \ move \ to \ Deny \ and \ Delay \ Accountability, \ http://www.killercoke.org/restciuf.htm.$ 

<sup>38</sup> ENS. Community Succeeds in Shutting Indian Coke Bottling Plant. http://www.ens-newswire.com/ens/aug2005/2005-08-22-02.asp 2006 (accessed April 19, 2007).

pollution of the local water supply stemming from the factory's operation.<sup>39</sup> The pollution resulting from this factory was not an isolated incident; Coke has devastated India's environment. The company has dumped its waste water into fields and rivers while distributing its solid waste to farmers as fertilizer. This "fertilizer" was toxic waste, containing both lead and cadmium. Despite Coca-Cola's power in the region communities were successful in combating its destructive environmental practices. A court decision in December of 2003 "ruled that Coca-Cola had to seek alternative sources of water and that it could extract only as much water from the common groundwater resource as a farmer owning 34 acres<sup>41</sup> of land."<sup>42</sup> Coke's disregard for the personal and environmental well being of neighboring communities forced the Indian government to severely restrict the company's actions in an effort to protect its country.

In addition to Coca-Cola's effect on the environment, research in 2003 from various Indian agencies found that both Coca-Cola and Pepsi-Cola products sold in their country contained excessive amounts of pesticides. Tests from the Center for Science and Environment (CSE) found lindane, DDT, malathion, and chlorpyrifos in the drinks, all of which are insecticides and obviously toxic to humans. 43 Coca-Cola products found in India had an average level of contamination thirty times higher 44 than the European Economic Commission (EEC) limit. 45 A report by the EEC said that "each sample had enough poison to cause --- in the long-term --- cancer, damage to the nervous and reproductive systems, birth defects and severe disruption of the immune system."46 Researchers believe that the contamination stems from contaminated ground water which was

<sup>39</sup> India Resource Center, Campaign to Hold Coke Accountable, http://www.indiaresource.org/campaigns/coke/index.html.

<sup>41</sup> The court decided 34 acres because that is the size of the plant.

<sup>43</sup> Rediff India Abroad, Pepsi, Coke contain pesitices, August 5, 2003, http://www.rediff.com/money/2003/aug/05pepsicoke.htm.

<sup>44</sup> It is worth mentioning that the same report found that Pepsi products in the area had a level of contamination 36 times higher than the EEC limit.

This is not to say that Coke is better than Pepsi. Rather, this demonstrates the calculated lack of concern exercised by large multinational corporations. 45 Ibid

<sup>46</sup> Al Krebs, "Coke & Pepsi Sales Collapse in India Due to Pesticide Contamination", Agribusiness Examiner, August 11, 2003, http://www.organicconsumers.org/foodsafety/pepsi\_pesticides.cfm.

used to create the products. Both Coke and Pepsi responded to the findings by denying the evidence<sup>47</sup> and advertising against the research.<sup>48</sup>

While Coca-Cola claims to "benefit and refresh everyone it touches" <sup>49</sup> it has brought terror, pollution, and uncertainty to the developing countries it deals with whenever it proved to be profitable. Coke is responsible for exposing communities to dangerous insecticides, poisoning the very water is uses to produce its product, undermining democracy in the countries where it is most vulnerable, and, most horribly, the murder of eight innocent men who only wished to better their way of life. And in the face of all of this Coke continues to maintain a section of their corporate site dedicated to "corporate responsibility" <sup>50</sup>.

### **Coltan: Africa's Other Blood Commodity**

"Since the nineteenth century, when the world looks at Congo it sees a pile of riches with some black people inconveniently sitting on top of them."<sup>51</sup>

Most people know something about the African conflict diamond trade due to recent media exposure resulting from the Leonardo DiCaprio film "Blood Diamond"<sup>52</sup>. What they don't know is that the type of exploitation dealt with in that film is a much larger part of our lives than they would ever expect. The gang rapes and mass killings are part of the production of their lap top and son's Playstation 2; it isn't limited to needless products of conspicuous consumption like diamond earrings.

Coltan, a metallic ore used in the production of capacitors<sup>53</sup>, and its manufactured derivatives, are currently a driving force in the deadliest conflict since World War II, a conflict that has already claimed the lives of nearly four million people and is believed to be responsible for the death of as many as a thousand more per day.<sup>54</sup> The conflict, occurring in the Democratic Republic of

<sup>47</sup> Each company ran their own tests, finding that their products, shockingly, were safe and within the EEC limits. (Found in following article) 48 Ibid

<sup>49</sup> The Coca-Cola Company, Commitment to Quality, http://www.thecoca-colacompany.com/ourcompany/quality\_brochures.html

<sup>50</sup> The Coca-Cola Company, Social Responsibilty, Corporate Awards, Recognition & More, http://www.thecoca-colacompany.com/citizenship/index.html.

<sup>51</sup> Johann Hari, "A journey into the most savage war in the world", 5 June 2006. http://johannhari.com/archive/article.php?id=863.

<sup>52</sup> Blood Diamond, DVD. Directed by Edward Zwick. 2006, Burbank, CA: Warner Bros. Pictures, 2006.

<sup>53</sup> An electronic component which is present in nearly all consumer electronics.

<sup>54</sup> Polgreen, Lydia. "Chaos in Congo still taking toll on children", NY Times. 30 July, 2006.

Congo (DRC), raged for a decade and its legacy is still felt to this day. Numerous reports, including one conducted by the UN, have found that the illegal exportation of coltan and other valuable resources from the DRC is directly responsible for funding and continuing the conflict. The demand for the illegal mining and exportation of coltan is undeniably linked to the developed world's electronic needs. Once exported the ore is refined in countries such as Belgium, England, and Canada and then directly sold to consumer electronic manufacturers. The trail of blood leads directly from computers like the one this report is being composed on to the gaping holes in the Congo where enslaved children mine an ore that weighs three times as much as iron.

The conflict began in 1998 when Rwanda and Uganda invaded the DRC under the false pretense of tracking down Hutu militias who fled after participating in the 1994 Rwandan genocide. The invading forces, supposedly there to hunt down genocidal forces taking refuge across the border, immediately occupied the resource rich, northeastern region of the DRC. The DRC's president, Joseph Kabila, responded by requesting aid from Zimbabwe, Namibia and Angola to repel the unwanted foreign "support". They agreed to help, sending armies of their own to the area, supposedly in an attempt to force the occupying forces to withdraw. In actuality, Kabila's "allies" entered with the same ulterior motives, to subdue the native residents of the region and to plunder the area's cursed abundance of natural resources. These "armies of business" were interested in exporting coltan and other valuable resources that were and continue to be in great demand in the developed world.

The situation became catastrophic as national and unaffiliated militias ravaged the occupied territories, waging a war for profit directly driven by the developed world's appetite for consumer electronics. In 2002 the conflict officially

<sup>55</sup> U.N. Security Council. Report of the Panel of Experts on the Illegal Exploitation of Natural Resources and Other Forms of Wealth of the Democratic Republic of the Congo (S/2001/357). 12 April, 2001.

<sup>56</sup> Ibid 46-7

<sup>57</sup> Blaine Harden, "The Dirt in the New Machine," The New York Times. 12 August, 2001.

<sup>58</sup> Hari 2006

<sup>59</sup> Ibid.

<sup>60</sup> U.N. Security Council, 41.

<sup>61</sup> Hari, 2006.

ended with the Lusaka Accords, which negotiated the withdrawal of all foreign forces from the region. Many sources still claim that the illegal exportation of coltan and other mineral resources that originally fueled the war is still an ongoing impetus for vast human suffering Johann Hari, an award winning journalist and writer for *The Independent*, wrote in 2006,

the withdrawing countries realized they could suck the mineral marrow from Congo without the costly business of occupation, simply by setting up Congolese militias as their proxies on their way out the door. 64

According to Hari, President Kabila attempted to gain control over the remaining domestic militant forces by integrating them into his government and national army. 65 This would explain why three of Kabila's four vice presidents own personal paramilitary forces. This tactic appears to be failing; the militias that continue to ravage the eastern Congo can offer six times the monthly salary that the government sponsored integration camps can. 66 Besides the obvious moral complications of absolving men and boys who have raped and murdered unknown numbers of innocent Congolese people of their crimes, the plan fails to take into account the horrendous legacy of the conflict. Hari reports that members of these integration camps are commonly known to raid nearby villages for the barest of necessities.<sup>67</sup> Children who have known nothing but killing have grown up into men who resort to violence in moments of desperation and want. One such young man, whose entire family was murdered during the conflict he eventually took part in, said "I can't count how many people I killed. I did it for six years."68 This violent past and the desperation of the area, coupled with international demand for coltan, is being exploited by new, proxy versions of the original "armies of business". Hari puts it concisely: "So long as the militias can

<sup>62</sup> Ibid.

<sup>63</sup> Ibid.

<sup>64</sup> Ibid.

<sup>65</sup> Ibid.

<sup>66</sup> Ibid.

<sup>67</sup> Ibid.

<sup>68</sup> Ibid.

continue to use our money to outbid the national government in haggling for troops, there will never be a unified state in Congo." 69

The atrocities happening in the Democratic Republic of Congo represent the problem this paper focuses on in both its most abstract and real forms. On the one hand the problems in the Congo are so far removed and seemingly unrelated to our way of life that they appear unfortunate but beyond the realm of any personal reaction other than pity. On the other, we can see, with further inquiry, that the demand for coltan from the developed world is directly responsible for a conflict that forced thirty thousand children into militias where they raped, pillaged, and murdered millions of people. A conflict which, in the small province of South Kivu, in one year alone, was responsible for the brutal rape<sup>70</sup> of nearly forty five thousand women.<sup>71</sup> International demand for coltan not only started the conflict and provided funding to continue it, it also continues to make a democratic future for the people of the DRC unimaginable.

Further complicating the issue is the confusing path that conflict produced coltan follows to get from the mines of the Congo to electronic manufacturers. As Kristi Essick, a writer for the *Industry Standard*, says, "tracing the coltan supply chain through the Congo is no simple task. Ore originating in the Congo often passes through at least 10 hands before it winds up in a cell phone or a VCR."

While these complications could be used in a corporate apologist's rhetoric, they do nothing to absolve the companies of their complicity in the ongoing travesty in the Congo. It is morally immaterial that they aren't sure where the coltan they use originates from; eighty percent of all coltan reserves are located in northeastern Congo. Furthermore, by not knowing where the coltan they purchase originates they support all possible exportations of it, not just those they find morally acceptable. If they truly wished to extricate their business practices from all conflict produced coltan they could use their vast resources to positively verify the

<sup>69</sup> Hari, 2006.

<sup>70</sup> In Africa the gang raping of women is used to demoralize enemy militias. The brutality of sexual violence is nearly unfathomable; women are commonly shot in the vagina and lower body. Due to the cultural stigma surrounding rape in the area of these atrocities even women who survive are often isolated completely from their loved ones forever.

<sup>71</sup> Ibid.

<sup>72</sup> Kristi Essick, "Guns, money and Cell Phones," The Industry Standard Magazine. June 11, 2001,

http://www.global issues.org/Geopolitics/Africa/Articles/The Standard Coltan. asp.

origin of the mineral. The companies involved are not fledgling businesses; Sony's Playstation 2, for instance, is believed to have directly contributed to a boom in the coltan market.<sup>73</sup>

The rape of the Congo, by forces foreign and internal, is a powerful example of the need for actors external to the corporate sector to enforce a sense of morality and a common respect for human dignity that we all, as individuals, share. Although the conflict officially ended in 2002, for the people of the Congo it rages to this day. While there is obviously a plethora of factors which continue to drive the conflict, as citizens of the developed world we *must* acknowledge our complicity in starting, helping to continue, and most grotesquely, completely ignoring the problem. Also illustrated by this atrocity is the need for a stronger connection to world events and a greater understanding of their context by consumers who wish to be true moral agents. The disparity we found while researching this project between the reality of the situation in the Congo and its understanding in the United States and other developed nations is horrifying. We, personally, knew nothing of the conflict whatsoever and were hard pressed to find anyone else who had even the slightest understanding of it. Articles pertaining to literally the deadliest conflict since World War II were hard to find and reports of it in the major media outlets were nearly nonexistent<sup>74</sup>. This helps to reinforce the theory of our paper, and the consumer activism movement at large, that information is essential in provoking a passionate and effective response from consumers. This brutal conflict serves as a haunting reminder of just how close we are to countries so far away and how our actions, if not monitored correctly, can wreak havoc upon an innocent population of people a world away.

#### Conclusion

By examining these case studies we have seen numerous aspects of global exploitation, corporate irresponsibility, and have gained a greater context for

<sup>73</sup> Jeroen Cuvelier & Tim Raeyn. (January 2002). Supporting the War Economy in the DRC: European Companies and the coltan trade. International Peace Information Service(IPIS). http://www.grandslacs.net/doc/2343.pdf, 9.

<sup>74</sup> Nearly all source information was written by aid and human rights organizations. Furthermore, information related to the conflict dropped off drastically after the cease fire was signed in 2002, despite the fact that most sources confirm that atrocities and lasting devastation continue to plague northeastern Congo.

understanding the problems that this project hopes to address. It is apparent that any group or organization that wants to bring objective information to a large number of people must expect stiff resistance from any corporation who they hope to expose of misdealing and violations of any kind. This resistance and lack of transparency from business can clearly be seen from the behavior of the companies profiled and their attempts to control any information that could tarnish their public image, regardless of the lives that may depend on their public disclosure. This lack of respect for basic human dignity reinforces the importance of promoting an institution of morality external to the private sector. Business has demonstrated over and over again that it is incapable of acting in a manner congruent with a societally accepted sense of morality and therefore it must be held accountable by objective forces external to it.

In the case of Coca-Cola and Chiquita Brand's specific problematic industry standards and techniques can be noticed immediately. The two common techniques that immediately present themselves are forgoing ownership of foreign production facilities and manipulation of the corporate responsibility movement. Large transnational corporations often choose to not own the foreign facilities where their products are manufactured because of the legal and ethical loop holes that present themselves. Coke and Chiquita both employed paramilitary organizations in Colombia to maximize profits and control labor but continue to be legally unaccountable for these actions because they claim to have no control over the facilities where the paramilitaries operate. Transnational corporations present an unbelievable scenario where they are essentially at the whim of the foreign producers of their goods and have no control over any violations that may be committed during the manufacture of the commodities that bear their names. While we have obviously not profiled all prominent transnational organizations we have chosen the largest companies in some of the wealthiest industries. After all, Coca-Cola is the single most recognized product in the world and Chiquita is the largest fruit importer in the United States. It would be absurd to believe that these two industry leaders are not emulated by their less successful competitors and because of this we can observe their business practices as indicative of the industry as a whole. Furthermore, unless one believes the fruit or soft drink industry is especially dubious and prone to violations we can view our findings as

somewhat indicative of the way most large, transnational corporations operate in the global market. The case study of the illegal exportation of coltan from the Democratic Republic of Congo does nothing but support this theory and the overall view of transnational corporate operations.

The manipulation of the concept of corporate responsibility and the creation of corporate propaganda and misinformation is another readily noticeable issue observed in the case studies. Every corporation discussed negatively in the studies has an extensive section of their website devoted to implicitly denying any wrongdoings that they have allegedly committed while doing business. Many corporations, including Coca-Cola and Chiquita Brands, have sections explicitly denying allegations brought against them or at the very least packaging any negative information in a favorable and often misleading light. Coca-Cola has attempted to combat the many online campaigns against their murderous tactics in Colombia by maintaining a propaganda site that attempts to refute any claims against the Coke image. Chiquita Brands, in their "Corporate Responsibility" section, has packaged all of the information concerning their recent federal indictment and subsequent twenty five million dollar fine for paying known terrorist organizations in a way that casts them as the misunderstood good guys. They state that their intent was altruistic, claiming that they were "motivated by our good faith and concern for the safety of our employees." Additionally they claim, in what can only be perceived as an attack on the general public's intelligence, that for two years they didn't know who they were paying thousands of dollars to and that they "made this disclosure [in 2003] shortly after senior management became aware that these groups had been designated as foreign terrorist organizations." We are to believe that they, a multi-million dollar corporation, entered into a contractual agreement with an organization of people who offered to "protect" their workers without doing thorough research and background checks. Additionally, what they leave out in their official press release is the fact that the terrorist organizations involved were federally recognized as such in 2001 and that the primary organization, the AUC, was founded by Pablo Escobar, an international drug lord. Without the necessary context viewers of their site may leave satisfied that the company was misguided but trying to do good in Colombia; this is about as far from the truth as possible. Coca-Cola's corporate

responsibility section is nearly a mirror image, as if all corporations use the same cynically "informative" template. Coca-Cola denies responsibility for the deaths of the eight men in Colombia and professes its humanistic qualities in an equally exuberant and blatantly false corporate responsibility section. This hijacking of the concept of corporate responsibility not only allows guilty businesses to spread misinformation about their wrong doings, both alleged and substantiated, it undermines the underlying principles of the movement and helps to corrupt the concepts into a tool for censorship and the spread of propaganda and misinformation. Individuals who visit public relations and corporate responsibility sites without adequate context of both their actual use and the issues being presented by them will leave dangerously misinformed or simply ignorant of relevant issues.

We've chosen to discuss the ongoing situation in the Democratic Republic of Congo last because of the horror of the conflict and how well it demonstrates the need for consumer activism and true corporate responsibility. The atrocities of the Congo are historically unprecedented, if their financial and economic dimensions are taken into account. The conflict, identified by the UN as being waged by "armies of business", represents the worst of a growing trend of conflicts waged and fueled by illegal exportation of precious goods to the developed world. Furthermore, this level of violence and inhumanity is part of an issue unparalleled by anything the consumer activism movement has ever dealt with in the past. While past violations and exploitations have been horrendous the situation in these conflict areas can only be compared to a full-scale war.

Additionally, this case helps to illustrate the undeniable link between the developed world's purchases and the lives of millions of people in the countries which export goods to supply those purchases. The demand for a single mineral helped to create and sustain the deadliest conflict since World War II, a conflict which continues to destroy the lives of the people of the northeastern Congo. It is hard to know what is more shocking about the atrocities being committed in the Congo, their brutality or how little anyone, outside of aid organizations, knows about them. For a war that raged, officially, for four years, that killed over four million people and continues to takes its toll today, there is an embarrassingly small handful of published articles in the mainstream media discussing it. This

raises a larger dilemma: if people need information to act, and our mainstream media outlets are ill equipped or resistant to reporting on relevant global issues, how can urgent issues, within the realm of our influence be rectified? Even more problematic is the issue of misrepresentation of the aforementioned issues; if the mainstream media does manage to report on issues such as the conflict in the DRC it is imperative, for consumer action, that they discuss the relevant context of the problems. If we are not aware of our place in the problems of the world we will view them as sad and regrettable, not recognizing both our influence on their occurrence and our moral impetus to act to rectify the problems.

# **Chapter 3: Capitalism and Morality**

"Capitalism is the astounding belief that the most wickedest of men will do the most wickedest of things for the greatest good of everyone." <sup>75</sup>

#### **Morality in Business**

For this project all actions which result in harm to people, animals, or the environment will be considered immoral. The term harm is not limited to direct damages, and includes indirect harm such as externalization resulting in the public paying for private sector costs. An example of direct harm would be the damages caused by an industrial farm which harms animals, by slaughtering them by the millions, harms its employees, by paying them less than subsistence wages, and harms the environment, by polluting the local water shed with the waste it creates. An example of indirect harm would be a corporation which routinely uses the EPA, and subsequently public funds, as a means of mitigating its environmentally destructive practices. This hypothetical company does not directly harm the consumer but it does force the consumer to absorb the costs of its destructive business practices through publicly funded institutions, in effect causing monetary damages to the individual. This definition of harm is derived from the theory that the purpose of business should be to benefit society, i.e. all actions which could

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<sup>&</sup>lt;sup>75</sup> John Maynard Keynes

potentially be harmful to it must be refrained from. Thus, the well being of both human and nonhuman actors take precedence over any economic concern, consequently making any decision which places profit-related considerations above the common good uncondonable.

To understand our project we must first understand the problems which it attempts to address. These problems are not the result of a combination of particular situational causes; they are inherent to the system of free market capitalism. Which is to say, it would be fallacious to see the problems resulting from capitalism as isolated incidents; they are inevitable consequences of globalization under free market capitalism. While we hope that our project will be as successful as possible we acknowledge that it serves, at best, as only a small reform to a system which is fundamentally irredeemable. The goal of the project is only to make life somewhat more bearable for the people who are the most grossly exploited while we struggle to emancipate ourselves from the current mode of production.

To address this question - that is, the relationship of capitalism to inequality, class domination, and ecological crisis - we will examine the position taken by Milton Friedman.

We have chosen Milton Friedman's article *The Social Responsibility of Business is to Increase its Profits* as the centerpiece of the argument against our project and the consumer activism and corporate responsibility movement as whole because of its relative prominence within the generally right wing circles that actively oppose any external form of moral constraint on the private sector. While this article was originally published in 1970 the argument has changed very little since and is still worthy of a thoughtful response.

Friedman bases his argument upon the presupposition that "only people can have responsibilities"<sup>76</sup> and thus corporations, despite their legal status as artificial persons, can not have responsibilities. Accordingly, when one speaks of corporate responsibility they must be addressing the responsibility of the human beings working within the corporation, not the business as a whole. Thus, Friedman chooses to address the argument of social responsibility as it pertains to

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<sup>&</sup>lt;sup>76</sup> Milton Friedman. "The Social Responsibility of Business is to Increase its Profits," The New York Times Magazine. September 13, 1970. pg. 1

the individual corporate executive and her personal social obligations and responsibilities. He chooses the corporate executive as his target because of their level of control over company-wide decisions. Friedman holds that this argument is problematic because of the CEO's own professional responsibilities to her employers. When the CEO makes a decision on behalf of her company the only factors that she must take into account are the wishes of her shareholders. According to Friedman, socially responsible decisions that damage the company's profit margin made by the CEO would violate her contract with her employers, i.e. the shareholders. Friedman says that shareholder's desire "to make as much money as possible while conforming to the basic rules of the society" and any decisions contrary to these desires would violate the contract between CEO and the shareholders, which, of course, is not an acceptable outcome. He states that the CEO who makes unprofitable, socially responsible decisions is spending the money of the shareholders, in the form of lost profit, and any other parties negatively affected by her decisions. From this Friedman concludes that the concept of corporate responsibility is poorly formed and "is in effect imposing taxes, on the one hand, and deciding how the tax proceeds shall be spent, on the other." $^{78}$ 

Friedman continues his argument by taking the position of a moral relativist, saying that "one man's good is another's evil." Friedman also claims that in a free society such as ours "it is hard for 'evil' people to do 'evil' things."80 As far as Friedman is concerned, even if it wasn't contractually impossible for executives to make socially responsible decisions that aren't in accordance with shareholder desires, there would be no need for the corporate responsibility movement because in our free society it is very hard for people to do evil and furthermore it is impossible to discern what is good and evil even if they somehow manage to commit a questionable act.

Once this position is solidified Friedman moves on to the arena of political science. Friedman claims that the doctrine of social responsibility is

<sup>77</sup> Ibid. 1

<sup>&</sup>lt;sup>78</sup> Ibid. 2

<sup>&</sup>lt;sup>79</sup> Ibid. 4

<sup>80</sup> Ibid. 4

"fundamentally subversive"<sup>81</sup> to a free society and, if unchecked, would lead to a dominion of "the ironclad fist of Government [sic] bureaucrats."<sup>82</sup> He states that while proponents of corporate responsibility claim that "the problems are too urgent to wait on the slow course of political processes"<sup>83</sup> they actually are hoping to circumvent the democratic process by imposing unpopular legislation without going through the proper channels. If the legislation does not currently exist, Friedman holds, it is evidence "that those who favor the taxes and expenditures in question have failed to persuade a majority of their fellow citizens"<sup>84</sup> to believe as they do.

All of this contributes to Friedman's overall view that the corporate social responsibility movement is both misguided and subversive to a free society. He believes that if the doctrine of corporate responsibility was truly universalized it would result in an oppressive, "collectivist" society. He essentially believes that there is no problem in our current, free society and that any problems that could arise will be sorted out by market mechanisms and limited governmental regulations.

Nobel prize aside, Milton Friedman lays out a rather weak argument against social responsibility. Friedman bases his entire argument upon the presupposition that "only people can have responsibilities" and then never justifies this statement, apparently feeling that it is self apparent. After making this unsubstantiated statement his follows by saying that corporations themselves cannot have responsibilities and that we would be remiss if we were to expect anything from them. He claims that only the people running the corporations can truly be held responsible. It seems farfetched to not have expectations of conduct for corporations, considering they are one of the most powerful private institutions in our society. If we cannot establish general expectations and responsibilities for such a pervasive institution, how can we feel comfortable with them controlling such a large part of our lives?

Friedman continues his argument by focusing on the individual CEO and her social responsibility because, as mentioned before, only people can be held responsible.

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<sup>&</sup>lt;sup>81</sup> Ibid. 6

<sup>82</sup> Ibid. 6

<sup>83</sup> Ibid. 3

<sup>84</sup> Ibid. 3

He specifically focuses on the CEO because of the large amount of control they exert on a company-wide level. He states that focusing on the CEO is problematic because the CEO has responsibilities to her employers, i.e. the shareholders, and thus can not make any socially responsible but profit damaging decisions without violating her contract with her superiors. He also claims that this form of social responsibility, with the CEO as the arbiter of morality, would be a form of taxation without representation. He holds that the CEO would be taxing both the shareholders, through loss of profit, and the workers through the loss of wages they would have to incur because of the general loss in profits. What he doesn't acknowledge is that the solution to this problem would simply be the shareholders exercising a sense of morality, both in making moral business decisions and not taking the resulting loss in profits out on their already exploited employees.

At this point, whether he planned to or not, he has setup a straw man argument; by framing the debate within his own, unsupported theory of responsibility he has not even come close to doing the original argument for social responsibility justice. Additionally, Friedman never mentions why we can't expect the shareholders of a company to have social responsibilities and an obligation to demand lawful, moral, and societally beneficial business practices. What is interesting is Friedman's immediate recognition that most decisions which would be considered socially responsible are often damaging to profits. This seems to contradict his following statements in the same article that in a free society such as our "it is hard ... to do 'evil' things" and that shareholders desire to "make as much money as possible while conforming to the basic rules of society". One the one hand Friedman claims that it is very hard for anyone to make a socially irresponsible or "evil" choice in the first place, and on the other he says that shareholders want their companies, and thus CEOs, to adhere to "basic rules of society". Therefore, either the basic rules of society don't prohibit the hiring of paramilitary organizations to murder people in Colombia or the use of child labor throughout the world or shareholders aren't really all that concerned with the "basic rules of society". It also seems unbelievable, even in 1970, that Friedman would actually claim that in our society it is hard to do evil things. One could defend his position by saying that when he wrote this article global corporate exploitation was not nearly as rampant as it is now, but to do so would recognize that his argument is no longer valid, which none of its current

proponents are willing to do. Furthermore, overlooking the use of meaningless words such as evil, he weakens his whole argument by taking a moral relativist's position on the subject of corporate misconduct. It isn't hard to imagine the reaction of Adolfo de Jesus Munera Lopez's<sup>85</sup> mother to Friedman's comment, "one man's good is another's evil." One cannot truly appeal to an argument of moral relativity and then speak of "the basic rules of society" in the same position and hope to make a cogent point.

After his discussion of economics Friedman enters into the arena of political science. He claims that the social responsibility movement is undemocratic because it attempts to enforce informal legislature which, if truly popular, would already be law, or could quickly become so. What Friedman neglects to discuss is the relation between the private sector and the legislature. Campaign contributions and the vast amount of power that the private sector wields creates a slanted playing field, where a minority of the population is able to exert an inordinate amount of influence upon what are supposedly public institutions. It would be naïve to think that all of the regulatory legislation that should be passed against corporations has or could easily be passed if only it was popular enough. Friedman goes onto say that the social responsibility movement, a popular, grass roots force, is "fundamentally subversive to a free society." Apparently Friedman feels that our society would be freer if popular movements stopped attempting to control the amount of influence privately controlled, autocratic institutions which are nearly unaccountable to the public hold.

Finally, Friedman completely disregards the concept of corporate "externalities", a subject that, as an economist, he was no stranger to. Externalities occur when the private sector decides it is more cost effective to force another external actor to incur the cost of whatever undertaking they wish to avoid paying for. This external actor is often the public or the environment. Friedman claims that it would be taxation without representation for a CEO to decide what was ethical and then enforce programs to support his theory, regardless of profit, but he never mentions the destruction that is wrought by the free market, and the cost we all must pay because of it. When corporations destroy the environment,

<sup>85</sup> An aforementioned union member and ex-Coca-Cola employee murdered on his mother's doorstep.

corrupt and undermine democracy, and destroy lives they are taxing us all, and they aren't asking for our consent. For a man who charges the corporate responsibility movement with a rhetorical "lack of rigor" his argument does little more than confirm that proponents of free market capitalism can not form an argument that holds when confronted with the reality of the damage done by their philosophy.

# **Introducing a Caring Ethics**

"Where Kant concludes 'so much the worse for women,' we can conclude 'so much the worse for the male fixation on the special skill of drafting legislation, for the bureaucratic mentality of rule worship, and for the male exaggeration of the importance of independence over mutual interdependence', 86

The crux of this paper's philosophical position will rest upon the ethical system of care<sup>87</sup>. We chose the ethics of care as our primary focus because of its relative distance from traditional, universalistic moral theories, which appear to have failed to adequately address the issues at hand. While the traditional moral theories and modes of thought may prove valuable in conjunction with the ethics of care, it seems that they are lacking in many significant ways. We hope to capitalize on care ethic's useful differences and shared similarities with the traditional ethical systems. Before we can successfully incorporate care ethics in the debate we must have an adequate understanding of the system.

Care ethics, or CE,<sup>88</sup> is an "approach to personal and social morality which shifts ethical considerations to context, relationships, and affective knowledge" rather

<sup>86</sup> Baier, Moral Prejudices, p. 26, cited from Held, The Ethics of Care, p.11

<sup>87</sup> Due to the contextual, non-universal nature of the ethics of care it is hard to even call it a "system".

<sup>88</sup> The conception of Care Ethics that we are concerned with is derived from a third-wave, non-essentialist, feminist perspective.

than focusing on abstract, universal imperatives and ethical systems. The ethics of care is important to the focus of this project because of its radically different emphasis on our relationship to one another, "[calling] on us to *take* responsibility, while liberal individualist morality focuses on how we should leave each other alone." By challenging the belief that our relationship to one another should be defined in negative, contractual terms, care presents an alternative and potentially more successful solution to problems of exploitation and domination. Furthermore, CE fits more comfortably with the accepted justifications and understanding of the consumer activism movement as it currently exists. Beyond the critique of liberalism, CE could also help us to uncover hidden and repressed tools to deal with our modern feelings of separation and alienation from one another.

CE represents a dramatic shift of what we currently perceive as "private" emotions to the public sphere. By employing *caring babits*, "practices ... that contribute to the growth and well-being of self and others" and using our *caring imagination*, "our ability to transcend physical limitations and extrapolate our caring knowledge to others" we can experience public life in a richer sense than is possible in a society defined by negative freedoms. For example, by not limiting the caring habit of active listening to personal relationships we enable ourselves to care for initially unknown others by "engaging and activating our care." This active listening would include "listening to indirect forms of communication, such as the mass media, to 'hear' the plights of distant others." This action of "hearing" is so essential because "[w]ithout some knowledge of [other people or situations] care is an impossibility." While knowledge does not necessarily translate into an emotional response and subsequent empathy, "the

<sup>89</sup> Maurice Hamington, Embodied Care: Jane Addams, Maurice Merleau-Ponty, and Feminist Ethics (Urbana: University of Illinois Press, 2004).

<sup>90</sup> Virginia Held, The Ethics of Care: Persona;, Political, and Global (New York: Oxford University Press, 2006)

<sup>91</sup> Hamington, 4

<sup>92</sup> Ibid, 4

<sup>93 &</sup>quot;[Negative] freedom is thought of as the absence of constraint: 'Freedom', said Hobbes, 'is the silence of the law.'" Alternately, positive freedom is "a condition of liberation from social and cultural forces that are perceived as impeding full self-realization." Oxford Dictionary of Philosophy

<sup>94</sup> Ibid, 6

<sup>95</sup> Ibid, 42

more we know about someone, the greater potential [we have] for caring." Contextual knowledge of an event and the people affected by it can help to make those people more real to us; this is called the process of "concretization". By learning more about a particular situation we can establish the people involved as "concrete others", rather than statistical information. Once this realization has been made we are a step closer to feeling an obligation to act on their behalf, because "the impulse to care is bound up with knowing people … whether that concretization emerges from direct or indirect experience."

Implicit in these statements is the belief that morality can not be governed entirely by detached logic and universal imperatives. In care ethics a form of reasoning that is sensitive to our emotional and intuitive understanding of the world is essential. Contrary to most Western philosophers who attempted to distance themselves from the emotive, "emotions [such] as sympathy, empathy, sensitivity, and responsiveness are seen as the kind of moral emotions that need to be cultivated not only to help in the implementation ... of reason but to better ascertain what morality recommends."99 In other words, emotion is not only a catalyst for moral actions it is actually a way of defining and understanding morality itself. Consequently, "moral inquiries that rely entirely on reason and rationalistic deductions or calculations are seen as deficient" in the perspective of care ethics. This is not to say that there is no value in the traditional forms of ethical discourse, only that care may provide a more intuitive, natural understanding and motivation for moral action. As Maurice Hamington puts it, "ultimately rules, consequences, and virtues may inform us, but they will not move us to the same extent that a personal, affective embodied caring will."100

This project exemplifies the last two points: first, that empathy is a powerful impetus for moral action and second, moral inquiries that attempt to disregard it will inherently be insufficient. It was feelings of shock, outrage, remorse, guilt, and empathy that led us to undertake the project, not abstract universal

<sup>96</sup> Ibid, 42

<sup>97</sup> Ibid, 43

<sup>98</sup> Ibid. 43

<sup>99</sup> Held, 10

<sup>100</sup> Hamington, 33

formulations. Only after we began the project did we attempt to rationalize and justify our need for action. We researched moral systems and discussed legality in an attempt to validate our feelings. We concluded that the legality or illegality of the actions in question is mostly irrelevant because of the disparity between what is morally and legally wrong. External systems of power influence codified law and therefore it can not be referred to in moral deliberation. Even applying rational theories of morality, our initial primary focus, to the problem was not nearly as satisfying or motivating as our initials feelings. What codified law cannot address, and universalism explicitly refuses to, is what served to motivate us to action.

By attempting to redefine social relations in positive terms, and by providing tools to do so, care ethics represents a chance for a radical shift in our perception of the problems we face concerning relational disconnection and personal apathy. As Carol Gilligan puts it,

"Care speaks to the disassociations which lead people to abandon themselves and others: by not speaking, not listening, not knowing, not seeing, not caring and ultimately not feeling [,] by numbing themselves or steeling themselves against the vibrations which characterize and connect the living world."

It is also important to note the sentence preceding this passage, where Gilligan states "Justice speaks to the disconnections that are at the root of violence, violation and oppression, or the unjust use of unequal power". It is implicit in this complete passage that the relationship between justice and care, contradictory to how it may first appear, is *not* dichotomous. Gilligan importantly points out that while care and justice may seem contradictory they are reconcilable if relational adjustments are made to our current theories of justice. What can not be reconciled or assimilated are the liberal, universalistic leanings of our current form of justice. A caring Justice can not be blind; contextual information is too critical to a true understanding of conflict to be discarded.

### A Critique of Liberalism

101 Carol Gilligan by way of Hamington, 26

What makes care ethics so valuable to this project is its ability to critique the popular conceptions of liberal individualism and contractual obligation within the framework of the global economy. By refuting popular liberal notions of the self and its relation to others it enables us to view the complicated moral problems that we all face in an alternate and potentially more effective manner.

The most powerful thrust of care ethic's critique of liberalism focuses on the inherent problems with the liberal theory of self and relationality. Care theorists charge liberalism with forcefully transposing its economic and political values onto its conception of the individual, rather than creating economic and political theories that compliment what we all know to be intuitively true about human individuality. In the liberal view we are all rational, autonomous, selfinterested free agents. Most importantly, we are independent of one another, expected to freely do whatever is best for ourselves. A moment's objective contemplation will expose how disconnected this view is from reality. In reality, we are all enmeshed in a complex series of interdependent relationships from birth. Our first experiences in the world are those of dependence and familial relationship with those who nurture and take care of us. Understanding and working with this reality is essential to the ethics of care. Without an adequate understanding and acknowledgement of these facts one can fall under the liberal "illusion that society is composed of free, equal, and independent individuals who can choose to associate with one another or not." We must recognize, that under the capitalist mode of production it is necessary that a vast amount of inequality exists. It is inherent to the mode of production that the majority of society enters into the market place with nothing of value but its labor. As Marx's says, "the labourer instead of being in the position to sell commodities in which his labour is incorporated, must be obliged to offer for sale as a commodity that very labour-power..." Furthermore, he states that this relationship is no accident, "Nature does not produce on the one side owners of money ... and on the other

<sup>102</sup> Held, 14

<sup>103</sup> Karl Marx, Capital Volume One, p. 337 <a href="http://www.marxists.org/archive/marx/works/1867-c1/ch06.htm">http://www.marxists.org/archive/marx/works/1867-c1/ch06.htm</a> (accessed May 26, 2007) (emphasis added)

men possessing nothing but their labour-power." This relationship is essential to capitalism and if we can't recognize its existence we can never hope to understand the meaning and root causes of global inequality. Care ethics recognizes that the contractual model, which claims to be fair and unbiased, "distorts reality by leaving out vast areas of human experience that it claims to apply to but in reality can not cover." The contractual obligations that we engage in to survive are, in many cases, no more freely chosen than decisions made at gun point. If the children who work at the banana plantations in Colombia must choose between starving to death or work there is no legitimate choice. These children and millions like them around the world are forced, by way of their environment and economic situation, to work in the most horrible of conditions. While liberal theory chooses not to address issues such as these care ethics "sees many of our responsibilities as not freely entered into but presented to us by accidents of our embeddedness in familial and social and historical contexts."106 The ethics of care, and the consumer activism movement as a whole, understands that while theoretically and legally many of the worst working conditions in the world are freely entered into there is no free choice between work and starvation, corporate enslavement and literal destruction.

The belief of care ethics, and this project, is that if we care for others and live our lives in a compassionate way we stand a greater chance of leading moral lives. The current liberal system of perceiving the world and our obligation to it is limiting and dangerous. Liberalism obscures the reality of the exploitation that makes up such a horrifyingly large part of our lives. It attempts to minimize our emotional nature and sequester our feelings to the private sphere of life. Capitalism is a system that only appeals to our basest of instincts; it appeals to our greed and selfishness, not our humanity. Even Adam Smith said, "[w]e address ourselves, not to their humanity but to their self-love, and never talk to [others] of our own necessities but to their advantages." For a man who made grandiose comparisons between the civility of man and the baseness of the animal kingdom

104 Ibid. p. 338

105 Held. 80

106 Held, 14

Smith didn't seem too confident in our humanity. If anything is unique to humanity it is our compassion and our ability to care. Care is so fundamental to humanity that care can exist without justice but justice cannot exist without care because "without care no child would survive and there would be no persons to respect." Using care ethics, we hope to appeal to what is fundamental and intuitive to people, not what can be rationally deduced given enough time and mental energy.

# Chapter 4: Consumer Boycotts - Past and Present

Understanding the historical context of the movement we wished to help, and those associated with it, was a primary goal of the project. This understanding helped to guide the development of the project and our overall understanding of our place within the current setting of the movement.

The term boycott has been around for over 100 years, but its practice has been around in one form or another for much longer. During this time boycotts have enjoyed an imperfect but still significant track record. It is important for modern consumer movements to look at boycotts of the past to observe which tactics work and which should be avoided. It is said that, "Those who cannot remember the past are condemned to repeat it."109 For this reason it is beneficial to look at the evolution of boycotts and examine their successes, as well as their failures, so one does not repeat the errors of the past.

## **Origin of Boycotts**

The term boycott originated in Ireland in 1880. The term takes its name from Charles Cunningham Boycott, a notoriously harsh Estate Manager. Boycott was a retired British Army Captain who had been hired by Lord Erne in 1873 to

<sup>108</sup> Held p 17

manage his estate.<sup>110</sup> At this time, "[t]he peasant's land had been taken, their homes destroyed, and their wages reduced to starvation"<sup>111</sup> by the British landowning class. In 1880, Boycott had reduced the wages of the peasants to an unsustainable level, prompting them to refuse to work in protest of their conditions. In response, Boycott and his family attempted to work the fields, but soon gave up due to the harsh nature of the labor, which was unfamiliar to members of their class. Boycott then evicted the peasants from their home because they dared to protest against near starvation wages. It was around this time that the term boycott was coined during a conversation between James Redpath, an American journalist and Father John O'Malley, an Irish priest who supported the cause of the peasants. Redpath wrote the following in the Magazine of Western History:

"...When a people ostracize a landgrabber we call it excommunication, but we ought to have an entirely different word to signify ostracism applied to a landlord or land agent like Boycott. Ostracism won't do. The peasantry would not know the meaning of the word and I can't think of anything." "No," Father John said, "ostracism wouldn't do." He looked downward, tapped his forehead and then out came. "How would it do to call it to boycott him?"

Shortly after the publication of the article, the term boycott was adopted by the Irish peasantry. The farmers began to break all connections with Boycott, refusing to "speak to him, or supply him with goods or services"<sup>113</sup>. Finally, Boycott was not only driven from his home, but driven from Ireland itself and, "more importantly, the boycott action made many people in England and Ireland aware of grave injustices."<sup>114</sup> This initial example has proven to be a powerful one, serving as the earliest prototype for the many similar actions which would follow.

## **Types of Boycotts**

<sup>110</sup> Monroe Friedman, Consumer Boycotts: Effecting Change Through the Media and the Market Place (New York: Routledge, 1999), 6.

 $<sup>112\</sup> J.$  Redpath, "Talks of Ireland." Magazine of Western History 2(1881): 214-215

<sup>113</sup> N. Craig Smith, Morality and the Market: Consumer Pressure for Corporate Accountability (London: Routledge, 1991), 146.

Many types of boycotts exist, and placing a specific boycott into a single category can be a daunting task. Boycotts often overlap in certain aspects, making it difficult to categorize them. Although this list is not exhaustive it should help gain an understanding of the basic types of boycott.

On the most general level boycotts can be broken down into four categories: negative or positive and surrogate or non-surrogate. 115 Negative boycotts are those which we associate with the traditional conception of "boycott". A negative boycott is one in which negative action, or the refusal of monetary support, is taken against an individual or group of people. The negative boycott is by far the oldest and most common form of action within the historical landscape of consumer movements. The positive boycott, or "buycott", a more recent addition to this landscape, entails both positive and negative action. Actors within the boycott both refrain from purchasing goods or services from a company and actively shift their monetary support to other approved companies within the realm of the targeted company. The act positively reinforces companies which the group approves of and discourages the disreputable actions of the companies in question. This strategy tends to be more effective because it serves a dual purpose; rewarding satisfactory companies and punishing unfavorable ones and allowing for the consumer to continue to purchase the goods which they would otherwise have to live with out. A current example of a buycott exists in the conjunction of the Green Business and Responsible Shopper campaigns by Co-op America<sup>116</sup>. An activist can both view a list of companies to avoid contributing to and find a corresponding list of comparable, approved companies.

A surrogate boycott is one in which indirect means must be employed because the target cannot be boycotted directly. For example, the AIDS Coalition to Unleash Power (ACT UP) opposed Senator Jesse Helms, a North Carolina congressman who actively condemned homosexuality, by boycotting the Philip

<sup>115</sup> Friedman, 14.

<sup>116</sup> Co-op America is a not profit organization which hosts a website, http://www.coopamerica.com, whose goal is help better the world thorough economic power. Co-op America provides a number of services, which provide users with information to work towards this goal. Two of these projects are the Green Business Campaign, which provides users with a list of responsible businesses, and the Smart Shopper campaign, which gathers information about corporations to make consumers aware of the practices of a corporation.

Morris Company, one of his campaign contributors. <sup>117</sup> Due to Helms' position as an elected official a traditional boycott was not an option for ACT UP, forcing them to engage in a surrogate boycott campaign. Conversely, a non-surrogate boycott is simply a traditional, direct action against the target company or companies.

One of the most basic criteria for classifying a boycott is its duration. The duration of a boycott is generally classified as either long term, medium term, or short term. A short term boycotts lasts only about a year. Medium term boycotts last up to 2 years, and boycotts which last longer than this are classified as long term boycotts. 118 Many boycotts don't last even as long as a year because of the difficulty in establishing and maintaining commitment for even a short period of time. While the duration of the boycott tells us about some aspects of it, more information is necessary for a clearly defined categorization. This is why it is necessary to break down boycotts into categories representing their specific targets. The categories consist of commodity boycott, single firm boycott, and brand name boycott. 119 Commodity boycotts focus on a certain good, advising its participants to avoid the purchasing of the aforementioned product, regardless of its distributor or manufacturer. For instance, a boycott was called in 1917 in New York City on the commodities of chickens, fish and vegetables<sup>120</sup>. This boycott occurred in a time when the cost-of-living for the average family was sky rocketing, and "40 to 60 percent of the family's income was spent on food." 121 These products were blacklisted because of the common view that widespread profiteering was driving up their price, forcing many families to "[purchase] foods of increasingly inferior quality in smaller and smaller quantities." Even though the boycott lasted only a month, with mixed results, it proved valuable in that it shed light upon the inequality which was rampant at the time and momentarily enabled the people to view their own inherent power.

<sup>117</sup> Ibid 147-148

<sup>118</sup> Friedman, 8.

<sup>119</sup> Ibid 19

<sup>120</sup> Dana Frank, "Housewives, Socialists, and the Politics of Food: The 1917 New York Cost-of-Living Protests". Feminist Studies. 11, no. 2. (1985): 255.

<sup>121</sup> Ibid., 256.122 Ibid., 257.

While a commodity boycott is less focused on specific companies, a single-firm boycott focuses on a specific manufacturer and boycotts all products that they produce. An example of a single-firm boycott is one started in the 1970's on Nestlé, focusing on the controversial marketing of their instant formula. Consumers disapproved of the marketing, which essentially forced African women to become dependent upon their product once accepting the free samples, which Nestlé provided. Nestlé's unscrupulous business practices inspired the long-lasting boycott against their firm by the Instant Formula Action Coalition (INFACT)<sup>123</sup> which continues to this day. Further discussion of this boycott is located in the section *Boycotts in US History*.

Finally, a brand-name boycott targets a specific brand, asking its participants to stop purchasing from them. For instance, in 1988, consumers called a boycott on the brand Bumble Bee Tuna. The boycott, started by the Earth Island Institute, was in response to the irresponsible fishing practices of Bumble Bee and other producers of tuna. The method for catching the tuna at the time put dolphins at risk of being caught along with the tuna. Concerned consumers pushed for dolphin-safe tuna. The boycott lasted until 1990 when it was successful in pressuring Starkist, Bumble Bee Seafoods, and Van Kamp to agree to dolphin-safe methods<sup>124</sup>.

Each type of boycott represents different tactics but they all are attempting to combat the same problem of corporate malfeasance. Every tactic has both strong points and weaknesses, which must be evaluated and understood if we hope to continue increasing the efficacy of the boycott. Commodity boycotts are difficult to organize because the boycott is on a specific type of product, and a participant must live without this commodity altogether. This type of dedication can be difficult to gain depending on the boycotted product. If the commodity were one that the participant needed, it would be difficult to get that person to join in. Brand name and single firm boycotts only boycott a certain company, so a boycotter is free to buy the same product from a competitor. This makes it easier for a boycotter to continue the boycott while not drastically changing their purchases or lifestyle. This aids the longevity of a boycott because it is easier for

<sup>123</sup> Baby Milk Action, History of the Campaign http://www.babymilkaction.org/pages/history.html. (accessed April 16, 2007). 124 Friedman, 191.

the participant and requires less commitment. To alleviate the difficulties that can come from these types of boycotts, it is possible to replace a traditional boycott with a buycott. This can ease the difficulty placed upon the people by offering a way for them to divert their purchasing power away from the boycotted companies to an approved one. When organizing a boycott it is necessary to look at these factors, and determine the effects each would have on what you are trying to accomplish.

Another way boycotts are classified is media oriented versus market place oriented. 125 Media oriented boycotts use the media as a means to spread their message. Boycotts of this nature are more concerned with hurting the public image of the company than hurting sales by personally refraining from buying the product. By hurting the public image, which subsequently hurts profits, boycotters often force companies to change their practices that are in question. An example of a media oriented boycott is the previously mentioned boycott on Nestlé due to the unethical marketing of its baby formula. Nestlé's marketing practices in African countries resulted in high infant mortality rates due to the health issues of using instant formula in developing nations. 126 The boycott targeted Nestlé's image of being a family oriented company through the use of publications and other forms of media. A report titled *The Baby Killer*<sup>127</sup> discussed Nestlé's marketing strategy and the effects it had on African countries. The effect of the boycott was the creation of the International Baby Food Action Network, which monitored the marketing of instant formula. 128 The boycott effectively drew attention to the completely unethical business practices of Nestlé which resulted in 10 million cases of malnutrition and infectious disease<sup>129</sup>. By doing this, the boycott brought attention to the issue and created a monetary incentive for the company to change its unethical business practices.

<sup>126</sup> Michele Micheletti, Political Virtue and Shopping: Individuals, Consumerism, and Collective Action. (Gordonsville, Virginia: Palgrave Macmillan,

<sup>127</sup> Mike Muller (1974) The Baby Killer. London: War on Want

<sup>128</sup> Micheletti, 60.,

<sup>129</sup> Baby Milk Action. Nestlé's Public Relations Machine Exposed, http://www.babymilkaction.org/pdfs/nprme05web.pdf. April, 2005 (accessed December 12, 2006).

A market-place oriented boycott focuses its effort on campaigning in front of stores or businesses, and distributing information to consumers. Market-place oriented boycotts spread fliers at or demonstrate in front stores, in an attempt to convince consumers that the business should not be supported. This type of boycott does not draw the same amount of attention a media oriented boycott would, requiring the boycott to hurt sales through direct and personal action to be effective. In 1998, PETA brought about a market-place oriented boycott on a chain of stores named Benetton. The boycott occurred in response to the animal testing policy of Benetton and the clothing industry at large. Benetton, along with companies such as Avon and Mary Kay, used animals to test make-up and other products for their stores. PETA enacted its boycott through picketing and holding demonstrations in front of Benetton Stores and after two months, the boycott was successful in ending the animal testing practices of the Benetton, Avon, and other companies. 130 The market-place boycott was effective in spreading awareness, and changing the practices of both Benetton and other companies who feared similar boycotts.

One final way in which a boycott can be broken down is into the categories of complete boycott and partial boycott. Complete boycotts call for the consumer to abstain from purchasing the product at all times, regardless of situation, until the demands of the boycott have been met. An example of a complete boycott is the boycott in the 1960's on grapes grown in California. The disenfranchised and unrepresented grape farmers of California sought to change the system which oppressed them through the use of a complete boycott. The boycott was called for by Cesar Chavez in an attempt to force the grape growers to change their unfair practices. More information on the Grape boycott can be found in the section *Boycotts in US History*.

Unlike a complete boycott, a partial boycott says that a participant should cut the quantity they purchase of the product being boycotted. This commonly happens with items, which are viewed as necessities and would be too hard to completely refrain from purchasing. During 1946, a partial boycott on meat was initiated in response to the rising costs of this commodity. When the Second

<sup>130</sup> Friedman., 194.

<sup>131</sup> Ibid., 9.

World War ended in 1945, price restrictions on commodities were lifted causing meat prices began to rise steadily. By 1946, prices had risen on all types of meat, and had even doubled on certain cuts prompting a boycott to combat the growing cost of living. Since the boycott was on meat, a product which was the basis of many consumers' diets at the time, a complete boycott was unfeasible. This resulted in a partial boycott of meat in which the slogan was, "Don't buy high." Members of the boycott were told not to buy meat that was over 60 cents a pound, which at the time was an unreasonable price. The boycott was effective in stifling the rising price of meat in less than six weeks and helped combat what they referred to as the "monopoly packers." It is important to point out that this boycott is one of many that can be classified in multiple categories of boycott. It was both a partial boycott and a commodity boycott.

Different boycotts will have different combinations of these types.

Depending on what the boycott is on, one type might be more effective than the other. For this reason, it is important to look at the successes and failures of past boycotts. By doing this, a person is able to see what type of boycott would be most applicable to a given situation.

#### **Boycotts in US History**

Boycotts have and continue to play an important role in the founding and shaping of the United States. Since the American Revolution there have been numerous large boycotts, which have been successful at changing policies of governments and businesses. Some of these include the Montgomery Bus Boycotts, Anti Nazi Boycotts, and the Meat Boycott. These boycotts show that boycotts are nothing new to the United States and that people should be part of the boycotts for the benefit of all people. "Of all the countries in the world, the United States is most noted for using boycotts as a political tool." Boycotts are important to the United States, as well as other countries, in not only changing business but politics as well.

<sup>132</sup> Ibid., 75.

<sup>133</sup> Ibid., 76.

<sup>134</sup> Micheletti, 39.

# **Boycotts of the American Revolution**

Prior to the American Revolution, England enacted the Stamp Act of 1765 which required a stamp to be purchased and placed on any documents that wished to be authenticated. While this was not the first act stamp act passed by Britain to be seen as unfair by colonial leaders and critics abroad, it was the first to provoke a significant, organized reaction. Critics of the act felt that it was unfair because it was passed in retaliation for the Stamp Act, importers boycotted British goods that would be sent to the Americas. 135 "Sympathizers of the revolutionary cause refused to buy English goods as a protest against the passage of the Stamp Act". 136 The boycotters used the protest as a means of facilitating the severance from Britain. Through the boycott of the goods, the Americans were able to show that they could be self-sufficient, and did not need the aid of Britain's producing power. The boycott was carried out with the help of subscription lists. 137 The subscription lists informed participants, and distributed news about the boycott. This allowed consumers to gain knowledge about the boycott in a time when there was no readily available means of acquiring accurate and up-to-date news, enabling the boycott to be effective in bringing attention to the revolutionary cause. The boycott was also successful because of its openness to all participants who wished to help. The subscription lists accepted male, female, black or white. 138 The boycott needed as much support as possible regardless of gender or race. This also helped it be successful by increasing the number of participants which increased the power it held. The boycott was effective in ending the Stamp Act in 1766, but one year later in 1767 the Townshend Acts were created, resulting in more boycotts to be started. 139

The Townshend Acts taxed imported goods sent to the colonies, including "glass, painter's colors, paper, and tea" 40, and was used to pay the governors and

<sup>135</sup> Friedman, 4.

<sup>136</sup> Micheletti, 39.

<sup>137</sup> Ibid.

<sup>138</sup> Ibid.

<sup>139</sup> Steven C. Bullock, The American Revolution: A History in Documents (New York: Oxford University Press, 2003), 192

<sup>140</sup> T.H. Breen, The Marketplace of Revolution: How consumer Politics Shaped American Independence. (New York: Oxford University Press, 2004),

judges who resided in the American Colonies.<sup>141</sup> By having the government official's salaries depend on the act, it safeguarded the taxes from judges or governors fighting the act. Without the act they would not be paid, which was powerful motivation not to accommodate the protest. As the lists of taxed items increased, concerned citizens began making lists of prohibited items in an attempt to start boycotts on the taxed goods. On October 28, 1767, citizens of Boston, Massachusetts gathered at Faneuil Hall to discuss the acts, resulting in the creation of a list of items which were to be boycotted starting December 31.<sup>142</sup> To combat the boycotts, King George III declared the boycott treasonous, and attempted to use his power to force treasonous citizens to return to England for trial. The boycotters ignored the King's edict and continued the boycott, leading to the repeal of all of the taxes except those on tea.<sup>143</sup>

## **Anti Nazi Boycotts**

During World War Two, boycotts were organized against German made goods in retaliation to the Nazi boycotts on Jewish goods that began shortly after the Nazi Party's election in March of 1933<sup>144</sup>. While many countries participated in the boycott, US citizens served as the strongest supporters of it. Due to organizational deficiencies the boycott did not serve as an effective countermeasure to the Nazi lead boycotts of Jewish goods. The many groups participating in the boycott were unable to successfully work together and central leadership was never established. The main groups specifically had problems with choosing a course of action, arguing over using open protests or diplomatic pressure to accomplish their goals. This boycott demonstrates that it is essential that similarly concerned groups work together to create a unified front. The

<sup>141</sup>Claude Halstead Van Tyne, The American Revolution: 1776-1783 (New York: AMS Press, 1971), 18.

<sup>142</sup> Breen, 236.

<sup>143</sup> Van Tyne, 19.

<sup>144</sup> Friedman., 132.

<sup>145</sup> The groups included the American Jewish Committee, the B'nai B'rith and the American Jewish Congress

<sup>146</sup> Ibid., 133.

<sup>147</sup> Ibid.

group's lack of cooperation and organization lead them to be ineffectual in combating the Nazi boycotts which they had hoped to defeat.

# **Montgomery Bus Boycotts**

In the mid 1950's the civil rights movement, in part because of the recent supreme court decision *Brown v. Board of Education*, had become part of the public consciousness and the Montgomery bus boycott served as a catalyst for expanding and empowering the movement. The boycott was sparked by the racist practices of segregation, specifically one incident involving an African American woman and registered NAACP<sup>148</sup> member who was "tired of giving in"<sup>149</sup>, tired of being oppressed. On December 1, 1955, Rosa Parks refused to give up her seat on the bus to a white man, and was subsequently arrested, setting the following events into motion<sup>150</sup>. For 381 days, African American protestors refused to ride any bus in Montgomery<sup>151</sup>.

The boycott, aimed at ending racial segregation on the city buses in Alabama, was very successful, ending with a court ruling on December 21, 1956 stating that bus segregation was illegal. The boycott was successful for many reasons. One reason was that it affected a large number of people. A large portion of the population of Montgomery was African American, and between 75 and 80 percent of the passengers on the buses were African American, which allowed for easy mobilization of a large number of people. Because the African American population made up 75 to 80 percent of the passenger population, the bus companies incurred quick and drastic monetary damages. The boycott enlisted the help of many citizen volunteers to create alternate means of transportation, namely car pools, for people who used to rely on the bus

<sup>148</sup> National Association for the Advancement of Colored People

<sup>149</sup> Rosa Parks, Rosa Parks: My Story (New York: Puffin Books, 1999), 1.

<sup>150</sup> Robert S. Graetz, "A White Preacher's Memoir: The Montgomery Bus Boycott", The Journal of Blacks in Higher Education 26. (Winter, 1999-2000):

<sup>151</sup> Ibid.

<sup>152</sup> Friedman, 103.

<sup>153</sup> Ibid., 101.

companies for transportation.<sup>154</sup> This enabled people to participate in the boycott while still enjoying a necessary amount of mobility. One final aspect that made it successful was their effective distribution of information, including circulation of newsletters and meetings for members of the boycott. This enabled participants to get the information which was essential to the boycott, allowing the movement to remain organized and effective for a little over a year.

# **Grape Boycott**

Starting in 1966, Californian grape farmers began one of the most successful boycotts in American history in response to unfair working conditions immigrant farmers were forced to endure in comparison to domestic grape farmers <sup>156</sup>. Led by Cesar Chavez and the United Farm Workers (UFW) union, the main goal of the boycott was to enable the immigrant farmers to unionize and be protected as workers. The boycott is an excellent example of the power of grass root movements and was able to garner attention on the national level. At this time, the migrant workers were unable to organize due to the National Labor Relations Act<sup>157, 158</sup> The workers chose to use a boycott as their form of protest because an effective strike would be impossible to sustain for any length of time.

A strike was unreasonable for several reasons. One was that the landowners would merely hire strike breakers who would disrupt and render any strike ineffective. Strikebreakers would supply the owners with labor while the strike was persisting, allowing production to continue, thus rendering the strike useless. Another reason for the boycott was that the unions did not have the resources to support workers during any significant strike. Since the support for

<sup>154</sup>Ibid., 102.

<sup>155</sup> Ibid.

<sup>156</sup> Micheletti, 53.

<sup>157</sup> While the National Labor Relations Act of 1935 allows workers to organize and participate in unions, it does not include support for citizens such as agricultural workers, which disabled the grape farmers from being protected while they organized and defended their rights.

<sup>158</sup> Friedman, 47.

<sup>159</sup> Ibid.

<sup>160</sup> Micheletti, 53.

worker was not a possibility, a strike would not be effective because the farmers would not be able to sustain themselves.

At first the boycott was unsuccessful because it did not appeal to the average consumer. The effort became more successful once the boycotters brought attention to issues that affected the public directly. Information was distributed to consumers concerning the health risks of grapes being exported from California, which were grown using pesticides that were hazardous to both the farmers and the consumers. By informing consumers of the hazard posed to them by the grapes the boycott established a personal connection between the general public and the boycotters, making the issue more important to them. The public responded and at the peak of the strike over 14 million people participated in the boycott and from 1966 to 1969, the boycott caused grape sales to decrease by one third. On July 17, 1970 the boycott ended with the signing of the table grape agreement. The boycott succeeded in raising wages, an employee medical plan, facilities with fresh water and toilets in the fields, and a general improvement in the lives of the UFW members.

The Grape Boycott was very successful in drawing attention to the plight of the California grape farmer making consumers aware of the conditions in which the grapes sold in markets were farmed under. An important step the boycott took was connecting the plight of the workers with the everyday consumer. Distributing information about the pesticides used in the farming of the grapes and the effects they had on humans was very effective in recruiting participant to the boycott. As with many other boycotts, the spread of information was vital to the success of the movement. Another important factor to the boycott's success was the help it received from the unions sympathetic to the cause. Unions such as the UFW were very instrumental in funding and working with the boycotters to achieve their goals. One final aspect of the boycott that is noteworthy was Cesar Chavez's strong leadership. Chavez served as a strategist for the movement and worked as a link between the workers, unions, and landowners. Chavez also

<sup>161</sup> Ibid

 $<sup>162\</sup> PBS, Fights\ in\ the\ Fields,\ http://www.pbs.org/itvs/fightfields/cesarchavez1.html.\ 2004\ (accessed\ April\ 23,\ 2007).$ 

<sup>163</sup> Friedman, 49.

<sup>164</sup> PBS, 2004

brought necessary attention to the boycott and underwent several political fasts to help achieve this end. <sup>165</sup> A strong leader is important to any political movement and as mentioned before the spread of information was essential to this and any boycott

# Nestlé Formula Boycott

The Nestle Boycott has been in effect since the late 1970's and began with the publication of an exposé mentioned earlier titled *The Baby Killer*. <sup>166</sup> Nestle, a multinational food company operating out of Switzerland and "the world's leading infant food manufacturer" was and continues to be accused of aggressive tactics in marketing its baby formula in developing countries. The boycott began in 1977 in an attempt to force Nestle to stop its internationally recognized marketing violations and meet the requirements of the International Baby Food Action Network concerning the sale of baby formula. These violations included the use of wrongful marketing practices to sell their instant formula and discouraging mothers from breastfeeding their children. <sup>168</sup> According to Breastfeeding.com, Nestlé accomplished this through the following set of events:

Nestlé would hire women with no special training and dress them up as nurses to give out free samples of Nestlé formula. The free samples lasted long enough for the mother's breast milk to dry up from lack of use. Then mothers would be forced to purchase the formula but, being poor, they would often mix the formula with unsanitary water or 'stretch' the amount of formula by diluting it with more water than recommended. <sup>169</sup>

Both of these practices caused babies to become malnourished or ill, and eventually, if not treated, lead to unnecessary infant death. UNICEF estimated that "10 million cases a year of malnutrition and infectious diseases are directly

<sup>165</sup> Micheletti, 53.

<sup>166</sup> Baby Milk Action, April 2005.

 $<sup>167\</sup> Nestle, Baby\ Foods, http://www.nestle.com/Our\_Brands/Baby\_Foods/Overview/Overview+Baby+Food.htm\ 2004\ (accessed\ April\ 23,\ 2007).$ 

<sup>168</sup> Baby Milk Action, The Nestle Boycott, http://www.babymilkaction.org/pages/boycott.html. 2006 (accessed December 12, 2006).

<sup>169</sup> BreastFeeding.com, The Nestle Boycott, http://www.breastfeeding.com/advocacy/advocacy\_boycott.html, 2006 (accessed December 12, 2006).

attributable to faulty bottle-feeding."<sup>170</sup> The boycott was reinstated in 1988, and continues to this day<sup>171</sup>. The first boycott resulted in The World Health Organization creating The International Code on the Marketing of Breast milk Substitutes. The boycott has had a large following, and had support in 18 countries.<sup>172</sup>

The Boycott was initially successful for several reasons. The main reason was the immediate emotional response that the issue provoked: Nestle was (and continues to) engage in business practices that continue to harm millions of children in the developing world. Because of the emotional response, people were eager to help in any way they could. Additionally, being a brand name boycott allowed participants to buy other companies' formula. This luxury, of only asking its participants to refrain from buying a single brand of baby formula, immediately makes any boycott more feasible for a larger group of long term boycotters. Participants also had the option of breastfeeding, which many experts even believe to be more beneficial. All of these factors made it easier for boycotters to participate without radically changing their lives.

## **Analysis: Why Boycotts Succeed**

When taking a broad look at the history of boycotts, a few recurring, essential characteristics begin to emerge. The first important characteristic is readily accessible information on the boycott. This is most evident in the Montgomery Bus Boycott where newsletters were distributed and meetings held to share information and let people voice their opinions, but it is something that is common to most successful boycotts. Without effective information distribution people will not know of the boycotts existence and thus can not join it, and people that have already joined it will not know its status. Effectively distributing information enables people to make informed consumer decisions which they would normally not be able to make. People cannot choose to boycott an item at

<sup>170</sup> Edward Baer, "Update on the Infant Formula Controversy". Studies in Family Planning 14, no. 4 (1983):119

<sup>171</sup> The boycott was reinstated by Baby Milk Action in response to the findings of the International Baby Food Action Network (IBFAN). IBFAN reports that Nestlé continues to use "marketing practices that undermine breastfeeding [which] are potentially hazardous wherever they are pursued".

http://www.babymilkaction.org/pages/boycott.html

<sup>172</sup> BreastFeeding.com, 2006.

all if they do not have the information which will inspire this action. By distributing information to consumers regarding businesses, they can make ethical consumer decisions. For this reason we hope our project is beneficial to the boycott community, allowing them to educate more people and hopefully create greater change.

Another important aspect in a boycott's success or failure is its ability to make its objective one which large numbers of people can identify with. In all of the aforementioned boycotts the cause meant something to the people participating in it. This sense of connection with the boycott makes its participants want to try harder to see it succeed. For instance, the Nestlé boycott was targeting practices which were hurting and killing infants. Consequently, mothers and other concerned parties who had a connection with children could identify with the goals of the boycott, namely saving children's lives. The boycotts resulting from the American Revolution had a strong connection with the people because they were directly affected by the unfair practices of the English government. This direct, unfair treatment, while generally not a factor in most modern boycotts, served to strengthen the boycott and make it effective. When people directly identify with a boycott, they will put more effort in and try harder to see it succeed.

One final aspect that is important is that the boycott be reasonable for the people involved. An aspect that any boycott must consider is how feasible the action it requires will be for its participants. A boycott cannot expect people to give up things that they view as essential to their well being without showing that it is morally imperative. Since the Nestlé boycott was a commodity boycott, the organizer only expected participants to boycott Nestlé products, allowing them other options for their baby formula needs. If the boycott had been on all baby formula it might have put excessive strain on its members, causing the boycott to collapse. Feasibility was also a serious issue for the bus boycotts and one of the major reasons it succeeded was their resourcefulness and effective organizing. Without their resourcefulness, the boycott probably would have collapsed shortly based on the participant's reliance on public transportation. The Anti-Nazi boycotts worked the same way, where boycotters only boycotted goods from German venders, leaving them free to buy from other stores. With this tactic, the

boycotters can participate in the boycott without having to give up more than they are willing to sacrifice.

One can see even from this relatively small cross-section of the history of consumer movements that most successful and unsuccessful boycotts succeed or fail for similar reasons. Most successful boycotts are focused on issues that a large number of people feel passionate about, and employ effective systems of organization and information distribution while maintaining realistic expectations from their participants. Most ineffectual boycotts fail to present their objectives in a way which people can identify with and if they do succeed in this task, they fail to establish an adequate strategy for capitalizing on this support due to disorganization and unrealistic expectations.

However, when boycotts do succeed they often prove to be invaluable and have been an integral part in some of the most significant popular movements in history. Mahatma Gandhi's Salt March to Dandi in 1930 is a prime example of the boycott's place within non-violent, popular struggles. By defying the British laws prohibiting the Indian production and sale of salt Gandhi effectively united the people of India in opposition against British colonial domination. The boycott helped to deprive the British of revenue from salt sales, a significant source of income, and presented a united front to British imperialism. Additionally, the non-violent nature of the salt march and subsequent boycotts helped to dignify and legitimize the resistance movement and to expose the oppressive brutality of colonial rule. Boycotts, within the context of non-violent resistance, have proven to be one of the most historically significant popular methods of enacting change and an understanding of them is crucial to any project that hopes to have an impact on them.

# **Chapter 5: Examination of Possible Technologies**

### **Basis of Analysis**

To accomplish our goal of utilizing existing technology to provide consumers with information at point of purchase and to ensure that our project is

as effective as possible it is essential to evaluate the most promising technologies available. For this project we chose to evaluate six 173 different technologies, with the most promising being MP3 players and electronic newsletters. We have examined the strengths and weaknesses of each technology and have concluded that the most effective course of action would be the implementation of technologies compatible with MP3 files and the creation of an electronic newsletter to be distributed by email. By approaching the problem in the most inclusive way possible, we hope to avoid the shortcomings of previous projects. This problem of a high threshold to accessibility was demonstrated in the limited success of Alice Tepper Marlin's project Shopping for a Better World<sup>174</sup>. The cost and effort required to acquire a copy of her book served as factors which fundamentally limited the success of the project. Additionally, the projects method of delivery made updating and revising information and entries slow and expensive. By choosing methods of distribution which are free and easy to access and update, we hope to avoid many of the shortcomings that Marlin's and other projects in the past have faced.

We have organized the aforementioned distribution technologies into three categories based upon the utility of each technology in relation to our project. Technologies that are in Section *Primary Focus* are those technologies that match our needs and that we plan to incorporate into our project. Technologies which we have not chosen to work with directly but are compatible in a limited sense are discussed in Section *Secondary Focus*. Finally, technologies that we do not plan to implement are located in the section of technologies that were *Rejected Technologies* to the project.

## **Primary Focus**

*iPods* 

The first technology considered was Apple's iPod MP3 player. We chose to examine this technology due to its widespread popularity and relative ease of use.

<sup>173</sup> The six technologies being MP3 players, internet newsletters, cellular phones, PDAs, mobile scanner, and internet database.

<sup>174</sup> Marlin Tepper Alice, Robin Dellabough, Rosalyn Will. Shopping for a Better World. New York: Council on Economic Priorities, 1992. This project was a pocket guide for consumers who wished to avoid financially supporting companies with immoral business practices. The guide included information on company's relations to weapons production, promotion of diversity, dealings with Apartheid South Africa, and disclosure of information.

Over the past few years, iPods have become extremely popular. We can see from the recent, rapid growth in the number of iPods sold that working with this technology would enable us to reach already large and growing numbers of people. We have see that there was a dramatic increase in ownership just from 2003 to 2006 with iPod ownership going from 939,000 units in 2003 to 41,292,000 in quarter one of 2006. Considering the large number of units sold we feel confident that we will be capable of reaching a significant number of people.

To truly evaluate the efficacy of the iPod as a distribution system we must examine the various means of distributing information which applies to it.

The first way to use iPods is by utilizing Podcasts. Podcasts, a form of information distribution that can contain audio, video, and graphics, "consist of ... episode files that [are] download[ed], and an XML176 file that lists all the [downloadable content]." One aspect of the Podcast service that would be beneficial to our project is the ability to download new content easily through the use of RSS feeds<sup>178</sup>. RSS enables a user to quickly download new and updated information onto their computer automatically. This ability would greatly streamline the updating process that is essential to the project's success.

Another option for using iPods is to manipulate ID3 tags of MP3 files<sup>179</sup>. ID3 tags can be attached to MP3 files and hold information about the file, such as title, artist, album, or genre. We could create blank MP3 files with altered ID3 tags containing the information for the user. The user would then download the created MP3s onto their iPod, allowing them to look at the ID3 information to view the data which we have encoded. The user could download the file from either a centralized database online or acquire it by subscribing to a Podcast which would routinely send out and update the files. This approach would be very effective because it can be easily organized and searched, while also not taking up very much space. It would be very easy for a user to navigate the information,

<sup>175</sup> Quickseek.com, iPod, http://encyclopedia.quickseek.com/index.php/IPod#iPod\_sales. 2005 (accessed December 6, 2006).

<sup>176</sup> Extensible Markup Language, a cross platform, user-friendly, programming language used to share information. It is supported by numerous applications and internet browsers.

<sup>177</sup> Apple Computer Inc., Podcasting and iTunes: Frequently Asked Questions, http://www.apple.com/itunes/store/podcastsfaq.html, 2006 (accessed April 23 2007)

<sup>178</sup> Really Simple Syndication

<sup>179</sup> MPEG-1 Audio Layer 3: type of music file commonly used with portable music players

because iPods have sorting functions that the user can use to sort the files. The MP3s would take up minimal space because as audio files they would be blank, only including information from the small ID3 tag. This would allow for thousands of these files to be stored with minimal space required.

## Other MP3 Players

Besides the iPod, there are many other models and brands of MP3 players. For the purposes of this project we are only focusing on MP3 players which have a display screen which is large enough to accommodate the information we wish to convey. It would be possible to use other types of MP3 player but that would require the use of audio which is not an option for this project due to time and resource constraints. To do this we would have to record an audio track for every single entry, which is obviously not within the scope of the project or very convenient for users. Another drawback would be the large amount of space that would be required to hold any significant amount of information, due to the large size of audio files. For all of these reasons, we have ruled out incorporating small screen display MP3 players into the project. Large screen display MP3 players, on the other hand, could be used in exactly the same manner as described above for the iPod. We plan on exploiting the large overlap which exists between various MP3 players and the more popular iPod, allowing us to reach the largest audience possible. The use of the MP3 file format itself was a conscious decision, because of its wide compatibility with all operating systems and nearly all modern audio devices. The one drawback is that there are many different MP3 manufacturers, and each one has different ways of displaying the common information. We would need to simplify the way in which we use the MP3s by possibly using only the song and album title to provide information to allow the data to be displayed on all MP3 players.

#### Newsletter

A mailing list is an effective way to spread information to a large number of peoples with relative ease and essentially no cost. A mailing list could be employed to send a newsletter to subscribers containing information on companies and products. The user could then print out the information and put it

in a binder or organize it in a way they see fit. This information could be brought to a store when they go shopping, allowing the user to compare products to the information provided to make informed decisions. The major benefit of this method is that it is very inclusive in terms of technology. Not all people own IPods and MP3 players and they require a certain level of knowledge, while email is more basic and readily available. This would allow us to reach those people who may not have the financial means to own an MP3 player or are uncomfortable with more advanced forms of technology. Another benefit would be the ease in which the information could be modified and customized by the user. Since the user would be printing out the information and organizing it themselves they could organize it in any way they wish to and print out the information that they feel is important. This approach also allows for easy updates. The newsletter could be set up by initializing a mailing list of subscribed users, and once completed we would send an email to the list containing the new information. One of the main disadvantages of this is that it is wasteful to update. If we were to update a company or a set of information, the user would be required to reprint the information and throw out the old copy. The user would also need to figure out where to put the new information. This approach would require a lot of effort on the part of the user which is not desirable for our type of project. Another disadvantage is that the user would be required to carry the printouts with them, forcing them to remember to bring the information along on shopping trips. These disadvantages are not insurmountable and this method would be effective in reaching consumers with minimal technical knowledge.

### **Secondary Focus**

#### Cell Phones

Cell phones are constantly being updated and improved to meet consumer's demands. Our project considered utilizing this growing technology as a method of information distribution but eventually chose to not use it as a primary focus. According to the 2003 U.S. Census, there were 159 million cell phone subscribers in the United States. The use of cell phones could potentially

<sup>180</sup> U.S. Census Bureau, U.S. Census Press Releases, http://www.census.gov/Press-Release/www/releases/archives/miscellaneous/003136.html, 2006 (accessed December 11, 2006).

allow us to reach a very large number of people and, unlike MP3 players or newsletters, they are carried by most people during their everyday lives. However, cell phones often use various different coding languages, depending on company and model, making it difficult to write a program which could be easily ported to all makes and models. With recent advances, however, numerous cell phones are using a mobile phone version of JAVA<sup>181</sup> which creates some uniformity in languages used, but it still requires the user to incorporate phone specific code, hampering mass compatibility of any program designed for this project<sup>182</sup>. It is possible that in the near future advances could be made which would allow a single program to be run on all cell phones using JAVA as the basis for a common language, but at this point it is not a plausible option. Emerging UPC scanning technology for cell phones is a rising trend in Japan and other markets and is discussed as an option in detail in the *Rejected Technologies*.

We have decided not to use mobile phones as a primary means of spreading information based on the realization that to create an effective program for cellular phones we would have to create multiple versions for different cell phones or risk abandoning groups of users who owned phones which did not support the program. We have also decided to not to use cell phones because they are able to play MP3's and can access web pages via mobile browsers, allowing for limited compatibility without any additional work. Implementation of an MP3 player system, an internet database, or an internet newsletter could all be used on most cell phones that either have access to the Internet or an MP3 feature.

#### **PDAs**

In recent years, PDAs have grown in popularity, with a 25 percent increase in sales between 2004 and 2005 where 2.5 million PDAs were sold during the first quarter. Although the sales of PDAs are not as high as those of iPods or cellular phones the number is still of a magnitude which makes PDAs beneficial to

<sup>181</sup> Programming language created by Sun Microsystems which allows code to be portable by allowing it to be run on any machine which has a JAVA environment.

<sup>182</sup> Paul Wallich, "Unleash the Beast Inside Your Cell Phone", Popular Science 2, September 2003.

http://www.cnn.com/2003/TECH/ptech/06/13/popsci.beast.phone/index.html~(accessed~December~11,~2006).

<sup>183</sup> Sumner Lemon, "PDA Sales Increase Sharply", IDG News Service, 04, May 2005. http://www.pcworld.com/article/id,120698-page,1/article.html (accessed December 11, 2006)

examine as a technology. PDAs possess numerous ways in which information can be stored and displayed for a user, including those which we have examined in the *Primary Focus* section, specifically those of MP3 and email methods. It is not necessary to work specifically on a method designed for PDA implementation because the ways which we already plan to execute the project are compatible with existing PDA technology. A user can download a newsletter or MP3 to their PDA, and reference it when needed, removing the necessity for a specific method to be developed. Additionally, we feel that our target audience is not likely to own or use a PDA on a regular basis. Thus, implementation of a PDA specific method would be unnecessary and would divert time away from more important project goals.

# **Rejected Technologies**

## Mobile Scanner

Implementation of a mobile barcode scanner would be a simple way for consumers to research a product while at the point of purchase and would require very little forethought, with the exception of updating the device and bringing it with the user. The user would scan the UPC (Universal Product Code) of an item and immediately have information pertaining to numerous aspect of the product displayed on the device. Instead of searching through a book, MP3 player or cell phone, the user would simply scan a code and read the stored information on their scanner. A shopper scanning a product with the device would be highly visible, drawing attention from nearby patrons. The response from witnessing the use of the device has the chance of influencing other shoppers; they may choose to refrain from a planned purchase or choose an alternative or potentially research the scanner for their own use.

While this technology sounds ideal for our project it is implausible simply because the scanners are years away from even being marketed in the United States, let alone being a familiar daily tool. An interested consumer would have to be willing to buy a specialized piece of equipment and large amounts of resources would have to be devoted to development, marketing, research, and overall production costs. One of the main goals of our project was to provide a service which cost little to nothing and utilized existing technologies; this, in its present

stage, accomplishes neither. Attempts to market similar, UPC scanning technology in the United States during the 1990's failed to catch on and it is still not clear if the technology ever will in the United States. This is not to say that this idea could not be achieved in the future, but for the time being it is an entirely implausible option. In the future this may be the best option for a project such as this and recent developments with comparable technology, embedded in cell phones are being developed in Japan with great amount of success. For these reasons we have decided not to further examine this technology but are excited at the potential it represents for future projects.

#### Internet Database

Internet databases, by virtue of being part of the World Wide Web, immediately allow anyone to reach a nearly unlimited number of people with ease and minimal cost. This has been proven often since the advent of the Internet and its rise to popularity and made researching potential uses of this technology obligatory. With only limited research we found that many organizations had already utilized this technology in the same manner that we had initially hoped to. For instance, Co-op America hosts a program called Responsible Shopper that gathers information about corporations and how they operate, including their various affiliates and competitors. Alonovo, a similar organization, has take a slightly different approach, creating a site which overlays Amazon.com, allowing information pertaining to the ethical practices of companies to be viewed at the point of purchase. (Screen captures of each of these sites are located in Appendix E: Screenshots.) Users go about their shopping at Alonovo in the same manner that they would at Amazon except that they are additionally able to view ratings for the producers of whatever product they are interested in. Since organizations and other have implemented the technology in a relatively effective manner we

<sup>184</sup> Louise Story, "New Bar Codes Can Talk with Your Cellphone", NY Times, 1 April, 2007.

http://www.nytimes.com/2007/04/01/business/01code.html?ex=1333080000&en=8bb1180541c7a895&ei=5088&partner=rssnyt&emc=rss (accessed April 22, 2007).

concluded that it would be not an efficient use of our time to attempt to create another variation of the same idea, considering our limited time and resources.

#### Conclusion

Based on our research of various existing technologies, it is evident that some of them are beyond what we are capable of implementing. For instance, a mobile scanner is too advanced for the capabilities and the time constraints of the project. At the same time, some technologies are able to utilize other implementations of our project, making their use redundant. This is the case for cell phones and PDAs, both of which have access to the internet and can listen to MP3s. Finally, one technology, an internet database, is already in use which rules it out completely. This leaves two possible technologies, MP3s and email newsletter, which are easy to use, easy to update, and portable to allow users to carry it with them. For these reasons, these are the best technologies for us to focus on, while the others can be either indirectly used, or rejected all together.

# **Chapter 6: Conclusions**

"The unrealistic sound of these propositions is indicative, not of their utopian character, but of the strength of the forces which prevent their realization." <sup>186</sup>

Our final project, like most, has changed significantly from our initial proposal but this does not reflect poorly on our final product. We initially hoped to compile the disconnected information from activist organizations that has taken so much effort to gather and unite it all into one source that could be easily navigated through by even novice computer users. We proposed that this source would be an internet database that could be freely accessed by any interested parties. The compiled information would come from human and animal rights organizations, consumer advocates, and environmentalists. By creating a centralized source we hoped to streamline the process of evaluating corporations on a large number of relevant issues, for both individuals and consumer activism organizations. After further research we were pleasantly surprised to find that

<sup>186</sup> Herbert Marcuse, One-Dimensional Society, Marxists.org, http://www.marxists.org/reference/archive/marcuse/works/one-dimensional-man/ch01.htm (accessed May, 23 2007).

several organizations had, for the most part, already accomplished the major goals of our project.

After examining the existing projects, namely Responsible Shopper and Alonovo, we decided to shift the focus of the project to making the existing information of interest portable. This decision was reinforced by our interview with Alice Tepper Marlin where she stressed her own trouble with the important task of bringing information to the point of purchase. She explained that the best way "to get [valuable] information to very large numbers of people ... would be to get your information at the point of purchase." Getting information to the point of purchase was "the same problem [her organization] had with *Shopping for a Better World*", an otherwise very successful project. By the time of this interview we had decided to work towards implementing a portable method of distributing the information, utilizing existing technology. Marlin's interview helped to confirm the value of our undertaking, showing that portable technology could be a viable solution to the problem of getting consumer information to the point of purchase.

With a new set of goals and final product we began researching viable existing technologies and perfecting techniques for delivering data gathered for the project. While working on the prototype we did extensive research on the origin of the modern boycott in an attempt to acclimate ourselves to the current movement and in an attempt to educate the reader on what makes a boycott successful. This research reflected our pragmatic approach to our project and the problem of corporate brutality; our number one goal was to create something effective and valuable, not an esoteric or overly idealistic paper to be read once and then cast aside. In addition to researching the origin of the boycott we studied various philosophical positions contrary and complementary to the project. We chose to focus on the ethics of care due to its radical re-envisioning of the problems at hand and its ability to offer previously unconsidered moral solutions.

After working on the paper for a significant amount of time we realized that we hadn't truly demonstrated the severity of the problems that we hoped to mediate with our project. This led us to write the case study section, which has come to be one of the largest sections of the paper. This section became a vital

<sup>187</sup> See Appendix A: Interview with Alice Tepper Marlin

part of our paper not only because it helped to familiarize the readers with the horrible inequities of capitalism we hoped to address but it also helped to reinforce the care ethic philosophy of the paper. The case studies helped to link the reader's consumer decisions with the problems at home and abroad and made the people who were made to suffer under capitalism "concrete others". This process, of provoking emotions such as empathy through the knowledge of others suffering, is integral to the impetus for moral action defined by care ethics and exhibited by the project as a whole.

Throughout all of the writing and research done for the project we continued to identify and evaluate different technologies to utilize for the prototype. We knew that we wanted to utilize existing technology because of practicality and the ability it offered us to distribute the prototype for free. In the practical sense, because of our backgrounds, creating a technology from scratch was beyond our capabilities. Furthermore, it is doubtful that consumers would actually purchase a standalone piece of technology, even if creation of one was a viable option.

This left us in the realm of existing consumer electronics and we quickly found that using some form of technology that implemented MP3 technology was our best option. MP3 technology is inherently cross platform, allowing for the maximum amount of inclusion, another important goal of our project. We decided to focus primarily on the iPod MP3 player because of its popularity, ease of use, and market penetration. We chose to work on a Podcast, a form of information dispersal that utilizes RSS technology, to freely deliver our information to the consumer. This information is to be used at the point of purchase (while shopping), via the iPod or other MP3 players. To get a better understanding of people's familiarity with the concept of Podcasting and a general idea of MP3 player ownership we developed a survey to be taken by local college students. What we learned from the survey verified our belief that most people who owned MP3 players of one sort or another had at least heard of and in many cases were familiar with and had downloaded Podcasts.

As we continued to work on the project the core philosophical concepts and historical details of the problems began to shift in importance, becoming more focal to the project. While in many ways this was an unconscious decision on our part, we feel that the project benefited from the rigorous treatment of the issues we examined. The writing served to explain why consumers should care about the decisions they make and provided them with alternatives and a basic understanding of how to change their decisions for the better. We feel that without an adequate justification for the project any prototype, regardless of the time and effort spent perfecting it, would be useless because people must care enough to change their shopping habits and lives for the better.

Evaluating our project is harder than most because of the enormity of the problem we hoped to help mediate. Our project was designed to only help minimize the wounds of a problem that cannot be solved under the current capitalist mode of production. The exploitation discussed in the paper is not incidental to capitalism, it is inherent to it. In the light of all of these factors we feel that the project was successful in bringing these issues to the forefront and creating a potentially useful method for informing and guiding interested individuals in their consumer decisions. We feel confident that we demonstrated the gravity of the situation and what is truly at stake when we make our purchasing decisions. We helped readers to understand that when they purchase a product they are economically supporting that commodity's beneficiary, whoever they maybe. Because of this relation we must be aware of who we are financially supporting and what misconduct we may be complicit to by way of that support. Furthermore, if our Podcast is used in any capacity by the consumer activism movement then we have succeeded in the goals of our project.

The aspect of the project we feel least confident about is the overall effectiveness of our undertaking. We aren't sure if people will ever want to read the paper we have written or if we will be able to hand over the prototype to an organization that will continue our work. Additionally, during the survey more than one person commented that they "don't have time to listen to all the Podcasts I subscribe to now" and that they weren't sure if they would be interested in any additional Podcasts. While this person obviously misunderstood the point of the project (thinking that 1. you were supposed to listen to the Podcast and 2. that it was in the vein of regular Podcasts, rather than a tool to be used *while* shopping)

189 See Appendix B: Survey Results pg. 86

they raise a valid point. People are already really busy and if we can't help them to understand the importance of our project they won't bother to look into it and utilize what we have created.

#### The Future

Due to the freedom and ease of use of the Internet and the continual development of affordable consumer electronics, the future looks bright for some form of free, electronic point of purchase distribution system similar to our own. The rising popularity of UPC scanning technology embedded in cell phone-primarily in Asia- and the chance that this trend may spread world wide is very exciting. The ability to scan an item and be brought information about it in a matter of seconds would streamline the entire process of presenting information to consumers enormously. Rather than asking consumers to browse through their song library to find the entry of the company in question they could just take out their phone, scan the barcode, and instantaneously have all the information we could provide. This ease of use will greatly expand the number of people willing to check the moral implications of their consumer choices.

However, the sad truth is, until we have independent media outlets truly willing to explain the gravity of the situation to a large audience and a society that will actually acknowledge the barbaric way it treats the large majority of its citizens not lucky enough to be born into the few wealthy countries, little will change. This does not alter the fact that people like us must continue to work towards the nearly unachievable goal of living a moral life, but it would be naïve to not take the larger picture into consideration.

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# **Appendices**

### **Appendix A: Interview with Alice Tepper Marlin**

**Aaron**: How effective do you feel that [Shopping for a Better World]<sup>190</sup> was at accomplishing your goals?

**Alice**: It was terrific; it was one of the best projects I have ever been involved in. We eventually sold over a million copies of it and got about 1500 media stories a year, including virtually all of the major US media. Newsweek, New York Times, Washington Post and virtually every major regional newspaper and a bunch of magazines all did large feature articles on it. It sparked a lot of interest in how consumers could turn their shopping cart into a vehicle for social change and it got a lot of response from companies. For instance, the morning I got back from doing a Today Show interview, the CEO of Colgate, Mark Reuben, was on the phone wanting to know what he could do to improve their ratings. It seemed to be quite effective.

We weren't effective at two things: 1) as a book, we were not able to get it established as a best selling annual that people would buy every year (the million copies were mostly sold within the first three years). Demand plummeted the year of the first Gulf War and didn't return to substantial numbers after that. The media had covered it actively for about three years, but then never really picked up on it after the war; they regarded it as old news by then. 2) We never succeeded in making the ratings available at the point of purchase.

190 Marlin Tepper Alice, Robin Dellabough, Rosalyn Will. Shopping for a Better World. New York: Council on Economic Priorities.

**Aaron**: Do you feel that the medium of print was limiting because of the need to continue updating it and distributing it?

**Alice**: Yes. The book was priced very low, which it should have been, so that it was an easy annual purchase. But there was not much margin for advertising. It was financially successful at a quite low price, even for a paperback, because there was so much free publicity, and very high "word of mouth" function, generating sufficient revenue to justify the high cost of the research for it.

Now, one has to think about point of delivery labeling, in stores and on product packaging. That's more or less the kind of approach that SA 8000<sup>191</sup>, developed by Social Accountability International, should eventually be doing. The requisite consumer marketing is a substantial and expensive job. Another option is for a high circulation publication that consumers read to carry it every year. For instance, Consumer Reports or a weekly general circulation magazine could publish the information in an annual report or in their magazine on a regular basis.

Doing it through the Internet is another option. The core question is how do you distribute it at low price to large numbers of people.

<sup>191</sup> Developed by The Social Accountability International, "the SA8000 Standard is an auditable certification standard based on international workplace norms of International Labour Organisation (ILO) conventions, the Universal Declaration of Human Rights and the UN Convention on the Rights of the

SAI. Overview of SA8000. http://www.sa-intl.org/index.cfm?fuseaction=Page.viewPage&pageID=473 2005 (accessed April 17, 2007).

**Aaron**: With our project we're hoping to, obviously we don't have the capabilities to do any of the research ourselves but we're hoping to utilize the information from Co-op America<sup>192</sup>

**Alice**: Co-op America is the organization we passed our research capacity on to after we did the original Shopping for a Better World series. The Co-op project Responsible Shopper<sup>193</sup> is one of the best resources currently available, along with Alonovo<sup>194</sup> with its Amazon link. You should take a look at them. [Co-op America's] Responsible Shopper is more of a campaign resource than it is objective analysis and ratings. Originally, Council on Economic Priorities provided their rating data and Coop America added to it campaign functions. The Council on Economic Priorities passed its research capacity on to EIRIS, a UK organization that does CSR research for the investment community and makes it available to Coop America for Responsible Shopper.

**Aaron**: We noticed that *Shopping for a Better World* was much more detailed and it had a much more extensive rating system...

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Alonovo. The alonovo.com Concept. http://www.alonovo.com/community/about 2007 (accessed April 17, 2007).

<sup>192</sup> Co-op America is a non profit organization which hosts a website, http://www.coopamerica.com, whose goal is to assist people in making responsible consumer decisions. Co-op America provides a number of services which provide users with information to work towards this goal. Two of these projects are the Green Business Campaign, which provides users with a list of responsible businesses, and the Responsible Shopper campaign, which gathers information about corporations to make consumers aware of their business practices.

<sup>193</sup> A campaign run by Co-Op America that compiles information from various sources on the business practices of popular corporations in an effort to help consumers make responsible shopping decisions.

<sup>(</sup>http://www.coopamerica.org/programs/rs/)

<sup>194</sup> Alonovo (Alonovo.com) is an internet database linked to Amazon.com. Their "goal is to inform society in a very simple, visually appealing manner with regard to corporate behavior at their point of online purchase". Members of the site can browse any product that Amazon offers and, if the data is available, view a rating of the company that produces it. The most notable aspect of the project is their feature which enables the user to customize the rating system to fit their own personal beliefs.

**Alice**: Our emphasis was on the ratings and Coop America's emphasis is on organizing campaigns; we referenced campaigns; Coop America added on-line campaign functions. Shopping for a Better World tended to evaluate campaigns, utilizing supplementary interviews and fact-finding.

There are big advantages to doing it through the Internet, giving you the opportunity to email directly to the companies. Alonovo has added impressive abilities for you to sort. Alonovo provides the capacity for users to input their own personal preferences, that is weight -- or prioritize -- the different issues on which companies are rated, so you can see companies rated according to your own value system, input yourself. That's also a function we wanted to do with Shopping for a Better World but never quite acquired the technical capacity and adequate funding to do so. Take a look at Alonovo; they set that up really nicely.

The data you need to rate the companies is now available from lots of different sources. Primarily it's available through the organizations that do the ratings for the social investment community. The question is, how much of that will they make available to you and what would be the cost of acquiring it. It's actually quite expensive to regularly update the research. I don't frankly know to what extent Responsible Shopper keeps that information current. Every year, in addition to rating companies, one needs to be sure that the right brand name is associated with the company, because who owns what brand name shifts frequently.

**Aaron**: It seems if the goal is to make companies change their practices you would want to get the information as soon as possible if they were to change their practices.

Alice: Exactly, that was what was so important to update it frequently. There were two Shopping for a Better World goals; one was to serve people who just were more comfortable with values shopping, as a personal service to individuals. The second was more an approach of utilizing market forces to change companies for the better, to make social and environmental care a competitive factor. I guess there was a balance, probably most of us working on it were a little more interested in changing the incentive system for companies, but a lot of readers were doing it for their sense of harmony, rather than to change companies. You've got both audiences there; you've got the audience that wants to change companies and the audience that just wants to be pure and reflect their values.

**Aaron**: One of the main focuses of our project, we're trying to come up with a system of distribution which would allow us to reach an audience as wide as possible and allow the information to be as easy to use as possible. We were thinking of different ideas for incorporating commonly used technologies that people own such as MP3 players or cell phones. Do you think this could be valuable to the movement?

**Alice**: Definitely, that's enormously valuable. All of this takes a fair amount of work and funding, what resources do you have?

**Aaron**: At this point, it's purely a school project, and therefore we have very limited resources.

**Alice**: I would really suggest, if you haven't already, to get directly in touch with Co-op America and Alonovo.

**Aaron**: We haven't heard of it...

**Alice**: [Alonovo has] done a very clever thing in that they've got themselves attached to Amazon, but it's not attached to Amazon in such a way that if you just go to Amazon you see it. It means if you go through their portal you can order anything you can order through Amazon and when you go to the item, right there it says "want to see their social ratings" or something like that. So it's a terrifically neat thing but what they're lacking is an effective way of driving a very large number of people to it. Your real brass ring would be if when you go to Amazon you would see this capacity and could click right through to the rating.

**Aaron**: That could potentially conflict with Amazon's goals, right?

**Alice**: Right, but if you go through the Alonovo site it's very neat, they've actually succeeded at getting the ratings at point of purchase and they've got this mechanism for it to reflect your own values, which is really satisfying to use.

**Aaron**: That was something we had kind of thought about in the beginning, because we know everyone has different priorities, especially with animals rights issues and things like that, some people are much more concerned with that than others, so we thought that would be a way to be as inclusive as possible.

Alice: Yeah, that's a really good idea. What we found was that there were some people who just wanted to know if [companies] were good while some we found really would look for the issues they cared about, and go up and down one issues column of ratings, just checking those. Others just went all the way across a row showing a company's ratings. They just wanted to know if the company was relatively good on everything and they didn't pay a lot of attention to which column in the row. They were looking more at the company's average, checking to see that there weren't any really bad marks or looking for the best averages.

Aaron: Another thing we were wondering was it seems like the current project you are involved in is a higher level project, like it's not necessarily as concerned with the consumer as it is with effecting policy itself, is that accurate?

**Alice**: Well, SAI is primarily focused on actually making changes, rather than with providing consumer organizations [with research. We do have a seal but it's a business-to-business mark. What we're try to do is to get the brand and retail companies to ask or require their suppliers to get into conformance. We also go directly to employers and try to get them to use the SA 8000 system. SA8000 has the potential eventually to be communicated as a consumer label, at the point of purchase. It took SAI awhile, but we now have enough factories and farms producing a sufficiently wide range of products that you could actually have some noticeable numbers of items produced in SA8000 certified facilities in stores. The

next step is testing and convincing major retailers to carry it. We hope to begin next year.

**Aaron**: We were listening to a speech that was made by one of the marketing people for Equal Exchange and they were talking about how that can actually be a problem, we were wondering if you had run into that at all, where retailers are sometimes hesitant to actively advertise that they have products which are sweat free or made in democratically controlled companies, etc., because of the effect it can have on the rest of the products that they generally sell, is that?

**Alice**: Yeah, a lot of companies are afraid of that, but there isn't evidence that this occurs, that I have seen. There are a bunch of organizations that use a consumer certification mark approach – e.g. Forest Stewardship Council, organic agriculture, fair-trade and Rainforest Alliance; you can find out about almost all of the credible ones in the social and environmental area by looking at the website of an organization called ISEAL (International Social and Environmental Alliance for Labeling)<sup>195</sup>, it's www.isealalliance.[org]. There you can also link to websites like Fair-Trade, Organic, Forest Stewardship Council, SAI, Marine Stewardship Council, and so on. This is a much more popular approach in Europe than it is in the United States. Some of those labels are quite highly recognized in Europe; recognition level is low in the United States. In some European countries 80% of the population recognizes a fair-trade mark. And [in the United States], there's

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<sup>195 &</sup>quot;The ISEAL Alliance is an open membership association for international social and environmental standard-setting and conformity assessment organizations that seek to meet objective criteria for credible operating practices."

ISEAL. History, Mission & Vision of the ISEAL Alliance.

 $http://www.isealalliance.org/index.cfm?fuseaction=Page.viewPage\&pageId=485\&parentID=471\&nodeID=1\ 2006\ (accessed\ April\ 17,\ 2007).$ 

good recognition of a few of them like Organic, but consumer awareness is much lower [here], and therefore much less known. So US retailers are much less prepared to carry such labeled certified products. In ISEAL, those that have the most well recognized labels and the most significant share of a particular niche (like coffee that is Fair-Trade labeled) say they have never run into a case where it's actually been a problem.

**Aaron**: That's really interesting.

**Alice**: So, I would put it in the category of a myth. It's a reasonable fear, but the feared consequence is a myth.

**Aaron**: Just as a sort of meta-level question, for any of the different projects, I don't know if it could be classified as a movement as a whole, but trying to promote more socially responsible practices from business, do you feel like it's even necessary to address arguments, I know Milton Friedman was a really big advocate for a morality free business philosophy and his rhetoric is used a lot to refute the whole idea that social consciousness is even something that business should be worried about, do you feel like the movement needs to address that, or do you feel that it's something that's not necessary?

**Alice**: Well, it depends on who your audience is. It's certainly no longer always necessary because there's so much general knowledge and acceptance of the concept of corporate social responsibility. One strategy would be just to quote some corporate executives in favor of it. You could look at some polls that survey

executives and cite how many of them think that business has a social responsibility and that it's a significant strategic factor for them. You'll find overwhelmingly high numbers. So, that should be sufficient. In the academic community, in economics, you'd probably certainly need to analytically address the arguments on both sides.

**Aaron**: We had another one that was sort of on the same meta-level. What do you feel is the root cause of the problems that you and other people within this movement trying to address?

**Alice**: The root cause of the problems? There's nothing very unique in that. You're talking about environment and labor, community. I don't think that the root cause is capitalism, other systems have similar problems. At the core is a low level of enforcement of relevant law, the lack of an international legal system to assure decent conditions and a level playing field, and in many places alack of a culture of compliance.

**Aaron**: So you feel that it's not a system problem, it's just problems that can be worked

out and can be solved within the capitalist economic system?

**Alice**: It is a systems problem, surely, but government alone cannot solve it. I don't think that the communist economic has provided the solution. The best way to solve these problems is though effective government regulatory and incentive systems. Voluntary systems, given as the world as it is, can be very useful,

efficient, and reasonably rapid. The best way to solve these problems is to have good environmental and labor laws and government agencies to enforce them on the international, national, and local level. So, it's a perfectly good thing to spend your time and life working on. Given the limitations and the more than a hundred years that people have been working on that it's also sometimes more efficient and feasible to use the market system. This is a very good tactic and improving government is a good tactic. I don't think either governmental or voluntary action alone is sufficient.

**Aaron**: So do you think it would be valuable to have as a part of distributing information also recommendations on ways for people using the information to send letters to their representatives and to essentially encourage political involvement?

Alice: Well, if you have the staff and the capacity to properly identify what they should be lobbying for, sure. I don't know whether it's a good strategy to put that on the same site. I think it's a tremendously useful thing to do, but given resource limits, you have to set priorities. I would have no idea whether it would be worthwhile to incorporate into your program. There are a million things that are useful to do out there, and so to some extent you need to set priorities and focus how you use your resources.

And the other thing to think about is how much time and energy are individuals really willing and able to devote to this? How many letters are they going to write? It's usually advisable to give people a unique selling proposition: e.g. this is the thing you should be writing about, or cast your economic vote when you

shop. There are lots of different calls you can make on that, and certainly the internet has much more variable ways of offering a lot of opportunities without overwhelming your reader. So, people can go down different paths. Ideally, if you have very large resources, your site could do all of those things. See what your resources are, number one, and number two, if you keep it a consumer vote site you may be able to get use of it by people across the political spectrum. Are you are talking about the United States only, are you or are you talking about the world?

**Aaron**: We were hoping to address more than just the United States.

**Alice**: More than just the United States... Well, think about what the capacity is to tell people in a hundred different countries what legislation they ought to try to influence, and then, in any one of those countries, if those policy positions are associated with a particular political party. Should your site become associated with that political party? Your strategy might be to align yourself with political parties, but it might be you want to reach across political parties, so...

**Aaron**: So it could be counterproductive to inclusion, possibly?

**Alice**: Yeah, it certainly can be counterproductive to inclusion, but on the other hand, actually getting large numbers of people to come use your site and do something about it is an enormous feat. It might be that you would do better by aligning yourself narrowly but getting high penetration. It might be better that you would do better by not narrowing your potential audience. So, I can't responsibly

indicate which way to go, just indicate that there the range of factors you could benefit from considering.

**Aaron**: Do you feel all of these different projects which you described could be said to be part of the same movement, or do you feel that they're all separate?

**Alice**: They're all aligned. I never quite know what to make of the word "movement", much as I like it. I think work towards common goals should be interlinked. That doesn't mean that everyone has to do everything, but underlines the importance of cooperation and appeal to many of the same people. I do suggest that you look carefully at this national versus international focus. If you think you can get ratings on companies from other sources without having to invest in doing those ratings yourself then you're faced with the issue that each country has different laws, different data, different companies, different cultural values, and different ranges of performance. I doubt that you will be able to go to any one source that's going to rank Toyota, General Motors, Volvo, and Fiat on a directly comparable basis, because you're likely to find resources that differ in their methods, benchmarks, and coverage. What I think you will find is a German research system that rates Mercedes and Volkswagen and a Scandinavian one that rates Volvo and Italian groups that rate Fiat and US groups that rate GM and Japanese research groups that rate Toyota. Their criteria may differ and their thresholds will differ. The actual differences reflect as much national practice and national laws as individual company differences. So, any American auto company might do better than any Japanese auto company in promotion of women, but in the environment, any Japanese company may do better than any US company. So

I don't know if you would be able to find a database that will be able to give you fully comparable international comparisons. That's another reason why we switched to what SAI does; it was an attempt to work from a global perspective, rather than a national perspective.

In terms of the ratings, the Global Reporting Initiative (GRI)<sup>196</sup> is worth looking into. It's a fairly advanced global program to set disclosure criteria for corporate social/environmental responsibility (CSR) reports<sup>197</sup>. Companies that follow the GRI guidelines enable readers to compare a report done in any country with any other. It's somewhat similar to SA8000 in that its reference points are not any one nation's law or practices, but are global. There are now thousands of companies reporting along GRI guidelines, and it would be interesting to talk to some of the research groups to see the extent to which they are moving their coverage to be global. The comparability problems, not insuperable but they're complicated. It's a really good avenue to think about, how this could be done globally, because internet distribution is global. If you could figure out a way to get your data to a global audience that would be great. If I had -- and this is personal preference --, a sizable budget to work on this and were looking at strategy, I would maybe find it persuasive to devote resources into what consumers can do as consumers, rather than trying to get people to lobby on political issues, just because there are a lot of organizations working to get individuals to lobby on political issues, whereas [a

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<sup>196 &</sup>quot;The "Global Reporting Initiative" is a large multi-stakeholder network of thousands of experts, in dozens of countries worldwide, who participate in GRI's working groups and governance bodies, use the GRI Guidelines to report, access information in GRI-based reports, or contribute to develop the Reporting Framework in other ways – both formally and informally." GRI. Who we are. http://www.globalreporting.org/AboutGRI/WhoWeAre/ 2007 (accessed April 17, 2007).

<sup>197</sup> CSR reports are used to evaluate social and environmental corporate performance. A strict set of criteria would be valuable because many critics hold that due to their voluntary and corporately sponsored nature they are too varied in format to be used as an objective evaluative tool. They claim this variance allows companies to use the reports to merely appear to be engaged in ethical business practices.

global consumer project] is more unique. Maybe you could just do links to policy advocacy organizations so you don't have to try to figure out what positions to take on environmental and labor issues around the globe. Sometimes they're global like the Kyoto [Protocol]. You could just select some you think are best in each country and say "if you want to cast your political vote on these, here are links arranged by country and issue". You just got to identify those groups' wants and they're updating constantly.

**Aaron**: Finally, what do you feel is the most lacking thing that, if addressed, would be the most important to the overall alliance that you spoke of earlier?

Alice: I guess the issue most needed but not adequately addressed -- and it may be because it's inherently too difficult -- is how do you really get this information to very large numbers of people on a regular basis. I don't mean just that it's just available to large numbers of people --, with the Internet it automatically makes this possible -- but how do you drive your traffic to the site? The ideal way would be to get your information at the point of purchase, that's the same problem we had with *Shopping for a Better World*. We couldn't convince supermarkets to carry the books, or to put notations about the books in the aisles, except for a few small experiments, but nothing big. So, the issue with the Internet is how would you get social & environmental data easily visible on sites people go to just when they're going to shop online. What would be easier to do on a small scale is to say "If you're interested in social issues come to this buying site" but that leaves you in a niche. To really have substantial impact, go to where people are going

when they're thinking about wanting to buy something rather than expect them to come to you. That, I would think, is the real brass ring here.

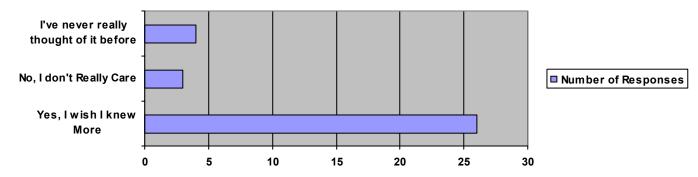
**Aaron**: Ok, thanks, that's sort of along the same lines we were thinking. That's what we have been trying to think about a lot with the project, the general problems of not only distribution but also getting people interested in the information in the first place.

Alice: That's why I'm really delighted you're working on it. I don't want to minimize the importance of seeing that the research is reliable and kept current and that if you're going to a global audience that it's actually global basis research and that it's comparable. I think it's important that you have staff that's paying attention to that, not just to the marketing aspects, but where the big break through would take place would be the distribution and marketing, assuming that the [the research] is really working. If you were to get to that big global market and it turns out that the research is lousy then you've gone through a lot of trouble and the damage to the reputation of CSR would undercut not only your project but the whole concept. So, you always have this tension between how fast to market/how broadly to market and how much you invest in the quality of the product. It's neat that you're working on it and I hope that you keep me up to date.

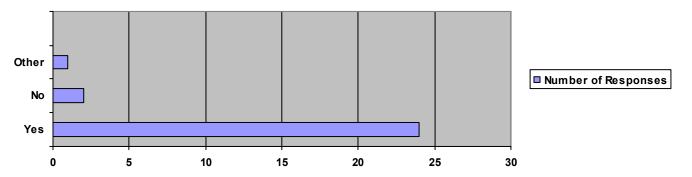
### **Appendix B: Survey Results**

The survey consisted of thirteen students from Wellesley and twenty students from Worcester.

# 1. Do you ever wish you knew more about a particular company's business practices?



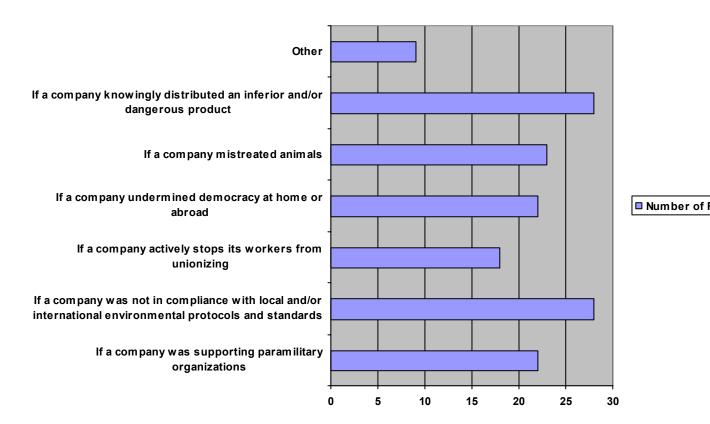
# 2. If you answered yes, do you wish to know so that you could avoid supporting companies with immoral practices?



#### Other response:

"Yes, but also so I can actively screw evil companies and make my company more effective."

# 3. What information, if brought to your attention, would cause you to boycott a particular company?



#### Other responses:

"It depends whether I have other practical options"

"If a company didn't let Rosa Parks ride the bus If a company supported apartheid in South Africa If a company supported bad science"

"If the company supported communism in any way, shape, or form"

"Even neutral corporations still play the majority role in a consumption-driven retail culture. Although boycotting the worst offenders can be helpful in extreme cases, the best idea would be to actively support businesses who are working to change consumption patterns in the world: carsharing companies, community-supported agriculture and organic goods, worker-run collectives (everything from clothing to high-precision optics) Instead of blacklisting companies, why not distribute positive information about companies who are trying to change the world?"

"I make a point of researching whether or not companies test their products on animals as well as if the product contains any animal products."

"If the company purposefully and knowingly underpaid and/or mistreated its employees. (Taco Bell, for instance, has practices like this.) If the company aimed to further any kind of hate-driven organization. (For instance, Curves is owned and operated by a hardcore, non-tolerant fundamental Christian who uses the franchise

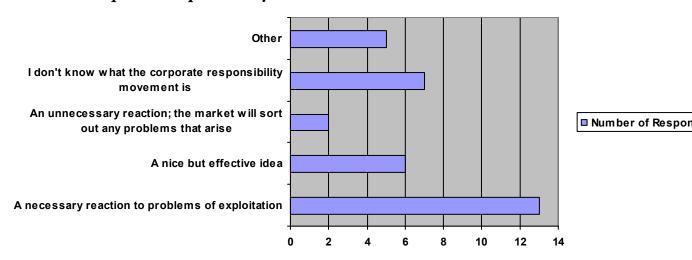
as a means of converting unhappy women.) If the company knowingly hobbled or damaged some technology or tool of the consumer via their product. (For instance, Sony and the DRM, or Verizon and Bluetooth.)"

"Inferior and/or dangerous is ok if they tell people about it, if the cover it up its not cool"

"offensive policies, mistreatment of employees or customers"

"I would boycott a company if it were to be involved in lethal weapons production programs of any type"

#### 4. I feel the corporate responsibility movement is:



#### **Other Responses:**

"full of well meaning folks who are far less effective than their ruthless and well funded nemeses."

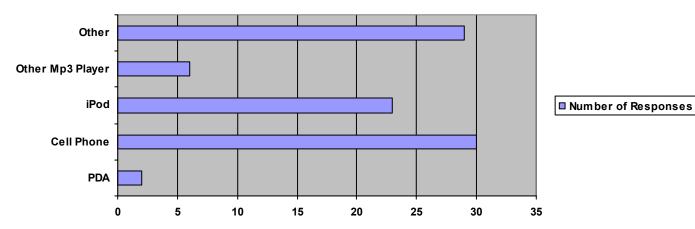
"They're covering their asses. Aside from a few outliers, corporate America didn't embrace "responsibility" until it made good business sense. To establish credibility, you have to make hard decisions before it becomes necessary. The whole thing stinks."

"The first two answers both sound right to me. I think it's absolutely necessary that we hold corporations responsible for their exploitative ways, pollution, and general disregard for people. But we'll be putting bandaids on tumours until we deal with the root of the problem, capitalism. We need to apply some preventative medicine and abolish the corporation entirely.:)"

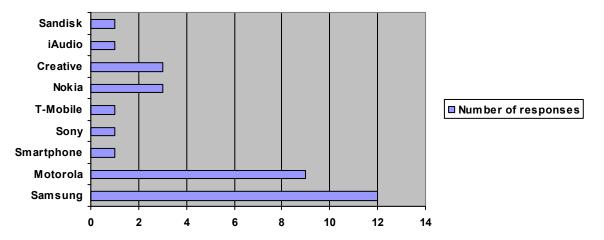
"I don't technically know what the corporate responsibility movement but I can guess it has something to do with corporations taking responsibility for their immoral/illegal business practices, which I think it necessary."

"I think that it's necessary, yet at this moment in time it's still ineffective."

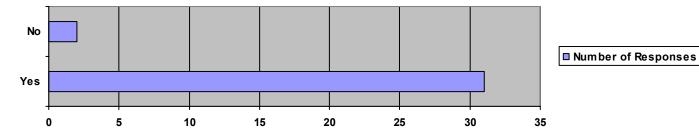
## 5. Do you have any of the following (select all that apply)



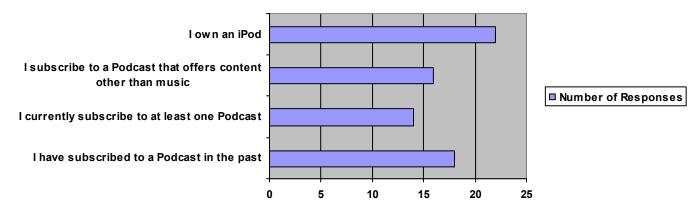
Brands of MP3 Players, Cell Phones and PDAs:



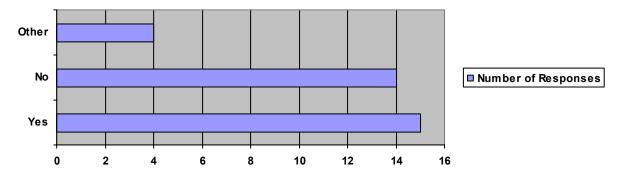
## 6. Do you know what a Podcast is?



#### 7. If yes, check all that apply:



# 8. Would you be interested in subscribing to a Podcast which provided information about various corporations' business practices?



#### **Other Responses:**

"Again it's important for me to know what practical alternatives there are"

"Seems like the worst way to get the information. Audio is a rigid, linear format. How about a wiki, with a blog to highlight news and particularly drastic or relevant offenders?"

"I really don't know, it depends on the quality of the podcast."

"I wouldn't want collected news articles, but I would want to know what corporate business practices are, with citations available for more information."

#### 9. Why or Why not?

"Boring"

"I would feel better being more informed, but it seems a slightly ineffective way of learning about corporations from which you directly consume." "It sounds like an easy way to get important information. Often times it is hard to find information like this on companies."

"Who Cares?"

"Boring!"

"I do most of my grocery shopping at the Artichoke Coop and trust them to do the best they can to avoid evil. I don't own an iPod. I usually can turn to my buddy and say "Dude! Let me see your phone." and look it up on Google in ten seconds."

"I'd like to have the information about a company ready at my fingertips."

"I have no attention span. If the podcast isn't funny or sparkly, I won't listen to it."

"I have never subscribed to a Podcast, have no interest in subscribing to a Podcast, and have no interest in corporations' business practices."

"I'd rather just read about it."

"A podcast... I would have to download it and listen to it all at one go, right? Audio formats are linear- you have to listen to it from start to finish and if you want more information on a particular subject, you're out of luck. I guess portability is nice... but the problem is, once you've downloaded the podcast, that's all the information you get, until you can get to a computer again. Podcast could be part of the package (weekly overview, I guess?) but you need to have a lot more to back it up. Like I said, a blog and a wiki too. Fuck, man, none of these words even EXISTED 5 years ago."

"I don't like using iTunes/my iPod for anything but music-- I prefer to get my news through newspapers or other traditional sources."

"I would enjoy it as long as it wasn't really dry. I can imagine it being really boring and heavy, you know?"

"I make an effort to only support companies that are in sync with my values (i.e. no Wal-Mart, Target, Kohls, etc)."

"I think consumers have a responsibility to make informed purchases. Yes, the company's to blame for having unfair or immoral business practices. But if we give our money to these sorts of companies, we send the message that it's okay for them to keep following those business practices. We've been doing this for so long in western culture that it's passed on to non-economic parts of society - we now act as if it's okay to be an asshole provided that you've got something other people want (looks, talents, whatever). And it's not okay. That said, I don't know any easy way to tell whether or not a company follows business practices I think are okay with in day to day life. A podcast would be an easy way to dissimilate that information. Another thing you might consider looking in to (though I know

this raises all sorts of other concerns) is an RFID reader system. Scan the UPC for a product, your reader connects to some sort of database, and you get information about the company, maybe tailored to some parameters you're interested in. (Like organizations funded by the company or something.) I like the podcast idea, but it'd be even better if it were somehow geared towards precisely what you were buying/thinking about buying."

"I don't know what it is but it sounds Ipod related. I don't like Ipods."

"i would rather read about it than listen."

"Personal interest"

"I would like to know what companies to support and what companies to not support - it is cliche but true - my dollar toward a company is like my vote in supporting them"

"I don't have time to listen to all the podcasts I subscribe to now, so I don't think I'd be interested in any additional podcasts."

"I might subscribe to a podcast like that. If the content was informative and thorough and delivered in a relaxed manner I would probably add it to my list."

"Because it doesnt interest me."

"Don't have time to listen to the podcasts I currently subscribe to"

"It's good information to have."

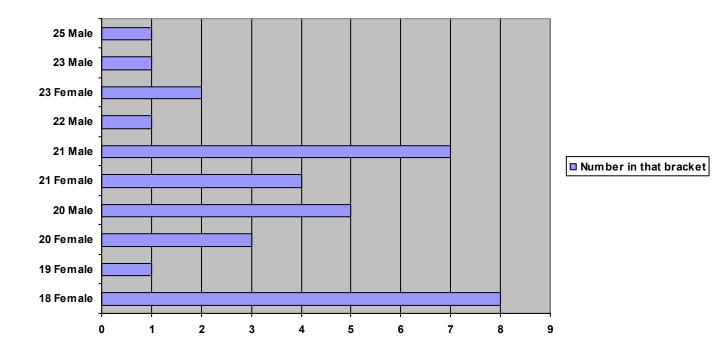
"I think that it would be interesting to learn about what is going on behind the scenes in businesses where I invest so much of my money."

"No, I generally do not subscribe to podcasts, I have listened to podcasts, and might listen regularly, but I probably wouldn't subscribe."

"I'd like to see what corporations are doing and how their activities are impacting the products as well as the world at large"

"An educated opinion is beneficial to society, but overwhelming amounts of unsifted information would not be practical for me."

10. Please enter your: Age, Gender, Occupation (including college name, if you're a student), and Location.



**Appendix C: Sample Podcast File** 

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        </description>
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        <description>Summary</description>
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## Appendix D: Example of a Full Rating of a Company

#### Wal-Mart

We do not recommend Wal-Mart based on its history of numerous employee and human rights violations, its environmental damage and avid stance against unionization of employees.

#### **Employee Rights: Fail**

Wal-Mart fails this section of our evaluation based on its deplorable treatment of its employees. Recently in October of 2006, a Pennsylvania court ordered Wal-mart to pay \$76 million to employees for work during unpaid breaks and \$2.5 million for work done while off the clock. The settlement included payment to 116,000 employees. During the previous December, a California Jury ruled that Wal-Mart pay employees \$172 million for missed meal breaks.

#### **Human Rights: Fail**

Wal-Mart fails in the Human Rights section because of its poor record of discrimination. In 2001, six female employees of Wal-Mart sued the corporation for discrimination because they were denied promotions based on their gender and were paid less than their male counterparts. The lawsuit became the largest class action lawsuit when it grew to include 1.6 million female workers.<sup>200</sup>

#### **Animal Rights:**

No information available

#### **Supporting Democracy: Fail**

Wal-Mart fails in supporting democracy by actively denying the freedoms of its employees. Wal-Mart has denied these freedoms by refusing to let its workers unionize. In April of 2005, Wal-Mart closed down its store in Jonquierre, Quebec after the workers of the store unionized. Wal-Mart also distributes "A Manager's Toolbox to Remaining Union Free" which helps managers tell when workers are attempting to unionize and to know what to do if they are 2022.

#### **Environmental: Fail**

Wal-Mart fails this section of our evaluation based on its poor environmental standards. In May of 2004, Wal-Mart was fined \$3.1 million for violating the Clean Water Act's storm water runoff provisions in 24 construction sites. These provisions were put in place to prevent harmful products used in construction from entering the water supply.

<sup>&</sup>lt;sup>198</sup> MSNBC. *Penn. Jury fines Wal-Mart \$78 million*. http://www.msnbc.msn.com/id/15251910/. 2007. (accessed April 21, 2007).

<sup>&</sup>lt;sup>199</sup> Ibid.

<sup>&</sup>lt;sup>200</sup> Wake Up Wal-Mart. *The Real Wal-Mart Facts*. http://www.wakeupwalmart.com/facts/. 2005. (accessed April 21, 2007).

<sup>&</sup>lt;sup>201</sup> Ibid.

<sup>&</sup>lt;sup>202</sup> Ibid.

<sup>&</sup>lt;sup>203</sup> Environment News Service. *Wal-Mart Settles Clean Water Act Violations for \$3.1 Million*. http://www.ens-newswire.com/ens/may2004/2004-05-13-11.asp 2004. (accessed April 21, 2007).

#### **YUM! Brands**

We do not recommend Yum! Brands, which owns a variety of restaurants including KFC, Pizza Hut, and Taco Bell. This company fails four of our categories and does not have sufficient information for the fifth.

#### **Employee Rights: Fail**

Yum Brands Fails in this category based on its poor treatment of its employees. In 2006, two labor lawsuits were brought against the corporation in California. The cases were brought to court by several General Managers of the company based on unpaid overtime and breaks for workers.<sup>204</sup>

#### **Human Rights: Fail**

Yum Brands fails this category based on its disregard for the well-being of its customers. In 2005, KFC, a subsidiary of Yum Brands, had a suit brought against them. The suit was file because KFC, along with several other fast food restaurants in California, failed to inform consumers that their French Fries could contain acrylamide, a known carcinogen. This goes against a law created in 1986 which requires warnings on products containing carcinogens. <sup>206</sup>

#### **Animal Rights: Fail**

While feeding the insatiable demand for their product, Yum! Brands has been heartless in their treatment of animals. Undercover investigations have revealed the maltreatment which includes "tearing birds' heads off, ripping them apart, spitting tobacco into their eyes, spray painting their faces, and throwing them against walls—all while the birds were completely conscious". <sup>207</sup>

#### **Supporting Democracy:**

No information available

#### **Environmental: Fail**

The success of Yum! Brands and its subsidiaries has come at the cost of detriment to the environment. One major problem which has confronted the company is that of pollution. In May of 2006, a branch of KFC restaurants in Manila were shut down in response to poor environmental practices. The restaurants had dumped untreated waste into the water supply. Along with KFC, one other restaurant was closed for the same reason. <sup>208</sup>

<sup>&</sup>lt;sup>204</sup> Sacramento Business Journal. 2006. *Taco Bell sued over alleged labor violations*. October 18. http://www.bizjournals.com/sacramento/stories/2006/10/16/daily21.html?t=printable

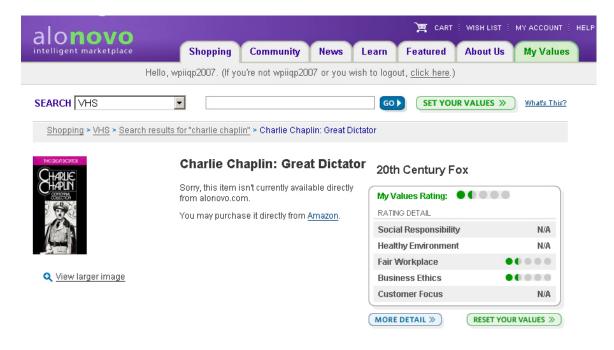
<sup>&</sup>lt;sup>205</sup>Consumer Affairs, 2005. *California Sues to Require Cancer Warnings on Potato Chips and French Fries*. August 27. http://www.consumeraffairs.com/news04/2005/ca\_fries.html

<sup>&</sup>lt;sup>207</sup> KFC Cruelty. *Investigations*. http://www.kfccruelty.com/investigations.asp. 2005 (accessed April 21, 2007).

Plant Ark. *Philippines Shuts down KFC Outlet for Pollution*. http://www.planetark.com/dailynewsstory.cfm/newsid/36586/story.htm 2007. (accessed April 21, 2007).

## **Appendix E: Screenshots**

# Example of a rated product on Alonovo:



# Alonovo's customization screen, which allows a user to choose which issues are most important to them:

Home > My Account > My Values

#### **About My Values Ratings**

Here, you can weight issues according to your individual values. If you set your values to more important, then those issues will have more of in impact in the overall Values Ratings. If you set your values to less important, then those issues will have less impact in the overall Values Ratings. Once you set your values, the Company Report Card detail and summary ratings change to reflect your custom values. At alonovo.com, you choose what is important to you!

METRICS DETAIL	Very Important	Important	Less Important	Neutral
Charitable Giving	0	0	С	•
Education	0	0	О	•
Affordable Housing	0	0	С	•
Human Rights	•	0	0	0
Local Economic Impact	•	0	С	0
Responsible Investment	•	0	О	0
Volunteering	О	0	С	•
Animal Rights	e	0	0	0
Political Neutrality	e	0	С	0

METRICS DETAIL	Very Important	Important	Less Important	Neutral
Organic Agriculture	e	С	0	0
Clean Renewable Energy	•	0	0	0
Eco-Friendly Products & Services	•	o	o	С
Environmental Reporting	•	0	0	0
Regulatory Compliance	•	О	0	0
Recycling	•	0	0	0
Waste & Emission Prevention	•	С	О	0
METRICS DESCRIPTIONS »	Make a selec	tion and click	k Update: UPD/	ATE

An example of a profile of Wal-Mart by Co-Op America's Responsible



Use Google to search this site

Find Companies »

# Take Action

ExxonMobil. Between its public denial of global warming and steadfast efforts to open the Arctic National Wildlife Refuge for drilling, ExxonMobil made itself the target of concerned citizens internationally.

Take Action »



Don't want to support Wal-Mart? Check out our Go Green section to learn how you can be part of the solution.

- Green your Big Box Retailer
- Green your Supermarkets

#### Get News & Updates

First name:

first name

Last name:

last name

Email address:

Submit Form

Your email address won't be traded or sold.



Co-op America membership helps you live green all year -- and supports ongoing Responsible Shopper research.

Join Today »

#### **Profile: Wal-Mart**

Campaigns ▶ Progress ▶ Complaints ▶ Brands ▶ Competitors ▶ Contact ▶

#### Co-op America Says ...

"Always low prices", always low standards for corporate responsibility. Wal-Mart dominates the U.S., Canadian, and Mexican markets and is currently China's eighth-largest trading partner. Unfortunately,

昌 Printer-Friendly Version 只 Email to a Friend

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- 📆 Join Co-op America

Wal-Mart confines its leadership to the realm of sales and in other areas promotes the attitude that virtually everything can be reduced to that which is disposable, whether that means products, workers, or even communities themselves. Wal-Mart drives down prices and drags the quality of life for millions of people down with it. With hundreds of employees dependent on public assistance to meet their basic needs, American taxpayers subsidize Wal-Mart's low prices at the rate of roughly \$420,750 a year for every 200-employee store, paying for low-income services. Women working for Wal-Mart have been denied equal opportunities for advancement. Wal-Mart hurts U.S. communities by undercutting local merchants and heightening the problem of urban sprawl, and the company's suppliers are cited for labor and human rights violations. The company announced the decision to sell only sustainably harvested fish and the introduction of organic cotton products at Wal-Mart stores. While important, these gestures are merely a drop in the ocean of corporate responsibility for a company with the power to impact global retail standards.

Bottom line: Act now with any of the campaigns below to pressure Wal-Mart to reduce its environmental impact and respect workers around the world. Let the Green Shift help you shop with a conscience.

-- Profile Updated 05/02/2007

#### About Wal-Mart

Wal-Mart operates over 6,000 discount stores throughout the United States, and is now also the premier retailer in Canada and Mexico. Wal-Mart stores sell products ranging from groceries to clothing to automotive and electronic equipment. Headquartered in Bentonville Arkansas, the company reported sales of \$312.427 billion and employed 1.8 million people in FY 2006.

#### O Contact Wal-Mart

Wal-Mart 702 SW Eighth St. Bentonville, AR 72716 USA Phone: 800-WAL-MART Web: www.walmartstores.com

#### Current Campaigns

#### Stop Pharmacies' Discrimination Against Women

Pharmacies in nearly 20 states can refuse to fill women's prescriptions for contraception, including the morning-after pill. Pharmacies are not ensuring that patients get their doctor-prescribed contraceptives so NARAL Pro-Choice America is imploring major pharmacies (Wal-Mart, CVS, Rite Aid, Walgreen, and Eckerd) not to interfere with a woman's choice. Click on the link below to support this campaign.

prochoiceaction.org/campaign/pharmacy\_petition

Send Bangladeshi Child Workers Back to School

Sample of the information Responsible Shopper provides for users:

#### Progress Noted

Wal-Mart Canada Receives Accolade For Energy Initiatives Read more ...

Wal-Mart Calls on Suppliers to Reduce Packaging. Read more ...

#### Complaints, Abuses, and Scandals

#### LABOR

In May 2007, Human Rights Watch (HRW) released a report on Wal-Mart's antiunion efforts stating, "While many American companies use weak US laws to stop workers from organizing, the retail giant stands out for the sheer magnitude and aggressiveness of its anti-union apparatus."

In order to prevent unions from forming at its stores, Wal-Mart maintains a Labor Relations Team which it will dispatch to any store where there is a threat of union organizing. The company has an arsenal of propaganda it uses to assist store managers in convincing workers not to organized, including videos on the "dangers" and consequences on forming a union. HRW claims there is a "climate of fear" among Wal-Mart employees that has workers afraid of suffering dire repercussions should they choose to organize.

-- Human Rights Watch, 05/02/2007 Source URL: http://hrw.org/english/docs/2007/05/01/usdom15797.htm

#### **LEGAL DISPUTES**

A Pennsylvania court ordered Wal-Mart to pay workers at least \$78.5 million for unpaid hours and denial of breaks. The decision settled a class-action lawsuit brought by 187,000 current and former Wal-Mart employees from as far back as1997. According to lead plaintiff, Dolores Hummel, Wal-Mart management regularly demanded that she work during rest breaks and after store hours. Hummel stated, "One of Wal-Mart's undisclosed secrets for its profitability is its creation and implementation of a system that encourages off-the-clock work for its hourly employees." Wal-Mart intends to appeal the case.

-- Business and Legal Reports, 10/16/2006 Source URL: hr.blr.com/display.cfm/id/19252

#### **CULTURAL IMPACT**

Co-op America recently published "Beyond the Wal-Mart Economy," a comprehensive guide to strategies and resources for helping consumers and communities address the impact of Wal-Mart on workers, communities and the environment . The action guide is available as a free PDF download from https://www.coopamerica.org/PDF/WalMart\_Guide.pdf or by calling 1-800-58-GREEN.

-- Co-op America, 04/18/2006 Source URL: https://www.coopamerica.org/PDF/WalMart\_Guide.pdf

#### LABOR

The Ethical Trading Action Group (ETAG), in association with Maquila Solidarity Network (MSN) and AccountAbility, released a report entitled "Transparency Report Card 2006," evaluating and comparing 31 apparel retailers and brands in their efforts to address worker rights in their global supply chain. Retailers were rated in areas such as compliance with International Labor Organization standards (ILO), methods of monitoring code compliance, steps taken to communicate thoroughly, effectively, and transparently to the public. Wal-Mart earned a score of 40 out of 100.

-- Maquila Solidarity Network, 12/01/2006 Source URL: www.maquilasolidarity.org/campaigns/reportcard/report%20card%202006/pd...

#### CORPORATE INFLUENCE

According to Global Labor Strategies (GLS), major corporations including Wal-Mart, Google, Procter & Gamble, Microsoft, Nike, General Electric, and Intel are "acting through business organizations like the American Chamber of Commerce in Shanghai and the US-China Business Council," to lobby against China's Draft Labor Contract Law. This new law proposed by the Chinese government aims to secure minimal labor standards for workers, such as enforceable labor contracts, severance pay regulations and negotiating power over workplace procedures and policies. A GLS report entitled: "Behind the Great Wall of China: U.S. Corporations Opposing New Rights for Chinese Workers," notes that while the law will not eliminate labor problems in China, it is an improvement to improving