



**Nike
Corporate
Accountability
Campaign**

nikewages.org

Educating for Justice
415 5th Avenue
Belmar, NJ 07719

August 29, 2001

Re: Indonesia Trip 2001 report

Dear Friend,

The following report is a compilation of Educating for Justice's stated objectives and goals for our recent trip to Indonesia and what we were able to accomplish during our visit. Your donations and support allowed us to meet, and in some cases exceed, all of our set goals. We look forward to keeping you abreast of our actions in Indonesia, and sharing with you the success of our work.

Thank you for helping to make a difference.

Peace,

Leslie Kretzu
Director, Educating for Justice

Jim Keady
Director, Educating for Justice

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Goals, Objectives and evaluation

A. Documentary

Goal: To shoot all necessary additional footage for documentary.

Objectives:

1. Shoot footage of two solid character stories.
 - ✓ We were able to shoot in-depth, case study footage of one Nike factory worker, Samsinar; one former Nike worker, Julianto; and one local union organizer, Sobirin. Aware of the possible consequences, each wants their stories to be told to the international community on the documentary.
2. Shoot interview with Ngadinah, worker illegally imprisoned for union organizing.
 - ✓ We were able to shoot a two-hour long interview with Ngadinah about her experiences as a union organizer having been illegally arrested and imprisoned, and how advocacy from the international community has helped in her struggle for civil rights. The text of portions of this interview will be available on our website, www.nikewages.org, in the near future.
 - ✓ Since Ngadinah had a court date during our visit to Indonesia, we were able to shoot footage of the courtroom trial as well as give witness in solidarity to her struggle and the general struggle of the workers.
3. Shoot interview with Tim Connor, director of NikeWatch Australia.
 - ✓ We were able to shoot a 30-minute interview with Tim Connor, who is internationally recognized as a leading researcher on Nike's labor practices in Southeast Asia.
4. Shoot B-Roll footage / scenes of everyday life in Jakarta and Tangerang.
 - ✓ We were able to shoot 13 hours of video footage, including the outside environment at 2 Nike factories, our being asked to leave the factory by security guards, workers arriving and leaving the factories, etc.
 - ✓ In addition, we were able to shoot incriminating footage showing Nike's dumping of scrap shoe rubber to be burned, along with other investigative research footage.
5. Obtain what will be final footage in order to begin pre-production phase of documentary by October 2001.
 - ✓ We were able to shoot all of the additional footage of Indonesia that our production company, Globalvision, had suggested.

B. Presentations and Meetings

Goal: To inform workers and organizers of the advocacy work we had done in the past year.

Objectives:

1. Give presentation to factory union leaders and workers from the 5 Nike factories we originally visited, about the work Educating for Justice does in the U.S. on their behalf, receive feedback about the impact of our advocacy work and determine if our focus or actions in the U.S. need to be altered.
 - ✓ We were able to give presentations to factory union leaders and workers on several occasions. We discovered that they were not aware of the extent of our year-long advocacy campaign or the extent to which we are committed to their struggle.
 - ✓ We received feedback that following our campaign in 2000 (specifically our campaigning at the 2000 Olympic Games in Sydney), there were several positive changes at two Nike factories, including a dramatic decrease in verbal abuse from supervisors and the allowance of menstrual leave for women without having to prove they were menstruating.
 - ✓ Many workers who do not produce for Nike, expressed concern that they would not be included in EFJ's advocacy work. In conjunction with Tim Connor from NikeWatch, we explained our desire to help create a model for change focused on an industry leader, which in turn can have positive ripple effects throughout the entire Indonesian apparel and footwear industry. We also explained that the Education and Resource Center would be available to *all* factory workers, from *all* unions, producing for *any* corporation.

2. Give presentation to officers of local unions and NGOs about the work Educating for Justice does in the U.S., receive feedback about the impact of our advocacy work, and determine if our focus or actions in the U.S. need to be altered.
 - ✓ We were able to give a presentation to officers of local unions and NGOs who were all very excited about the work EFJ has done and is currently doing in the U.S. They were thankful for the level of commitment we have to their struggle, and would like us to continue focusing on the issue of the repression of workers' rights to organize.

Goal: To inform workers and labor leaders about the plans to build an Education and Resource Center for Workers.

Objectives:

1. Meet with local unions and NGOs to discuss plans for the education center.
 - ✓ We were able to meet with several local unions and NGOs to discuss both our and their ideas for the Education Center. We agreed that the Education Center would be a safe place for *all* workers from *all* unions in the garment and footwear industry. We have also begun the development process for the center, including: a search for a potential location for the center, initial drawings of site plans, a schedule of meetings to solidify potential staff members, partners and programs, and the development of an educational pilot program focused on organizing workers from Nike's 13 Indonesian production plants.

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2. Meet with workers to discuss their hopes and desires for the education center.
 - ✓ We were able to meet with workers from 5 Nike factories, 1 Adidas factory and 1 Gap factory and all initial feedback has been positive.
3. Meet with and begin to build partnerships with the Jesuit-run Jakarta Social Institute and Sanata Dharma University, as well as the American Center for International Labor Solidarity (ACILS), which is funded by the AFL-CIO.
 - ✓ We were able to meet with several staff members from the ACILS office to discuss plans for the Education Center.
 - ✓ A well-respected female member of the ACILS office has committed to doing a gender-sensitivity presentation for the three potential Education Center staff members. This presentation was scheduled at the urging of EFJ Directors in the hopes that the Center and its staff will be a model of gender parity and respect.
 - ✓ ACILS has offered their office space and resources to Educating for Justice staff members during future trips to Indonesia, and has expressed interest in offering technical assistance to the Education Center.
 - ✓ We had a conference call with Marsen, the Director of the Jakarta Worker Institute, the labor division of the Jakarta Social Institute, who is very interested in becoming the primary Indonesia-based partner for the Education Center.
 - ✓ We have tentative meetings set for January 2002 with representatives from Sanata Dharma University.
4. Miscellaneous Meeting.
 - ✓ We introduced ourselves to union leaders producing for the Gap, and will relay their contact information to U.S. nonprofit organizations focusing their attention on the labor practices of the Gap, Inc.

C. Research

Goal: To update and expand current research on wages, working hours, pricing of basic goods in local markets, as well as documenting worker and environmental rights abuses.

Objectives:

1. Document repression of workers' rights to organize and form independent unions, as suggested by the U.S. Congressional Subcommittee on International Affairs and Human Rights.
 - ✓ We alerted Indonesian-based local unions, NGOs and labor rights advocates about the U.S. Subcommittee's position and will receive and compile information from these groups on specific instances where workers' rights to organize have been violated.
 - ✓ We were able to interview Ngadinah at length and document her case for review by the Subcommittee.
 - ✓ In each of the interviews we conducted with workers, we included questions dealing with this issue of rights to organize.

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2. Interview 10 workers, either on or off camera, using our standard questionnaire.
 - ✓ We were able to interview 7 Nike factory workers and 2 Gap workers, despite our having to cut our visit short one week due to the rising political instability (specifically the threat of a state of emergency declaration by July 20th, from then President Wahid.)
3. Document any dumping of factory wastes around factory and in workers' community.
 - ✓ We were able to discover and document an egregious violation of Nike's claimed environmental standards: the dumping and burning of scrap shoe rubber from Nike's Hasi factory. On a daily basis, enormous piles of rubber are carted to an open lot roughly a half-mile from the factory, where they are cut, bundled and loaded onto trucks. In our initial conversations with workers at this waste dump, we were told that these bundles are shipped out to local villages to be burned. We were able to document the process to the point of the material being loaded onto trucks. We hope to document the dumping and burning of the scrap rubber in the surrounding villages during our return trip in January. It should be noted that Jim Keady was able to document the burning of piles of Nike scrap shoe rubber in another village during our previous visit in August 2000.
4. Document current wage levels, working hours and costs of basic goods.
 - ✓ We were able to document current wage levels for Nike's production plants by interviewing workers and labor organizers. The current basic wage for workers in the Tangerang region is Rp426.000 per month. With the exchange rate at Rp11,000 during the time of our visit, this basic wage converts roughly to \$39 per month. The monthly wage during our initial visit in August 2000 was \$37 per month. In one year, Nike workers in Indonesia have seen a *real* gain of \$2 per month in their wages.
 - ✓ Standard working hours in Nike's production plants remained constant. A basic daily shift is 8 hours with a one-hour break. Basic overtime is usually 3-5 hours daily. Overtime hours can fluctuate drastically due to ordering demands, particularly during high-quota periods like the back-to-school and Christmas seasons.
 - ✓ We were able to update our research on the costs of basic goods in the local market. Due to the need to cut our trip a week short, we were only able to update our research on basic food commodities. During our return trip in January, we plan on documenting the current costs of medicines, clothing, household items and other basic goods.

Questions and Conclusions

Along with our specific goals and objectives, there were two major questions we hoped to answer in making this return trip to Indonesia:

1. Has our work impacted the "on-the-ground" reality of Nike's workers?
2. What are the current challenges that Nike's Indonesian labor force faces and how can we best help?

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From what we have gathered in this last visit, we strongly believe that our work and the work of all those committed to the International Nike Campaign, has had a true impact on the everyday lives of the workers. It is unfortunate that there have not been major gains in the three primary areas of focus: wages, rights to organize and independent monitoring, but there have been some improvements. These include:

- Increased training of management by Nike, Inc. at two factories, which workers say has led to a decrease in the frequency and severity of verbal abuse;
- In one factory, workers reported that they no longer have to prove that they are menstruating to receive their menstrual leave days that are guaranteed by Indonesian Labor Law;
- The menstrual leave issue, which was not discussed widely, if at all, in domestic and international campaigns, has now become a key organizing point for workers producing not only for Nike, but several of the U.S. and European based multinationals;
- The domestic labor movement, particularly workers in Nike factories, seems to have gained strength, momentum and “breathing room” from the international media campaign done at the Sydney Olympics;
- The basic minimum wage did increase in the Tangerang region from Rp286.000 per month to Rp440.000 per month. Although it is near impossible to determine the extent to which international solidarity campaigns contributed to this success, it would be naïve to disregard or minimize the role these campaigns played.

As for the challenges that face the Nike labor force in Indonesia, we strongly believe that there is a need to unite the labor force that produces goods in Nike’s 12 Indonesian production plants. We also strongly believe that worker education and empowerment lie at the forefront in reaching this goal. Given this, it is imperative that we begin in earnest to help the workers create the education and resource center that we have mentioned earlier in this report.

It is also critical that we continue to ensure that our solidarity and advocacy efforts here in the United States are continually grounded in the concerns and needs of the workers themselves. We recognize this and have re-committed ourselves to consistently analyzing our programs to maintain a “worker-guided” approach in every step that we take.

In conclusion, as we enter our upcoming programming year, we have decided to focus on one major goal, which will steer all of our efforts in this campaign for worker justice: the establishment of the Worker Education and Resource Center in Tangerang, Indonesia.

(Expense Report Included Below)

Expense Report

Total Amount Budgeted: \$5000.00
Total Amount Fundraised: \$6670.00*

<u>Item</u>	<u>Cost **</u>
Airline Tickets (2)	2420.00
Vaccinations	
Travel Insurance	128.00
Camera Equipment	
Digital Video Tapes	128.00
Film and Batteries	136.00
Developing	128.00
Expense for Indonesian Organizers to begin networking workers from all 13 Nike factories	500.00
Expense for Tangerang-based architect to draw up initial draft plans of Education Center	30.00
Petty Cash - Rupiah (Covered Lodging, Interpreter, Food, Taxis, etc)	540.00
Petty Cash- Dollars	30.00
Total Expenses	\$4040.00

* Excess funding will be reallocated towards travel expenses for Indonesian based labor organizers and workers, Nike Shareholders for Justice program and the promotion of our National Educational Speaking Tour for 2001 – 2002 school year.

** Amounts were rounded to the nearest dollar.