Power relations in global supply chains and the unequal distribution of costs during crises: Abandoning garment suppliers and workers during the COVID-19 pandemic

Mark ANNER*

Abstract. In early 2020, apparel brands and retailers cancelled US$40 billion worth of orders, with critical consequences for suppliers and workers. Their actions illustrate the power asymmetries in global supply chains and the unequal distribution of costs during crises. This article explores these dynamics through original survey data, supplier questionnaires, stakeholder interviews, a time-line analysis and trade data analysis. Findings point to certain limits of buyer power, reflected in the effective collaboration between suppliers and worker rights advocates in the “#PayUp” campaign. Yet buyers retain the power to squeeze suppliers with adverse impacts on workers, thus leading to calls for binding agreements.

Keywords: global supply chains, COVID-19, workers’ rights, Bangladesh, suppliers, apparel, clothing industry.

1. Introduction

The COVID-19 pandemic presents scholars of global supply chains (GSCs) with an opportunity to explore a critical question: what do the dynamics and actions of buyers, suppliers, workers and activists during the pandemic tell us about power relations in GSCs? If brands and retailers were found to have absorbed the majority of production costs, then we might assume that suppliers have gained leverage over buyers. If suppliers (and, through them, their workers)
took on the greatest costs, we could conclude that buyers hold the upper hand in the buyer–supplier relationship. That is, buyers would have maintained their “lead firm” status in what remain “captive” GSCs. And how might labour and allies mitigate these adverse power relations using other forms of power, notably normative or symbolic power? I examine these questions in three stages, considering, first, the initial buyer response to the pandemic when retailers and brand outlets were forced to shutter their stores; second, the “#PayUp” campaign that emerged in response to order cancellations and the buyer response to that campaign; and third, other buyer purchasing practices that emerged as the pandemic continued into the second half of 2020 and into 2021.

This article builds on research that finds that power imbalances between buyers and suppliers have grown since the phaseout of the Multifibre Arrangement in 2005 and the dramatic expansion of garment suppliers upon the accession of China and Viet Nam to the World Trade Organization (Anner 2019 and 2020c). Based on this research, we would expect buyers to impose on suppliers a disproportionate share of the costs associated with the COVID-19 pandemic. In turn, we would expect suppliers to use their power over workers to shift part of these adverse impacts onto their employees. Yet, the literature on workers’ rights in GSCs suggests that workers and their allies can resort to “symbolic” (shaming) power to exert leverage on brands to change adverse practices (Bartley and Child 2014; Chun 2009). Nevertheless, variations in institutional contexts, firm structures and market segments can shape firms’ reactions to pressure from activists (Ahlquist and Mosley 2021).

To explore these arguments, I conducted a survey of Bangladeshi suppliers; analysed supplier order cancellation data; studied the social movement response to the cancellations; established a timeline to track certain brands’ decisions to pay for their cancelled orders; conducted structured interviews with suppliers in Bangladesh and other major garment-exporting countries; and examined pricing dynamics between select consumer and producing countries using trade data.

The remainder of this article is structured as follows. The second section reviews the literature on the power dynamics in GSCs. The third section presents the methods and the sources of the data used in my analysis. The fourth section describes the initial phase of the COVID-19 crisis and the immediate impact of order cancellations on the apparel industry, while the fifth section analyses the pressure exerted on buyers through the #PayUp campaign. The sixth section outlines the purchasing practices that developed during the second phase of the crisis and their impact on workers. The last section discusses the findings of this study and reflects on the effective means of balancing power dynamics within this GSC.

2. The unequal distribution of costs in GSCs during the COVID-19 pandemic

Research on global supply chains (GSCs)¹ has historically sought to understand the unequal distribution of rewards along nodes of production, distribution and consumption (Bair 2009; Dicken 2015; Hopkins and Wallerstein 1986). The term

¹ In this article, the term “global supply chains” is used to encompass global commodity chains, global production networks and global value chains. For a nuanced explanation of the evolution of these terms and differences among them, see Bair (2009).
“lead firm”, as developed by Gereffi (1994), has been used to designate which actor holds the most power in a GSC. Lead firm power, Gereffi argues, allows these firms to appropriate the greatest share of value created along the chain (Gereffi 1994). Talbot (2009, 103) adds, “The actors that exercise governance over segments of the chain set rules that influence how commodities and money flow through their respective segments, and thereby, how the money is distributed within those segments.”

Purchasing practices are thus shaped by the purchasing power of lead firms. As noted by Sturgeon (2009, 129), “Although it is not always exercised, purchasing power allows a lead firm to explicitly coordinate the activities of its supply chain and to pressure suppliers to lower costs, increase quality, adopt specific equipment, employ specific business processes, purchase inputs from specific vendors, and invest in specific locations.” Research on garment GSCs shows how buyers have been able to increase their benefits, not only by way of a continuous squeeze down on the prices paid to their suppliers, but also by their practice of shortening production lead times and delaying payments to suppliers (Anner 2019 and 2020c). This buyer squeeze on suppliers, in turn, results in a supplier squeeze on workers, who experience wages below the living wage, excessive working hours, increased work intensity and a denial of their rights to form unions and bargain collectively (Anner 2019 and 2020c). These impacts disproportionately affect women (Barrientos 2019; Barrientos, Dolan and Tallontire 2003). As Barrientos (2013, 44) argues, such a purchasing practice squeeze “often plays out within a gender contested terrain where women workers bear the brunt of adverse purchasing practices”.

These power relations are seldom stagnant. Discussions in the literature since the early 2000s have considered whether power imbalances in garment GSCs are increasing or decreasing. Kumar (2020) insightfully argues that mega suppliers gained power because buyers’ power to push down on costs in the garment industry forced small garment factories out of business. Yet, it is also plausible that, while suppliers may be growing in size and capabilities, buyers (such as Amazon and Walmart) are consolidating their power to an even greater degree. For decades, brands and especially retailers have grown through mergers and acquisitions and by developing and leveraging data and financial systems, resulting in a dramatic shift in market consolidation and the power of several large retailers (Abernathy et al. 1999). In the 2000s, the growth of third-party e-commerce platforms has allowed the largest online retailers to gather real-time data on third parties and use those data to launch brands and outcompete other brands. This allows these retailers to further consolidate their power as buyers (Khan 2017). Added to this, the COVID-19 pandemic has facilitated the power consolidation of the largest retailers and e-commerce firms, whose operations continued, with some enjoying increased business during the pandemic.

One way to explore whether buyer power or supplier power is increasing is to examine the distribution of benefits over time. As Talbot (2009, 104) observes, “Changes over time in these distributions of benefits are key indicators of changes in the structures of chains and of shifts in power along them.” Research shows that the real dollar price paid by buyers to suppliers per garment over a 28-year period underwent an increased squeeze following the phaseout of the
Multifibre Arrangement (Anner 2020c). Relative power among actors in GSCs is modified by changes in the spatial and territorial range and flexibility of each actor (Dicken 2015). The phaseout of the Multifibre Arrangement gave buyers much greater spatial flexibility on where to produce, thus increasing their power relative to suppliers.

In addition to looking at the distribution of benefits as a key to understanding power relations in GSCs, it is also possible to examine the distribution of costs during a crisis. The COVID-19 pandemic provides just such an opportunity. If suppliers have increased their power, it could be expected that suppliers will demand that brands and retailers promptly pay in full for all order commitments. In addition, since the pandemic impacted the prices of raw materials coming out of China, powerful suppliers could inform their buyers that they will have to add an additional fee on previously agreed upon prices to account for increased raw material costs. Moreover, in cases where governments forced factories to shut down operations, suppliers could use their power to evoke force majeure clauses in their contracts with the buyers by which they would inform buyers that, due to circumstances beyond their control, they would ship orders later than expected without paying late fees.

In contrast to the above scenario, in which suppliers hold increased power over buyers, the opposite could be true. In that case, as I argue in this article, buyers would be in a position to delay their payments to suppliers; indeed, they have been the ones to cancel orders using the force majeure principle. And, rather than adjust prices upward in response to the rising costs of raw material, buyers could be expected to use their power to push the prices paid to suppliers down further.

If suppliers are at a structural disadvantage vis-à-vis buyers for the reasons explained above, workers are in an even worse position in their relationship with the suppliers, who are their direct employers. This is because most apparel production is located in labour surplus economies, where pervasive unemployment and underemployment allow suppliers to pay below subsistence wages and to squeeze workers fearing unemployment (Nathan, Tewari and Sarkar 2016). Workers are also disadvantaged by most apparel production being located in labour repressive regimes where suppliers can rely on the State to suppress worker unrest and control labour (Anner 2015).

The squeeze on labour is further differentiated by local patterns of gender subordination and socially constructed meanings of women’s work (Barrientos 2019; Singh 2016). Historically, women have borne the brunt of economic and social disruptions during economic crises (Tejani and Fukuda-Parr 2021). Race (Bank Muñoz 2008), caste (Mezzadri 2017) and migrant worker status (Ford 2019) further compound patterns of exploitation in garment GSCs, with many of the most vulnerable women workers consigned to low-paid and precarious informal work arrangements (Agarwala 2013; Benería and Roldán 1987).

Yet, although suppliers and workers may hold less economic power relative to buyers, they are able to leverage symbolic power, understood as “morally charged language” designed to appeal and mobilize the support of civil society (Chun 2009, 4). Indeed, what proved particularly powerful during the early period of the COVID-19 pandemic was the ability of suppliers and worker
rights activists to coordinate their efforts in order to exert leverage on brands to pay for their cancelled orders. This was possible because suppliers realized that they needed the moral legitimacy of activists and worker rights advocates, and because worker rights advocates understood that if suppliers went out of business, millions of workers would lose their jobs. Moreover, suppliers had data on order cancellations that were crucial for the campaign. The campaign itself made highly effective use of social media through the hashtag “#PayUp”.

Yet not all firms can be expected to respond to social movement pressure in the same way. Scholars have observed how national regulatory context plays a role in shaping firms’ attitudes toward transnational initiatives (Schuessler, Frenkel and Wright 2019). This is, in part, because apparel companies are shaped by the institutional context of their headquarters, be that in liberal market economies, such as Australia, the United Kingdom and the United States, or in coordinated market economies, such as Germany, Japan and Sweden (Hall and Soskice 2001). Thus, under certain circumstances, multinational corporations can be expected to behave differently depending on the norms and regulations of their home country (Edwards, Marginson and Ferner 2013). When studying buyer response to building safety initiatives following the 2013 Rana Plaza building collapse in Bangladesh, Donaghey and Reinecke (2018) found that continental European firms where home country unionization rates were high were more likely to join the binding Bangladesh Accord, under which they would co-govern the programme with trade unions. In contrast, North American firms were more likely to join the non-binding Alliance programme, which did not envisage co-governance with trade unions.

Beyond national institutional contexts, the conduct of firms in the apparel industry may also vary based on firm type and market segment. For example, scholars have argued that general retailers and discounters typically receive little stakeholder pressure regarding labour standards from non-governmental organizations or consumers (Bartley and Child 2014). Ahlquist and Mosley (2021) find that factors influencing whether a firm joined the Bangladesh Accord (establishing co-governance with unions) or the Alliance (no co-governance with unions) included whether the brand was consumer-facing, with a high degree of reputational risk, was publicly listed, and/or whether it imported a large volume of garments from Bangladesh. Consumer-facing companies, they argue, experience the highest degree of reputational risk when bad behaviour is exposed. Publicly traded companies are more visible and rights violations could have negative consequences for equity market valuations (Marx 2008). A high degree of dependence on garment exports from Bangladesh would increase the perception of responsibility for human rights harm caused by bad behaviour (Ahlquist and Mosley 2021).

Finally, there are significant variations among apparel exporting countries in terms of their capabilities (Gereffi and Frederick 2010). If, as Gereffi, Humphrey and Sturgeon (2005) suggest, greater supplier capabilities indicate a greater ability of suppliers to mitigate buyer power by reducing the ability of buyers to abruptly terminate relationships and find alternative suppliers, then we might expect slightly less severe adverse economic impacts among suppliers located in countries with high levels of capability, such as China, compared with
suppliers located in countries that established themselves as focusing on cost savings rather than capability building, such as Bangladesh. In the context of the COVID-19 pandemic, supplier capabilities might also include greater speed to market due to geographic proximity – as in the case of Turkey for European buyers – or an ability to specialize in small order size – as in the case of India (Mezzadri 2017).

Relationships in GSCs are highly dynamic. After the initial crisis and the #PayUp campaign, buyers could be expected to look for new ways of reducing costs that do not necessarily include terminating contracts. They could, for example, place smaller orders with quicker delivery times, lower prices and delayed payment terms. The campaign’s reaction to such practices might be more limited given the complexity of the arrangements. Suppliers, for their part, might feel pressure to stop sharing data with activists as they seek to re-establish relationships with buyers, no matter how unfavourable, in order to stay in business. This would create new challenges for the worker rights movements going forward.

3. Methods

This study begins by drawing on data provided by the Bangladesh Garment Manufacturers and Exporters Association (BGMEA). When the BGMEA learned of the order cancellations prompted by the COVID-19 crisis, it instructed all its member organizations to go to a portal and enter every order cancellation by buyer, amount and date. The database continued to evolve over time as suppliers entered additional data. When I accessed it on 28 March 2020, there were 6,615 entries totalling US$3.15 billion. Order cancellations were tallied by major buyers, indicating buyer home countries, to analyse which companies cancelled orders at the onset of the COVID-19 pandemic.

Second, this study draws on a survey of Bangladeshi garment suppliers that I conducted online between 21 March and 21 April 2020. The purpose of the survey was to ascertain the impact of the order cancellations on suppliers and their workers. At the time of the survey, there were approximately 3,000 active garment export factories in Bangladesh (Huq 2020, 119). While approximately 40 per cent of suppliers in the country owned only one factory, 60 per cent owned two or more factories. It is thus estimated that there were approximately 2,000 active supplier firms in Bangladesh. Of these, 376 completed the survey, which is a good response rate for such surveys (18.8 per cent). Of the respondents, 27 were owners of small factories (250 or fewer workers), 128 were owners of medium-sized factories (between 251 and 750 workers), and 221 employed 751 workers or more. Most of the buyers of these suppliers were European (68 per cent), 15 per cent were from the United States, 4.6 per cent were Asian, and the remainder were classified as “other”, or a mix of US, European and Asian firms.

Third, I examine the “#PayUp” campaign, which demanded that buyers pay for their cancelled orders. To study its impact, I analyse a public tracker created

---

2 One month later, the total would reach US$3.8 billion.

3 The author thanks Luis Mendoza and researchers at the Worker Rights Consortium for their assistance in this task.
Abandoning garment suppliers and workers during the COVID-19 pandemic

by the Worker Rights Consortium (WRC) that indicated which buyers had committed to paying for all orders and which buyers had not. The WRC provided me with data indicating the approximate dates on which buyers agreed to pay for their orders. These data allowed me to construct a one-year timeline of major events and when buyers made the commitment to pay for orders. I use this to analyse which types of buyers were most likely to respond favourably to social movement pressure and which buyers were less inclined to do so.

Following the #PayUp campaign, it emerged that buyers were engaging in other purchasing practices that had adverse impacts on suppliers and their workers. Notably, through interviews with suppliers, I learned that order volumes declined, prices were further squeezed downward and buyers delayed payments. To explore these trends more carefully, between 5 July and 21 August 2020, I sent a follow-up questionnaire to Bangladeshi suppliers, and 46 firms responded. I then sent the questionnaire to suppliers elsewhere. This resulted in an additional 29 responses from 12 other countries: Cambodia (1), Egypt (1), El Salvador (2), Ethiopia (1), Guatemala (5), Honduras (1), India (1), Indonesia (2), Kenya (1) Nicaragua (1), Pakistan (2), Viet Nam (2), and unidentified countries (9). To complement these findings and probe nuances in the COVID-19 price squeeze based on variations in consumer and producer countries, I analyse price per volume of apparel exports from Bangladesh, China, India and Turkey to Germany, Sweden and the United States.

4. The initial phase of the COVID-19 crisis

On 31 December 2019, the Government of China alerted the World Health Organization to a health emergency in Wuhan City in the Hubei province. Just over three weeks later, the Chinese Government placed Wuhan's 11 million inhabitants in lockdown. Other cities in the province were locked down soon afterwards. For garment GSCs, this impacted not only Chinese exports of final products, but it dramatically impacted access to raw materials (notably fabric) made in China and needed by exporters elsewhere.

4.1. The March 2020 order cancellations

When COVID-19 spread through major consumer markets, notably in Europe and the United States, what began as a regional supply chain disruption became a global crisis as brands and retailers everywhere cancelled orders with their suppliers without paying for them. This was a dramatic development that became an instant crisis because cash flow is crucial for garment suppliers. Most often, suppliers are required to front all the funds associated with production – from securing fabric and other inputs to covering their operating expenses. And even then, suppliers are often paid by buyers 30 to 90 days after they

---

4 Some responded to the email request and completed the questionnaire. However, when others did not, they were contacted by WhatsApp to conduct structured interviews based on the questionnaire.

5 Nine suppliers completed the online version of the questionnaire but did not identify their country.
ship the product (Anner 2019). In other words, when buyers cancelled orders without paying, suppliers were already significantly in debt and desperately relying on payment in order to purchase inputs for their next production cycle and guarantee future bank loans.

Many buyers evoked the concept of *force majeure*, which was often written into their contracts with suppliers to justify the breaking of their obligations to pay for orders in production. *Force majeure* (“superior force”), which is common in international agreements of common law and civil law countries, is invoked when a party demands that it be excused from the full performance of a contract (ECCHR, ILAW and WRC 2020, 8). For example, Primark includes the following standard language in its contracts and purchase orders: “The Buyer shall be able to terminate the Contract or Purchase Order and/or cancel any other contracts or purchase orders with the Seller (whether such purchase orders were issued by the Buyer or any other member of the Buyer’s group) immediately without liability to the Seller by giving the Seller notice of such termination” (quoted in ECCHR, ILAW and WRC 2020, 6).

Arcadia (owner of the Topshop and Topman brands) sent a written communication to suppliers in March 2020 that said: “You will note that we are able to cancel any order at any stage. This includes orders in production and orders in transit. If we suspend or cancel an order we will not be legally responsible for any direct or indirect damage or loss this may cause you.” (quoted in ECCHR, ILAW and WRC 2020, 6). In a similar vein, the US retailer Kohl’s sent a communication to suppliers in March 2020 that said: “We may cancel our Purchase Order in whole or in part without your authorization and at Kohl’s sole and absolute discretion in the event of any of the following ... in the event of acts of God (including, but not limited to, natural disasters, fire, flood, earthquake and disease outbreaks) ... Cancellation by Kohl’s for any of the foregoing reasons shall constitute “for cause” and shall not subject us to any liability, cost, or charge whatsoever” (quoted in ECCHR, ILAW and WRC, 5).

Thus, the contract language, which allows buyers to abruptly cancel orders, reflects the extreme power imbalance between buyers and suppliers, and it has allowed for the unequal distribution of costs during the COVID-19 pandemic. It is important to note that decisions to cancel orders were not made by regional sourcing managers or apparel brand corporate social responsibility officers. Discussions I had with various buyers indicate that such decisions were made at the highest levels of the “C-suite” – a company’s senior executives – and often by the buyers’ Chief Financial Officers (CFOs). As one major industry trade publication observed, “In the early months of the global health crisis, many companies leaned on their finance heads to make tough and sometimes painful decisions to protect their businesses” (McDonald 2021). This reflects how seriously buyers took the COVID-19 pandemic and the drastic measures that they were willing to take to protect their economic interests. It also explains why the impact on suppliers and workers was so widespread. CFOs made these decisions and issued the same standard statements on order cancellations to all supplier firms globally.

However, buyers made one major miscalculation. They believed that suppliers would not speak out about the cancellations, much less carefully document them. However, Bangladeshi suppliers *did* speak out through their industry
association, the BGMEA. Indeed, BGMEA president, Rubana Huq, made an impassioned plea to buyers to pay for their cancelled orders in a YouTube video that received considerable attention.\(^6\) She also took another unprecedented step in reaching out to long-time worker rights advocate, Scott Nova, the Executive Director of the WRC and to myself. She agreed to share the data collected by BGMEA from Bangladeshi suppliers on the order cancellations and to send a survey that I had drafted to the BGMEA list of members.

Table 1 presents an analysis of the BGMEA order cancellation data as of 28 March 2020, which allow for various observations. First, they indicate that

---

\(^6\) See [https://www.youtube.com/watch?v=xIS3iRDYBJw](https://www.youtube.com/watch?v=xIS3iRDYBJw).
mass merchandizers, fast fashion brands, and publicly and private traded companies all cancelled orders. Cancellations came from firms based in both English-speaking liberal market economies and high union density coordinated market economies of continental Europe. A high concentration of order cancellations is also found among several large buyers, notably Primark (US$312 million), H&M (US$173 million) and C&A (US$170 million). The top 25 buyers accounted for approximately US$1.9 billion in orders, which accounted for 61 per cent of all documented order cancellations.

4.2. The impact of order cancellations on suppliers and workers

To ascertain the impact of the order cancellations on suppliers and their workers, I conducted a survey of Bangladeshi suppliers between 21 March and 21 April 2020. In response to the survey question, “Since the outbreak of the coronavirus, have you had in-process orders cancelled prior to shipment?” more than 50 per cent of suppliers indicated that they had “a lot” (26–50 per cent), “most” (more than 50 per cent) or “all” (100 per cent) of their orders cancelled. The data indicate variation according to the buyer home country or region: 40 per cent of US buyers versus 23 per cent of European Union (EU) buyers cancelled most or all of their orders (see table 2).

The survey results show that, in the majority of cases (73.1 per cent), when in-process orders were cancelled, buyers refused to pay for the cost of raw materials that had already been purchased by the suppliers prior to the cancellation. EU buyers were slightly more likely to refuse to pay for input costs than US buyers, but the difference is small (see table 3). This failure to pay for the costs of raw materials such as fabric results in an enormous economic loss for suppliers since fabric can account for 70 per cent of production costs. Buyers also refused to pay suppliers for their production (“cut and make” or “CM”) costs in 91.1 per cent of the cases, with no significant difference between US and EU buyers (see table 4).

While the data presented above are based on a survey of Bangladeshi suppliers, the cancellation of orders without paying was a general trend experienced across supplier countries. This is because, as noted above, the decision was often made by corporate CFOs for all suppliers globally. I spoke with dozens of sup-

| Orders cancelled | Country/region of buyers' headquarters |
|------------------|--------------------------------------|
|                  | All regions | United States | European Union | Other regions |
| < 25% (%)        | 47.8        | 38.0          | 49.5           | 51.0          |
| 26–50% (%)       | 25.0        | 22.0          | 27.5           | 15.7          |
| > 50% (%)        | 21.3        | 26.0          | 19.8           | 23.5          |
| 100% (%)         | 5.9         | 14.0          | 3.2            | 9.8           |
| **n**            | 385         | 50            | 222            | 51            |

Source: Author’s survey of Bangladeshi suppliers, March–April 2020.
Abandoning garment suppliers and workers during the COVID-19 pandemic

ppliers in other countries in Asia, Africa and Latin America, all of whom confirmed that this was a general trend. Indeed, many of them shared the emails they received from their buyers, which were standard emails sent to all the buyer’s suppliers.

The impact on suppliers of these abrupt cancellations of in-process orders was severe; 53.5 per cent of suppliers report shutting down most of their operations and 7.6 per cent of them report being forced to close their facilities. The impact disproportionately affected small and medium-sized enterprises (SMEs), which are defined here as factories that have 750 or fewer workers, with 88.4 per cent reporting a major impact on their operations compared to 78.1 per cent of large enterprises (see table 5).

In the survey, suppliers were given space to add comments under open-ended questions. One noted, “As of now, buyers have not come up [with] any sorts of discussion. They are not even discussing what are the areas we might have problems. Yes, buyers also have their own problem but [with] buyers as a partner we expect more responsible attitude from them.” Another stated, “Buyers are mercilessly cancelling/holding export shipments.” A third indicated, “All stakeholders in Bangladesh will not survive if the buyers do not come forward [and pay for their orders]. We have supported them over the years, and this is the time for them to show ‘true partnership’.”

Many other suppliers also noted that the buyers had previously referred to their relationship as one of “partnership”, but that once the crisis hit these same buyers terminated the relationship without any consideration for how “partners”

### Table 3. Payments received by suppliers from buyers for inputs (such as fabric) already purchased for their cancelled orders

| Payment received from: | Country/region of buyers’ headquarters |
|------------------------|----------------------------------------|
|                        | All regions | United States | European Union | Other regions |
| All buyers (%)         | 11.7        | 12.0          | 12.7           | 7.7           |
| No buyers (%)          | 73.1        | 70.0          | 72.4           | 78.8          |
| Some buyers (%)        | 15.1        | 18.0          | 14.9           | 13.5          |
| n                      | 324         | 50            | 221            | 52            |

Source: Author’s survey of Bangladeshi suppliers, March–April 2020.

### Table 4. Payments received by suppliers from buyers for the cut and make price of their cancelled orders

| Payment received from: | Country/region of buyers’ headquarters |
|------------------------|----------------------------------------|
|                        | All regions | United States | European Union | Other regions |
| All buyers (%)         | 2.8         | 2.1           | 2.8            | 4.0           |
| No buyers (%)          | 91.1        | 89.6          | 90.8           | 94.0          |
| Some buyers (%)        | 6.0         | 8.3           | 6.5            | 2.0           |
| n                      | 324         | 50            | 221            | 52            |

Source: Author’s survey of Bangladeshi suppliers, March–April 2020.
might best deal with the consequences, to ensure a more equitable distribution of the costs of the crisis. One supplier stated, “We are passing [a] very critical time due to this crisis. Actually, all the customers have given their decision to hold or [cancel] their orders, but they haven’t discussed later consequences due to this decision.” Several suppliers referred to the “extreme irresponsibility” of the buyers for abruptly cancelling orders and wondered how they, as suppliers, would be able to pay their workers’ salaries.

Indeed, the impact of these developments on workers has been significant. Of the suppliers who abruptly lost contracts that were in-process and received no payment from buyers, 71.8 per cent said they were unable to provide their workers with some income when the workers were furloughed (sent home temporarily) and 81.3 per cent said they were unable to provide severance pay when order cancellations resulted in permanent worker dismissals. The impact was more significant for workers in SMEs (figure 1). As noted by Kalpona Akter,

### Table 5. The impact of order cancellations on Bangladeshi suppliers’ operations

| Impact                                | All suppliers | SMEs | Large suppliers |
|---------------------------------------|---------------|------|-----------------|
| No major impact for the moment (%)    | 17.7          | 11.6 | 21.9            |
| Partial cut in employment (%)         | 21.2          | 30.2 | 15.0            |
| Most operations are shut down (%)     | 53.5          | 50.4 | 55.6            |
| Factory closure (%)                   | 7.6           | 7.8  | 7.5             |
| \( n \)                               | 316           | 129  | 187             |

Source: Author’s survey of Bangladeshi suppliers, March–April 2020.

![Figure 1. Impacts on workers (percentages)](source: Author’s survey of Bangladeshi suppliers, March–April 2020.)
Executive Director of the Bangladesh Center for Workers’ Solidarity, “Garment workers live hand to mouth. If workers lose their jobs, they will lose their monthly wages that put food on the table for them and their families” (cited in Wright 2020). What this indicates is that, during crises in garment GSCs, there is a trend for buyers to increase their squeeze on suppliers, and for suppliers to attempt to survive by increasing their squeeze on workers.

5. The #PayUp campaign

From late March to June 2020, suppliers spoke out against buyer order cancellations, academics researched the impact, workers protested against factory closures and failures to pay wages, and worker rights groups documented unethical buyer practices. Major media outlets, including The New York Times, The Washington Post, Financial Times, The Guardian, El País and Le Monde, made the public aware of these dynamics. In this context, a social movement emerged that coalesced into a “PayUp Campaign” that was inspired by the activist group, Remake, and its hashtag, #PayUp. By July 2020, approximately 241,000 people had signed Remake’s #PayUp petition,7 and 46,000 people per day viewed the group’s Instagram stories about the call to #PayUp (Cline 2020).

As suppliers continued to speak out about order cancellations during this period, worker protests escalated, and the media kept the story alive. A “perfect storm” emerged that backed many major buyers into a normative corner, through the exercise of what Chun (2009) refers to as “symbolic power”. Companies H&M and PVH agreed to pay for cancelled orders within a day of the publication of an article reporting on the cancellations in The New York Times. The Inditex fashion group soon followed when its name was included in a research report (Anner 2020a) that was spread over social media by Remake and the #PayUp campaign. The campaign’s collaboration with suppliers during this time was particularly crucial, because not only did suppliers provide the needed data to establish the extent of the problem, but it enabled the campaign to verify when buyers did or did not follow through on their stated payment commitments.

Using these data and supplier confirmations, the WRC established a tracker that indicated which brands had committed to pay in full for orders completed and in production and which brands had failed to do so.8 The tracker played a vital role because it alerted activists to the brands on which they should focus their attention and it created a strong incentive for many brands to pay up in order to have their names moved to the positive side of the tracker. Quick responses came from some reputation-sensitive fashion companies, including European companies that had signed global framework agreements with international trade union organizations (for example, H&M and Inditex). And US reputation-sensitive fashion companies – such as PVH, Gap and VF – also agreed to pay up despite

7 See https://payupfashion.com/.
8 See https://www.workersrights.org/issues/covid-19/tracker/. The WRC evaluates on an ongoing basis whether brands are honouring their commitments in their direct dealings with suppliers by communicating with suppliers and supplier business associations.
their considerable economic duress at the time. Yet, some mass merchandizers, such as Target, who are not known for a high degree of reputation sensitivity, also agreed to pay up on cancelled orders. Here a different dynamic was at play; these companies were deemed essential services since they also sold food, which meant they stayed open during the pandemic and thus were in a good financial position that made it easy for them to honour their obligations. But not all brands and retailers responded positively to calls to pay for cancelled orders.

Although it is true that many companies that paid up were publicly traded (for example, H&M, Inditex, Gap, VF, Marks & Spencer), privately held companies also felt the pressure to pay up, including the companies C&A, Kaaba and Varner. As Ahlquist and Mosley (2021) suggest, publicly traded companies are more visible and thus more likely to feel public pressure to act responsibly relative to privately held companies. However, it was also evident that publicly traded companies wanted to show their investors that they were handling the crisis well by having considerable cash and cash equivalents on hand (McDonald 2021). This group of buyers expressed their financial stability by not paying for orders or by dramatically delaying the payment of orders, indicating a downside to public ownership during such a crisis.

Finally, the #PayUp campaign made the strategic decision to focus its efforts on the biggest firms with the largest order cancellations, and those firms that were considered the most reputation-sensitive and thus more likely to agree to pay up. Of the ten companies with the largest order cancellations, seven committed to pay all contracts in full. In contrast, of the 19 top companies that (at the time of writing) had not agreed to pay in full, 15 were not the focus of the initial campaign (see figure 2). By July 2020, an estimated US$21 billion in orders had been paid in full of the initial US$40 billion in order cancellations. These payments allowed factories to remain in business and saved millions of garment workers’ jobs. WRC Executive Director, Scott Nova, noted, “[I]n terms of its direct financial impact on workers, it’s probably the most successful campaign on worker rights in the apparel supply chain ever” (Cline 2020).

6. The second phase of the COVID-19 crisis

6.1. Declining order volume and prices

Following the success of the #PayUp campaign, and as the COVID-19 pandemic continued into the summer months of 2020, new issues emerged. Retail sales only partially recovered during the summer of 2020 in the EU and in the United States, and many retailers and brands already had excess inventory. It followed that they did not need to purchase as many items as they had purchased during the previous, pre-crisis year. This finding shows up via a questionnaire that I used among suppliers based in Bangladesh, Cambodia, Egypt, El Salvador, Ethiopia, Guatemala, Honduras, India, Indonesia, Kenya, Nicaragua, Pakistan and Viet Nam in July and August 2020.

Of the 75 suppliers who completed the questionnaire, 52 per cent said that their order volumes had declined by more than 50 per cent compared to the same time period in 2019, 33 per cent indicated that they were operating at
Figure 2. Timeline of COVID-19 disruptions, order cancellations and #PayUp movement impact

1 December 2019
First cases of COVID-19 reported in Wuhan, China

January-February 2020
Garment global supply chain disruptions

Mid-March 2020
Lockdowns in consumer countries

23 March 2020
Manufacturers (R. Huq) call out buyers for order cancellations

27 March 2020
CGWR/WRC report (Anner 2020a), data releases, NYT article

28 March 2020
H&M

30 March 2020
Remake launches PayUp petition

31 March 2021
#PayUp campaign emerges, posts buyers’ cancellations

1 April 2020
WRC launches tracker of brands that have not paid up

Early April 2020
Inditex

Mid-April 2020
Klæboe

20 April 2020
H&M

22 April 2020
PVH

1 May 2020
VF

20 May 2020
Target

22 May 2020
Uniqlo

20 June 2020
LPP

Early July 2020
Marks & Spencer

2 July 2020
adidas

12 May 2020
Next

13 May 2020
Under Armour

20 May 2020
Cotton On

22 May 2020
ASOS

20 June 2020
Lululemon

29 October 2020
C&A

Autumn 2020
Amazon

Not paid up in full as of January 2021
American Eagle Outfitters
Arcadia (Topshop)
Bestseller
Camaieu
Edinburgh Woollen Mill
Esprit Hema
JCPenney
Kohl’s
Li & Fung/Global Brands
Group Matalan
Mothercare
Ross Stores
Schulz Fashion (Colosseum)
Sears
The Children’s Place
TJX (T.J. Maxx, Marshalls)
Urban Outfitters
Walmart (Asda)
Carter’s (OshKosh B’gosh)

Note: Brands and retailers that paid in full, with approximate date, are indicated in blue.
Source: Author’s compilation using data based on WRC Tracker and with research support provided by Liana Foxvog.
51–75 per cent of their ordinary order volume, and only 1 per cent of suppliers indicated that their order volume exceeded that of the previous year. The latter were most often suppliers who had transitioned to making personal protective equipment (PPE), such as face masks. A clear indication that the costs of the second phase of the COVID-19 crisis were not equally shared along garment GSCs can be seen in pricing dynamics: 64.7 per cent of suppliers indicated that buyers were imposing price reductions that were more significant than normal year-to-year reductions, and 56.2 per cent of suppliers reported that they were obligated to accept some orders below cost (see figure 3).  

The findings indicate that suppliers faced an average price reduction of 12.3 per cent compared to the previous year. I explored this reduction further by examining US trade data for all apparel imports during this same period (July–August 2019 compared to July–August 2020). These data included all exporting countries. The top garment exporters to the United States were China, followed by Viet Nam and Bangladesh. What the trade data show is that, in July and August 2019, the United States imported 5.6 billion units (measured in square meter equivalents) for a total value of US$17.2 billion. This results in an average value of US$3.09 per unit. In July and August 2020, the United States imported 4.6 billion units for a total value of US$12.5 billion, which indicates an average value of US$2.72 per unit. Thus, we find an average price reduction of 12.1 per cent from 2019 to 2020. This is very close to the average price reduction indicated by the supplier responses to the questionnaire, which gives greater confidence in the questionnaire’s findings. The US trade data also provide further insights into the scale of the reduction in order volume: the drop from 5.6 billion units in July–August 2019 to 4.6 billion units in July–August 2020 represents a 17.6 per cent decline (see table 6).

---

9 A supplier will accept an order below cost rather than have nothing at all so as to generate at least some income to cover fixed monthly expenses, such as building rent, and to have capital to purchase material for future orders.
To better understand the logic and reasoning behind this buyer price squeeze, I reviewed quarterly Security and Exchange Commission (SEC) filings and statements on those filings by publicly traded buyers. Michael D. Casey, Chairman and Chief Executive Officer of Carter’s, when reporting on his company’s filing provided particularly insightful comments as to why brands and retailers have managed to achieve such a dramatic year-on-year squeeze in prices. He notes, “Thankfully, given a more favourable environment for input costs and excess manufacturing capacity in Asia, we are forecasting lower product costs for spring 2021. ... Our expectation is that product costs will be lower; we will have no plan to lower prices in the spring. ... We expect gross margin expansion” (Carter’s, Inc. 2020). In other words, with so many suppliers in Asia in crisis and facing lost orders, buyers realized that there was even greater excess capacity in the region than is normally the case. The expectation was that suppliers would have to compete with each other for more limited orders – both in terms of the number and the size of the orders – which would allow buyers to drive prices down below the prices resulting from normal year-to-year reductions. At the same time, the company had no intention of passing these cost savings on to consumers. Instead, by lowering the prices that it was paying suppliers while also maintaining the prices it charged consumers, Carter’s expected its gross margins to grow in spring 2021. They were not mistaken. First-quarter returns show that Carter’s enjoyed a gross margin of 49.8 per cent, which was up from 34.9 per cent in the first quarter of 2020 and from 42.6 per cent in the first quarter of 2019.

US trade data allow us to analyse import trends to the United States, but there are reasons to believe that the dynamics of apparel imports in other major consumer countries might be different. As Schuessler, Frenkel and Wright (2019) observe, national regulatory context may play a role in shaping firms’ conduct. And it is certainly possible that supplier country characteristics (capabilities, speed to market, among others) might influence purchasing practices. I explore pricing dynamics for four major garment exporters (Bangladesh, China, India and Turkey) and two major European importers (Germany and Sweden) using EU trade data. In this exercise, I compare euros per kilogram of knit apparel imports (Harmonized System code 61) in December 2019 – before the pandemic

---

**Table 6. US apparel imports, world**

|                  | Quantity (SME millions) | Amount (US$ millions) | US$/Unit |
|------------------|-------------------------|-----------------------|----------|
| July–August 2019 | 5888                    | 17259                 | 3.09     |
| July–August 2020 | 4607                    | 12510                 | 2.72     |
| Difference (%)   |                         | -12.1                 |          |

*Note: SME = square metre equivalent.*

*Source: Author’s calculations based on data from the US Office of Textiles and Apparel.*

---

10 European Statistical Office, “International trade in goods: detailed data – EU trade since 1988 by HS2,4,6 and CN8”, Eurostat database.
caused lockdowns in Europe – to the value per kilogram of imports in December 2020 – still during the pandemic but at a point well past the initial abrupt order cancellations of March 2020.

These data indicate an average price paid per kilogram of imported knit apparel of €17.70 in December 2019 and of €16.17 in December 2020, which constitutes a decline of 8.63 per cent. The drop in price is most significant for Bangladesh (13.5 per cent for German imports and 12.86 per cent for Swedish imports). Apparel exports from China and India to Sweden and Germany declined in price in the range of 7.53 to 8.81 per cent. Turkey, the third-largest exporter of knit apparel to Germany and Sweden, faced a price decline of 5.65 per cent for Germany and of 1.11 per cent for Sweden. One possible reason for the lower rate of decline for apparel exports from Turkey relative to other major exporting countries is the proximity to market enjoyed by Turkish suppliers. In the COVID-19 era, the value of speed to market increased significantly, which might have allowed some Turkish-based suppliers to mitigate the price squeeze to a certain degree. The price decline was less significant in Sweden relative to Germany (see table 7).

### Table 7. Knit apparel imports to Germany and Sweden

| Exporter | Importer | €/kg (December 2019) | €/kg (December 2020) | Percentage change 2019–20 (%) |
|----------|----------|----------------------|----------------------|------------------------------|
| Bangladesh | Germany | 13.86 | 11.99 | -13.50 |
| China | Germany | 18.81 | 17.18 | -8.68 |
| India | Germany | 18.07 | 16.71 | -7.53 |
| Turkey | Germany | 23.32 | 22.00 | -5.65 |
|         | Average, Germany |              |               | -8.84 |
| Bangladesh | Sweden | 15.28 | 13.32 | -12.86 |
| China | Sweden | 22.26 | 20.58 | -7.51 |
| India | Sweden | 19.24 | 17.54 | -8.81 |
| Turkey | Sweden | 21.56 | 21.33 | -1.11 |
|         | Average, Sweden |              |               | -7.57 |
| Average, all |                  | 17.70 | 16.17 | -8.63 |

Source: Author’s calculations based on Eurostat data.

### 6.2. Other purchasing practices

Beyond the price squeeze, suppliers also reported that many buyers imposed payment schedules that required them to wait additional weeks or months to be paid for their completed production orders. In 2019, most suppliers (65 per cent) reported through the questionnaire that buyers paid invoices 30 or 45 days after orders were shipped. In 2020, 61 per cent of suppliers reported that they were paid 60, 90, or even 120 days after order shipment. On average, in 2019, buyers paid suppliers 43 days after shipment, whereas by July/August 2020, suppliers were being paid on average 77 days after shipment (see figure 4).

These findings on the unequal distribution of costs are reinforced by supplier responses to open-ended questions. One supplier noted: “On most items,
certain buyers looked to get discounts without a costing rationale, stating they suffered a loss of sales. If discounts were not given, they also advised future business was at risk, all the while holding back current payments due.” One supplier explained how it had sometimes been given the option of accepting greatly deferred payments or getting paid sooner but then having to accept order discounts. This supplier wrote that: “Not all buyers [are demanding discounts], but mostly are offering 150 days to 180 days deferred payment terms. In that case, we have to take into account we might face [a] 5 per cent discount to get the payment promptly.”

When asked if the continuation of adverse purchasing practices (such as smaller order volume, lower prices and delayed payments) would increase the likelihood of suppliers being forced to close their business, 32 per cent responded that it was “somewhat likely” and 25 per cent indicated that closure was “extremely likely”. Complicating matters further was the fact that many suppliers needed to adjust for social distancing. One such adjustment was to reduce the number of workers per shift to allow for more space between workers, which could be expected to impact order completion times. Yet, suppliers indicated that only 15 per cent of buyers gave them the full flexibility they needed to make safety adjustments, and 33 per cent of buyers gave no flexibility. Instead, these buyers imposed fines or cancelled orders for any delays, regardless of the reason.

One Indian supplier expressed frustrations at the overall situation and reported: “Drop in prices, forced discounts, drop in order volume, delays in payments: all these are happening with all the buyers. In addition to this, all buyers want their goods on time.” Another wrote: “There is no accountability of the brand on what they order. If they wish, they can cancel. This needs to change. Suppliers are forced to air [freight] goods if shipment deadlines are missed or subject to discount. But there is no law that prevails where the buyer is mandated to buy whatever they have ordered. Also, buyers do a due diligence on factory’s compliance, but there is no due diligence on buyers’ activities.” These comments reflect a clear awareness among suppliers that during the crisis there was an unequal distribution of the costs resulting from embedded GSC power asymmetries.

---

Figure 4. Multi-country suppliers: Number of days until buyers pay suppliers for shipped orders, 2019 vs 2020 (percentages)

Source: Author’s survey of suppliers in 13 countries, July–August 2020.
6.3. Impact on workers during the second phase of the crisis

The impact on workers as a result of the purchasing practices outlined above was significant. The findings indicate that as factories re-opened following lockdowns most were not operating at full capacity; almost half of suppliers reported that they cut working hours “a moderate amount” (a 10–25 per cent reduction of working hours), “significant amount” (a 26–50 per cent reduction), or “a lot” (a reduction of more than 50 per cent). A second step many suppliers took prior to closure was to reduce employment levels. Comparing employment levels between January and June 2020, the data show that 62 per cent of suppliers reduced employment, 26 per cent held their employment levels constant, and 12 per cent increased their employment levels, most often due to the production of personal protective equipment (PPE).

The suppliers that completed the questionnaire reported an average decline of 10.1 per cent in employment levels from January to June 2020. Suppliers indicated that, if current trends of order reductions continued, they anticipated cutting their workforce by 35 per cent relative to their current employment levels. One supplier stated: “[Brand and retailer] executives handling sourcing are merciless, and everything about welfare of workers etc. is forgotten when they make demands.” One advocacy group found that, during the months of March–May 2020, garment workers lost between US$3.19 billion and US$5.79 billion in wages (CCC 2020). During this same period, reports of workers and their families facing malnutrition emerged. One worker, whose family had been living off one bag of rice for a month, explained: “Our house rent is due. We are buying all our groceries on credit but they [the store] won’t give us any more food [on credit] until we pay our bill. So our landlord managed to get a sack of rice for us and we’re surviving on that” (cited in Kelly and Ahmed 2020). A survey conducted in August and September 2020 of 396 garment workers across 158 factories in nine countries found that 77 per cent of workers reported that they or a member of their household had gone hungry since the beginning of the pandemic primarily as a result of diminished income (Kyritsis, LeBaron and Nova 2020). At the same time, some multi-factory suppliers used the crisis to close their unionized factories while keeping the non-union factories running (BHRRC 2020). These findings indicate that the unequal distribution of costs during the pandemic had the most significant adverse impacts on the workers at the bottom of garment GSCs. And this was especially true for women workers (Tejani and Fukuda-Parr 2021).

7. Discussion and conclusions

This article has argued that, in the context of the COVID-19 crisis, buyers maintain considerable leverage over suppliers in garment GSCs and that supplier factories, in turn, hold considerable power over workers. Based on this assumption of power imbalance, I began my analysis with several expectations. I anticipated that buyers would pass many of the costs of the COVID-19 crisis down onto suppliers and, through them, onto workers at the bottom of these supply chains. I suggested that the extremely adverse impact of order cancellations in the garment GSC would provoke a broad range of alliances and unlikely collaborations to push back on buyers and leverage them to pay for cancelled orders. However,
I also suggested that the continued uncertainty in consumer demand would contribute to a renewed buyer price squeeze and other adverse purchasing practices ultimately affecting workers. Lastly, I anticipated that variations in these dynamics would depend on national institutional contexts and firm types. To test these expectations, I examined supplier data on order cancellations, conducted a survey of Bangladeshi suppliers, created a timeline on brand commitments to “pay up”, administered a questionnaire of suppliers in 13 countries (including Bangladesh), analysed trade data, and interviewed stakeholders. With some important nuances, most of the above predictions were verified.

The buyers’ actions in response to the COVID-19 pandemic also reconfirmed the weakness of voluntary programmes. During the crisis, a voluntary initiative known as the “Call to Action” came together under the tutelage of the ILO. By setting out “urgent priorities”, the goal was to “catalyse action from across the global garment industry to support manufacturers to survive the economic disruption caused by the COVID-19 pandemic and to protect garment workers’ income, health and employment”. Yet, this too provided limited results. For example, by April 2021, one year after the initiative was established, of the 4.1 million garment workers in Bangladesh, only 6,031 workers benefited from support tied to this initiative, receiving three payments of approximately US$36 each (ILO 2021).

Far more effective was the #PayUp campaign, which involved a broad coalition of worker rights advocates, outspoken suppliers who shared crucial information with advocates and academics, ceaseless protests by garment workers, relentless media exposés, and an extremely effective social media campaign that coalesced around its social media hashtag, #PayUp. The result was that buyers were forced to pay an estimated US$21 billion to suppliers for cancelled orders. The campaign thus illustrated some of the limits of buyer power.

Yet, this article has also shown how buyer power re-emerged in mid- and late 2020. Buyers squeezed suppliers on price, order volume and payment terms, with devastating consequences for suppliers and especially for workers. Millions of workers lost wages, jobs and severance payments. And 77 per cent of workers in one survey reported that they or a member of their household had gone hungry since the beginning of the pandemic, primarily as a result of diminished income. Some multi-factory suppliers used the crisis to close their unionized factories or take other anti-union measures.

This study has revealed some common practices across firms and some important sources of variation. In response to the #PayUp campaign, European reputation-sensitive fashion companies responded quickly, as did a few such US companies. Yet, some mass merchandizers agreed to pay for part of their cancelled orders only because they were deemed essential services and were in a financial position to honour their obligations. One of the most crucial factors determining which companies paid was the #PayUp campaign’s decision to focus their efforts on the largest, most visible companies. Of the ten companies with the largest order cancellations, seven committed to pay all contracts in full.

11 See: https://www.ilo.org/global/topics/coronavirus/sectoral/WCMS_742343/lang--en/index.htm.
GSCs involve highly complex, dynamic sets of relationships among social and economic actors. Amid this complexity, insights into power relations can be gained by “following the money”. This is true of the distribution of benefits and, as shown in this article, of the distribution of costs during a crisis. In late 2020, as Bangladeshi employers and labour unions fought over whether workers should receive a US$0.16 per day mandated raise (Hossain Ovi 2020), buyers – many of whom had refused to pay all of their cancelled orders in full – returned to full profitability.12 At the time of writing, to respond to these imbalances and to protect workers, more than 200 organizations were demanding that buyers sign a binding agreement to ensure severance and wage guarantees and respect for workers’ rights during the pandemic.13 The aspiration is that these broad coalitions and normative power can be harnessed to mitigate the adverse impacts of the extreme power asymmetries that have been a structural feature of garment GSCs for so long.

References
Abernathy, Frederick H., John T. Dunlop, Janice H. Hammond, and David Weil. 1999. A Stitch in Time: Lean Retailing and the Transformation of Manufacturing – Lessons from the Apparel and Textile Industries. New York, NY: Oxford University Press.
Agarwala, Rina. 2013. Informal Labor, Formal Politics, and Dignified Discontent in India. New York: Cambridge University Press.
Ahlquist, John S., and Layna Mosley. 2021. “Firm Participation in Voluntary Regulatory Initiatives: The Accord, Alliance, and US Garment Importers from Bangladesh”. Review of International Organizations 16 (2): 317–343.
Anner, Mark. 2015. “Labor Control Regimes and Worker Resistance in Global Supply Chains”. Labor History 56 (3): 292–307.
———. 2019. “Predatory Purchasing Practices in Global Apparel Supply Chains and the Employment Relations Squeeze in the Indian Garment Export Industry”. International Labour Review 158 (4): 705–727.
———. 2020a. “Abandoned? The Impact of Covid-19 on Workers and Businesses at the Bottom of Global Garment Supply Chains”, Research Report, 27 March 2020. State College, PA: Penn State Center for Global Workers’ Rights.
———. 2020b. “Leveraging Desperation: Apparel Brands’ Purchasing Practices during Covid-19”, Research Report, 16 October 2020. State College, PA: Penn State Center for Global Workers’ Rights.
———. 2020c. “Squeezing Workers’ Rights in Global Supply Chains: Purchasing Practices in the Bangladesh Garment Export Sector in Comparative Perspective”. Review of International Political Economy 27 (2): 320–347.
Bair, Jennifer. 2009. “Global Commodity Chains: Genealogy and Review”. In Frontiers of Commodity Chain Research, edited by Jennifer Bair, 1–34. Stanford, CA: Stanford University Press.
Bank Muñoz, Carolina. 2008. Transnational Tortillas: Race, Gender, and Shop-Floor Politics in Mexico and the United States. Ithaca, NY: ILR Press.
Barrientos, Stephanie. 2013. “Corporate Purchasing Practices in Global Production Networks: A Socially Contested Terrain”. Geoforum 44 (January): 44–51.

12 For example, Carter’s, the parent company of Oshkosh, brought in US$1.5 billion in gross profits at the end of 2020. According to our calculations, Carter’s failed to pay for cancelled orders with Bangladesh suppliers worth US$24 million.
13 See: https://cleanclothes.org/campaigns/pay-your-workers.
Abandoning garment suppliers and workers during the COVID-19 pandemic

———. 2019. Gender and Work in Global Value Chains: Capturing the Gains? Cambridge: Cambridge University Press.

Barrientos, Stephanie, Catherine Dolan, and Anne Tallontire. 2003. “A Gendered Value Chain Approach to Codes of Conduct in African Horticulture”. World Development 31 (9): 1511–1526.

Bartley, Tim, and Curtis Child. 2014. “Shaming the Corporation: The Social Production of Targets and the Anti-sweatshop Movement”. American Sociological Review 79 (4): 653–679.

Beneria, Lourdes, and Martha Roldán. 1987. The Crossroads of Class and Gender: Industrial Homework Subcontracting, and Household Dynamics in Mexico City. Chicago, IL: University of Chicago Press.

BHRRC (Business & Human Rights Resource Centre). 2020. “Union Busting and Unfair Dismissals: Garment Workers during COVID-19”, 4 August 2020. London. https://www.business-humanrights.org/en/from-us/briefings/union-busting-and-unfair-dismissals-garment-workers-during-covid-19/.

Carter’s, Inc. 2020. “Q2 2020 Carter’s, Inc. Earnings Conference Call”. Webcast, 24 July 2020. https://ir.carters.com/events/event-details/q2-2020-carters-inc-earnings-conference-call (accessed 10 August 2020).

CCC (Clean Clothes Campaign). 2020. Un(der)Paid in the Pandemic: An Estimate of What the Garment Industry Owes Its Workers. Amsterdam.

Chun, Jennifer Jihye. 2009. Organizing at the Margins: The Symbolic Politics of Labor in South Korea and the United States. Ithaca, NY: ILR Press.

Cline, Elizabeth L. 2020. “The Power of #PayUp”. Atmos.earth, 14 July 2020. https://atmos.earth/payup-bangladesh-factory-worker-social-campaign/.

Dicken, Peter. 2015. Global Shift: Mapping the Contours of the World Economy. Los Angeles, CA: Sage.

Donaghey, Jimmy, and Juliane Reinecke. 2018. “When Industrial Democracy Meets Corporate Social Responsibility: A Comparison of the Bangladesh Accord and Alliance as Responses to the Rana Plaza Disaster”. British Journal of Industrial Relations 56 (1): 14–42.

ECCHR (European Center for Constitutional and Human Rights), ILAW (International Lawyers Assisting Workers), and WRC (Worker Rights Consortium). 2020. Farce Majeure: How Global Apparel Brands Are Using the COVID-19 Pandemic to Stiff Suppliers and Abandon Workers. Berlin: European Center for Constitutional and Human Rights.

Edwards, Tony, Paul Marginson, and Anthony Ferner. 2013. “Multinational Companies in Cross-National Context: Integration, Differentiation, and the Interactions between MNCs and Nation States – Introduction to a Special Issue of the ILR Review”. Industrial and Labor Relations Review 66 (3): 547–587.

Ford, Michelle. 2019. From Migrant to Worker: Global Unions and Temporary Labor Migration in Asia. Ithaca, NY: ILR Press.

Gereffi, Gary. 1994. “The Organization of Buyer-Driven Global Commodity Chains: How U.S. Retailers Shape Overseas Production Networks”. In Commodity Chains and Global Capitalism, edited by Gary Gereffi and Miguel Korzeniewicz, 95–122. Westport, CT: Praeger.

Gereffi, Gary, and Stacey Frederick. 2010. “The Global Apparel Value Chain, Trade and the Crisis: Challenges and Opportunities for Developing Countries”, Policy Research Working Paper No. 5281. Washington, DC: World Bank.

Gereffi, Gary, John Humphrey, and Timothy Sturgeon. 2005. “The Governance of Global Value Chains”. Review of International Political Economy 12 (1): 78–104.

Hall, Peter A., and David W. Soskice, eds. 2001. Varieties of Capitalism: The Institutional Foundations of Comparative Advantage. New York, NY: Oxford University Press.

Hopkins, Terence K., and Immanuel Wallerstein. 1986. “Commodity Chains in the World-Economy Prior to 1800”. Review 10 (1): 157–170.
Hossain Ovi, Ibrahim. 2020. “BKMEA Calls for Skipping Workers’ Raise for 2 Years”. Dhaka Tribune, 29 December 2020. https://archive.dhakatribune.com/business/2020/12/29/bkmea-calls-for-skipping-workers-raise-for-2-years#:~:text=The%20Bangladesh%20Knitwear%20Manufacturers%20and,for%20the%20next%20two%20years.

Huq, Rubana. 2020. “Bangladesh’s Private Sector: Beyond Tragedies and Challenges”. In Labor, Global Supply Chains, and the Garment Industry in South Asia: Bangladesh After Rana Plaza, edited by Sanchita Banerjee Saxena, 117–130. Abingdon: Routledge.

ILO. 2021. “Call to Action Progresses at the National Level”. Priority Country Update, June 2021. https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---dialogue/documents/genericdocument/wcms_797428.pdf.

Kelly, Annie, and Redwan Ahmed. 2020. “Surviving on a Bag of Rice: Plight of Bangladeshi Garment Makers”. The Guardian, 20 June 2020. https://www.theguardian.com/global-development/2020/jun/20/we-have-no-money-for-food-or-rent-plight-of-bangladeshi-garment-makers.

Khan, Lina M. 2017. “Amazon’s Antitrust Paradox”. Yale Law Journal 126 (3): 710–805.

Kumar, Ashok. 2020. Monopsony Capitalism: Power and Production in the Twilight of the Sweatshop Age. Cambridge: Cambridge University Press.

Kyritsis, Penelope, Genevieve LeBaron, and Scott Nova. 2020. Hunger in the Apparel Supply Chain: Survey Findings on Workers’ Access to Nutrition during Covid-19. Washington, DC: Worker Rights Consortium.

Marx, Axel. 2008. “Limits to Non-State Market Regulation: A Qualitative Comparative Analysis of the International Sport Footwear Industry and the Fair Labor Association”. Regulation & Governance 2 (2): 253–273.

McDonald, Samantha. 2021. “Why 2021 Is the Year of the CFO”. FootwearNews.com, 31 May 2021. https://footwearnews.com/2021/business/retail/cfo-importance-2021-1203144464/.

Mezzadri, Alessandra. 2017. The Sweatshop Regime: Labouring Bodies, Exploitation, and Garments Made in India. Cambridge: Cambridge University Press.

Nathan, Dev, Meenu Tewari, and Sandip Sarkar, eds. 2016. Labour in Global Value Chains in Asia. Cambridge: Cambridge University Press.

Schuessler, Elke, Stephen J. Frenkel, and Chris F. Wright. 2019. “Governance of Labor Standards in Australian and German Garment Supply Chains: The Impact of Rana Plaza”. Industrial and Labor Relations Review 72 (3): 552–579.

Singh, Sukhpal. 2016. “Fresh Produce Markets, Standards, and Dynamics of Labour: Grapes in India”. In Labour in Global Value Chains in Asia, edited by Dev Nathan, Meenu Tewari and Sandip Sarkar, 94–118. Cambridge: Cambridge University Press.

Sturgeon, Timothy J. 2009. “From Commodity Chains to Value Chains: Interdisciplinary Theory Building in an Age of Globalization”. In Frontiers of Commodity Chain Research, edited by Jennifer Bair, 110–135. Stanford, CA: Stanford University Press.

Talbot, John M. 2009. “The Comparative Advantages of Tropical Commodity Chain Analysis”. In Frontiers of Commodity Chain Research, edited by Jennifer Bair, 93–109. Stanford, CA: Stanford University Press.

Tejani, Sheba, and Sakiko Fukuda-Parr. 2021. “Gender and COVID-19: Workers in Global Value Chains”. International Labour Review 160 (4): 649–667.

Wright, Beth. 2020. “Brands Urged to Shield Global Garment Workers from Covid-19”. Just-Style.com, 19 March 2020. https://www.just-style.com/news/brands-urged-to-shield-global-garment-workers-from-covid-19/.