

The conceptual error of *Prisoners of the Empire* is the failure to acknowledge the military was Japan's wartime government and it enjoyed the broad support of political parties, civil bureaucrats, and most of the population. The policies drawn up by the legal-minded bureaucrats Kovner puts at the center of her study are mostly a historical curiosity. In the end, *Prisoners of the Empire*, at least in the academic literature on Japanese treatment of POWs, is only modestly revisionist

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## ***The Bangladesh Garment Industry and the Global Supply Chain: Choices and Constraints of Management***

**Shahidur Rahman. Routledge, 2021. 170 pages. Hardback, £120.00, ISBN: 9780367709693. Ebook, £33.29, ISBN: 9781003153238.**

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Shahidur Rahman's *The Bangladesh Garment Industry and the Global Supply Chain* provides a comprehension overview of Bangladesh's current ready-made garment (RMG) sector from a management viewpoint. Based on a broad and meticulous survey of numerous garment factories, the author depicts the industry's organic structure and suggests how it can be made more sustainable.

The RMG sector in Bangladesh has been growing since its inception in the 1980s, but the country's path to becoming one of the world's largest suppliers of apparel goods (second after China) cannot be praised as one of uninterrupted commercial success. Countless violations of safety regulations have produced a troubling record of worker injury and death, the best-known case being the Rana Plaza accident in 2013, which took more than 1,100 lives and is one of the worst industrial tragedies in living memory. Because of this, improvement in matters of compliance has become an urgent issue, with stakeholders engaging in the development of stronger safety standards and their strict enforcement.

As a result of Rana Plaza, two transnational initiatives, the Accord on Fire and Building Safety in Bangladesh and the Alliance for Bangladesh Worker Safety, were established to monitor building safety in the sector. The Accord and Alliance (AA) were regarded as "groundbreaking" or "game-changing" regulatory frameworks, as they were the first multi-stakeholder and legally binding agreements implemented to raise safety levels in Bangladesh garment factories. However, 8 years after the Rana Plaza accident (the year this book was published), the AA regime expired, with the RMG Sustainability Council (RSC), which was formed through an initiative of the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), taking over the mission of improving working conditions and safety.<sup>1</sup>

Now that sufficient time has passed to evaluate the changes brought by AA, questions must be asked, such as "To what extent did AA make Bangladesh's RMG sector more compliant and sustainable?" International discourse concerning the effectiveness of AA has been ongoing for some time but has reached no conclusion, making this book essential reading. Rahman's most significant contributions are his holistic understanding of the influence of AA and actual resulting change, and his

<sup>1</sup>The Alliance ceased operation in 2018. The Accord was extended for 2 years beyond the length of the original agreement, and ended in 2020.

constructive criticism, based on his investigation of small, medium, and large factories, including interviews with management. His analysis of the AA regime from the perspective of factory management, including multiple generations, offers a critical platform for discussion and debate regarding the future of Bangladesh's garment industry.

The book is organized into eight chapters. Chapters 1–3 – “From least developed to lower-middle-income country,” “From million to billion-dollar industry,” and “From first-generation to second-generation entrepreneurs” – trace the history of Bangladesh's RMG sector. Chapters 4 and 5 – “Case study: small garment factory” and “Case study: medium and large factory” – present case studies of garment factories of different scales. Chapters 6–8 – “Transnational governance: Accord and Alliance,” “Challenges of sustainability,” and “Road ahead” – describe the “change-making” AA initiatives and evaluate the overall industry from the perspective of sustainability.

The author's investigation of factories of various scales plays an important role in this book, bringing us fresh information about selected factories and the viewpoints of their owners and managers. His survey paints a picture of how the industry has grown from almost nothing to the world's second-largest garment producer and of the distinguishing features of different generations of management. In this way, this book helps us understand the overall organic structure of the industry and provides a solid foundation for evaluating the AA regime and visualizing a path forward for the industry toward sustainability.

The author also touches on and connects his research with numerous broader issues, including the history of the Bangladesh economy; the economic and social impact of the RMG industry in society, especially the empowerment of women in Bangladesh; the relationship between the government and factory owners; the lack of high-skilled labor; the need for government action; factors for raising productivity; and the effects of the COVID-19 pandemic. These points are also essential parts of the book. He concludes with suggestions for making the RMG industry more sustainable.

Let me now recount some of the key findings of Rahman's research regarding the changes brought about by the AA regime, as well as issues that remain to be tackled in order to make the industry more sustainable – perhaps the most crucial message of the book.

The author makes it clear that AA has brought positive changes to the industry. The number of factories decreased from 5,876 (in 2012–2013) to 4,621, while the number of workers employed either remained steady at 4 million or fell to somewhere in the range of 3.3–3.6 million, depending on which study one consults. AA covered approximately 2,200 factories, while DIFE (Department of Inspection for Factories and Establishments) monitored 1,549 factories.<sup>2</sup> Factories were required to meet new standards, and their efforts to comply, by upgrading their facilities or relocating, were strictly checked. At least 800 factories were shut down because of failure to meet the new standards set by the AA initiatives. These numbers can be taken as evidence that AA reduced the number of non-compliant factories.

Another way that AA contributed to improving building safety was through educating managers about technology and best practices. For example, topics included “... modern technology and practice relating to the safety of buildings and workers, and the use of modern technology, such as Auto Fire-off Ball extinguishers, in addition to normal fire extinguishers, fire hydrants, fire doors, automated fire alarms, and detection systems, DEA [Detailed Engineering Assessment], central detection processes, automated sprinkler systems, etc.” (pp. 85–86).

Factory managers cooperated with the initiatives and the checking process in order to be certified as compliant garment producers. They became keen to implement Corrective Action Plans (CAPs) drawn up by the AA inspection team so that they could publish compliance reports on their websites to show that they are AA-approved, certified factories, which was essential for building trust and receiving orders from international buyers. Safety Committees and Worker Participation Committees (WPC) increased among factories, especially in the larger ones. Companies established Human Resource (HR) and Compliance departments to deal with problems related to working

<sup>2</sup>A transnational organization governed AA, while DIFE is governed by the Government of Bangladesh.

conditions. Health centers were set up in factories, and workers could participate in safety programs. Buyers also offered training and seminars for garment producers. Overall, Rahman shows that the Bangladesh garment factories he studied, especially the larger ones, were able to strengthen their businesses by introducing beneficial new systems for their employees.

Thanks to these changes, Bangladesh has increased its international competitiveness in terms of compliance with safety standards and succeeded in gaining the trust of international buyers. Today Bangladesh is renowned as one of the world's major centers of "green factories": factories with Leadership in Energy and Environmental Design (LEED) certification from the United States Green Building Council (USGBC).<sup>3</sup> The author's research found that around 80% of managers regard AA as having brought about positive change in building safety.

On the other hand, Rahman also points out certain limitations of the AA regime. First, AA was not able to cover all factories in Bangladesh. The factories were typically responsible for covering the costs of repairing and upgrading their facilities. Many factories, especially small ones, could not afford this, and therefore had difficulty implementing the CAPs. As a result, factories that were unable to meet the new standards fell outside the AA system, and were forced to rely on subcontracting work, which paid less. The working conditions and state of the facilities at many of these factories remained unsafe. A survey of labor standards at small factories conducted by the author found that "... small factories were characterized by the absence of compliance audit, WPC, Corporate Social Responsibility (CSR) policy, and a safety action plan" (p. 61). Such small factories were vulnerable, and found themselves in a vicious cycle in apparel supply chains where they were easily taken advantage of, could not improve working conditions, and faced high worker turnover and low productivity.

The AA inspection process is another problem. Managers were often frustrated by the inspection mechanism. The author writes that "... one inspection team was satisfied with a certain aspect of some structural issue but the follow-up team included the same issue in CAPs. ... The inspection team was not efficient and often failed to provide a fair judgment of the CAPs to the respective factory" (p. 90). Factories were also pressurized to implement their CAPs within a stipulated period of time – another challenge that managers had to deal with. Even when factories had legitimate reasons for extending the deadline, there were cases in which AA did not show understanding or flexibility. When factors such as these caused a factory to fail to satisfy requirements, certification was taken away, and in some cases businesses were forced to shut down because buyers refused to place orders with non-compliant factories.

More broadly, the power balance between buyers and garment suppliers changed under AA. For the factories, costs rose due to the investments they had to make in upgrading their facilities. Buyers, on the other hand, not only failed to provide sufficient financial support to help cover the costs of making factories compliant, they also paid less for the produced garments than they had before. One manager said:

Our cost escalated a lot due to workers' wages, meeting up the building compliances. However, their [buyers] price is decreasing day by day. On buyer's demand, we are investing a lot on compliance issues but they [buyers] are not willing to give a good price by which we might have to do a minimum profit (p. 113).

Another manager stated, "... the price that the buyers offer has come down by 50% compared to what it was five years back" (p. 71). Since there is no cooperation or unity among factory owners, they have very little bargaining power vis-a-vis buyers. As prices race to the bottom, small factories in particular cannot compete against larger factories that are better able to withstand falling prices.

With buyers increasingly selecting garment suppliers based on their factory certifications or scores on checklists, factories now need to obtain multiple certifications, depending on which ones their buyers trust and require, and some buyers conduct factory audits themselves. Apart from AA, there

<sup>3</sup>Fukasawa 2022, pp. 157–58.

are several common audit accreditations, with acronyms including BSCI, ISO, WRAP, SEDEX, and OKOTEX. The inspection procedure is different for each audit, so the factories must go through various auditing procedures, and carry out remediations and prepare various reports accordingly. The absence of a unified code puts garment suppliers in a difficult position, often making them subject to inspectors' unclear or inconsistent decisions.

Global apparel supply chains are generally regarded as buyer-driven, with buyers in a strong position to negotiate forcefully with suppliers. Due to the nature of AA and the changing circumstances in the Bangladesh garment industry in the years after Rana Plaza, the balance of power in the industry has shifted further in the direction of the buyers. The author describes the relationship as "asymmetric power." The power imbalance has also been exacerbated by the COVID-19 pandemic: when the pandemic impacted major markets such as the EU and the United States, buyers invoked "force majeure" clauses in contracts to remove liability for natural and unavoidable catastrophes that prevented them from fulfilling obligations.

In summary, multi-stakeholder initiatives like AA have had the effect of improving safety and working conditions in Bangladesh's garment industry to a certain extent. However, there clearly remain issues that are hindrances to the industry's sustainability, and which need to be tackled in the future. In this book, Rahman captures the influence of AA after the Rana Plaza tragedy through the lens of management, showing what has been achieved and what has not. The author's articulation of the current structure of the industry offers a solid foundation for discussion of what needs to be done next in terms of practical solutions to make global apparel supply chains more sustainable in the future.

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## *Tata: The Global Corporation That Built Indian Capitalism*

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The premise of Mircea Raianu's well-researched book *Tata: The Global Corporation That Built Indian Capitalism* is that the Tata corporation is unique in the history of corporations because it survived through a long history of political economic changes. As Raianu puts it in the introduction, the equivalent of Tata in the United States would be "as though the Vanderbilts and the Rockefellers themselves, not simply their modern equivalents, owned Amazon, Apple, and Google." This anomaly indicates for Raianu that the "creative destruction" at the heart of capitalism's history has "stalled" in