

Do promises of support from distant buyers bolster or undermine local demands for reform? evidence from the Indonesian apparel industry during the pandemic

Journal of Industrial Relations

1–26

© Australian Labour and Employment Relations Association (ALERA) 2024
SAGE Publications Ltd, Los Angeles, London, New Delhi, Singapore and Washington DC



Article reuse guidelines:

sagepub.com/journals-permissions

DOI: 10.1177/00221856241300714

journals.sagepub.com/home/ijir**Luisa Lupo** 

Geneva Graduate Institute, Switzerland

Tim Bartley

Georgetown University, USA

Abstract

Calls to improve labor conditions in global supply chains frequently urge more robust responsibility-taking by brands/buyers, various forms of state intervention, and respect for worker collective action. In this article, we examine perceptions of these paths to reform among workers and managers in Indonesia's export-oriented apparel sector during the COVID-19 pandemic. Extending research on labor regimes and global supply chains, we consider how both workplace cleavages and signals from buyers may shape local demands for reform. We use survey data from 96 factories to gauge perceptions among workers and managers, including a survey experiment on the effects of a distant brand/buyer pledge of support. Amidst conflicting interests and pandemic-era precarity, we find broad agreement among workers and managers on some measures, including local government intervention, general references to collective action, and even the contested issue of labor market flexibilization. A hypothetical promise of support from distant buyers had limited effects overall but did dampen some local demands

Corresponding author:

Luisa Lupo, Department of International Relations and Political Science, Geneva Graduate Institute, Chem. Eugène-Rigot 2, 1202 Geneva, Switzerland.

Email: luisa.lupo@graduateinstitute.ch

among production workers. These findings imply that while combining responsible sourcing from above, mobilization from below, and state intervention is often desirable, buyer initiatives could hinder grassroots mobilization in some circumstances.

Keywords

Indonesia, industrial relations, corporate social responsibility (CSR), supply chains, labor regulation, local reform

The COVID-19 pandemic added insecurity to already-precarious global supply chains. As markets stalled and large buyers shifted or canceled orders, there were cascading negative consequences for employment and incomes, from factory closures to layoffs, unpaid leave, and delayed wage payments (ILO, 2020a; Foley and Piper, 2021; Judd et al., 2022). These disruptions not only increased power asymmetries between workers and employers but also catalyzed regulatory reforms and local solidarity-building efforts (Anner, 2022). While several studies have documented how the pandemic shaped labor markets, trade unions, and labor law (Anner, 2022, 2020; Ford and Ward, 2021; Tejani and Fukuda-Parr, 2021), much less is known about the perceptions of workers and managers at the point of production during this moment.

More broadly, despite decades of research on labor in global supply chains, scholars know relatively little about how workers and managers view various paths to reform. Scholars have studied high-profile transnational labor rights campaigns (e.g., Connor and Haines, 2013), historic corporate accountability projects (such as the Bangladesh Accord on Fire and Building Safety), and contentious reforms of industrial relations institutions (e.g., Alford and Phillips, 2018; Caraway, 2023), but many questions remain about how concrete strategies for improving immediate circumstances are viewed—and how various interventions might intersect.

The objective of this paper is to fill this gap by posing two main research questions: First, under what conditions do workers and managers in global supply chains see various kinds of local interventions as helpful? Answering this question involves examining perceptions of several types of potential interventions, broadly conceived, including special accommodations from factory owners during moments of crisis, varied forms of local or national government support, and collective action by workers. Second, are workers' and managers' local demands for reform shaped by promises of support from distant brands/buyers? A growing body of research indicates that promises from purportedly responsible brands and retailers—apart from any direct influence on production conditions they might have—can influence other actors' perceptions of what is desirable and feasible. To date, this idea has been assessed by looking at the effects of hypothetical promises of voluntary reform on the perceptions of citizen-consumers in affluent countries (Malhotra et al., 2019; Kolcava et al., 2019; Amengual and Bartley, 2022) and, to a lesser extent, factory managers in global industries (Malesky and Mosley, 2018). But workers' perceptions could similarly be influenced by distant corporate promises of support—that is, promises to help workers and factories through a difficult period—whether by bolstering their confidence or undermining demands for more proximate local reforms.

Two bodies of scholarship provide foundations for this research. First, research on labor regimes highlights durable configurations of power and inequality within the workplace and at larger scales (Baglioni et al., 2022). This literature draws attention to a number of cleavages—from divisions between management and organized labor to gendered power structures—that are expected to structure perceptions of reform. Second, a growing literature on the political economy of signals and incentives in global supply chains draws attention to actions and statements from distant buyers that may foster or undermine local improvements (Distelhorst and Locke, 2018). This includes both hope that high expectations in hypothetical destination markets can promote social upgrading (Malesky and Mosley, 2018) and concerns that corporate social responsibility (CSR) initiatives serve to undermine other pathways to reform (LeBaron and Lister, 2021).

Our analysis is also situated within a specific context of calls for greater responsibility-taking by brands/buyers during the COVID-19 pandemic. Amidst controversy over canceled orders, some apparel brands and retailers pledged to pay in full or otherwise support suppliers through the COVID-19 pandemic, whether by endorsing the ILO's Call to Action in the Global Garment Industry or issuing their own commitments (ILO, 2020b; Worker Rights Consortium, 2021). We seek to understand if commitments of this sort affect perceptions of workers and managers.

We address these questions through a study of the apparel industry in Indonesia, where many export-oriented factories experienced severe disruptions from lockdowns, canceled orders, and delayed shipments (Ford and Ward, 2021). Alongside a variety of local and factory-level efforts to cope with this crisis, the Indonesian national government introduced a highly controversial Omnibus Law on Job Creation, which sought to make labor markets more flexible and reduce labor and environmental regulations. Labor-intensive factories in Indonesia have thus become especially important sites for understanding the intertwining of the contentious domestic politics of labor relations and the challenge of precarity in global supply chains (see Ford et al., 2023). In addition, since many apparel factories in Indonesia produce for reputation-sensitive brands and retailers, this is an important location for assessing whether promises of support from distant buyers can shape local demands for reform. Researchers have previously examined Indonesian trade unions' attempts to gain leverage from corporate reputations and responsibility norms (Connor and Haines, 2013; Bartley and Egels-Zandén, 2016; Siegmann et al., 2017), but this work has been focused on particular transnational brand-boomerang campaigns, often without comparable attention to domestic reform efforts. Amengual and Chirot (2016), in contrast, examined the combination of transnational and domestic labor regulation, with a particular focus on the interplay between the ILO-IFC Better Work Indonesia program and local government actors. We seek to follow in their footsteps, with a topically similar but methodologically different approach.

Our analysis is based on surveys of workers and managers in 96 export-oriented apparel factories, conducted in 2020 and 2021. This individual-level survey data allows us to examine how different types of employees evaluated various local interventions, from collective action by workers to labor market flexibilization. The survey also included an experimental component, in which we randomly assigned some respondents to see a pledge of support from international brands and retailers. This allows us to see

whether, how, and for whom promises of support from foreign brands shape local demands for reform.

We proceed by contextualizing COVID-19 era disruptions in the Indonesian apparel industry and the variety of interventions that emerged in response. Drawing on labor regimes scholarship and studies of signals and incentives in global supply chains, we then consider the factors that are most likely to structure workers' and managers' perceptions of reform in this context. This leads us to consider how responsibility-taking from distant buyers might shape local demands for reform, extending research on other settings and audiences. After describing our survey data, we present the results of our observational and experimental analyses. We conclude by discussing the implications of our findings for interventions combining responsible sourcing from above, mobilization from below, and state intervention.

Supply chain disruptions and contentious reforms in Indonesia

Our study examines local demands for reform in an industry characterized by instability at an especially precarious moment amid the global disruptions caused by the COVID-19 pandemic (Frenkel and Schuessler, 2021). The global economy was thrown into profound disarray, with an estimated 88–93 million people worldwide being pushed into extreme poverty by pandemic-related economic shocks (Mahler et al., 2020). With children out of school and overwhelmed health services, unpaid care workloads at home intensified, especially for women (UN Women, 2020; Kabeer et al., 2021). Disruptions to global supply chains—for apparel among many other products—were unprecedented in both upstream and downstream locations.

The suspension of transportation of raw materials from China during the first months of the COVID-19 outbreak was soon compounded by drops in consumer demand for apparel in Europe and North America as shutdowns expanded. A wave of buyer cancellations, postponements, and refusals to pay for orders, either completed or in progress, triggered adverse effects in supplier factories, especially in Asia (Anner, 2022; Judd et al., 2022). An estimated 60% of garment manufacturers in Asia and the Pacific experienced disruptions in the supply of intermediary products and raw materials, while apparel imports dropped by approximately 70% in the first half of 2020 (ILO, 2020a).

In Indonesia, social restrictions were first put in place in April 2020, when the government declared a health emergency and introduced specific measures on a provincial basis. The apparel industry in the country was severely hit, with layoffs and dismissals affecting over 350,000 workers (FW, 2021). In April 2020, according to the Indonesian Textile Association, COVID-19 restrictions halted operations at least temporarily in 80% of apparel factories across the country, while exports reduced by 60% between May and June 2020 relative to the previous year (ILO, 2020a). Among factories in Indonesia participating in the ILO-IFC Better Work program, nearly 20,000 workers lost their jobs and more than 165,000 workers had reduced working days, hours or wages, with short-term contract workers and women bearing the brunt of the crisis (BW, 2021).

Research by Ford et al. (2023) highlights various strategies that trade unions and government agencies in Indonesia took in response to these disruptions. While government

agencies used wage subsidies, credit provision, and social insurance programs to ease the pain among factories and workers, trade unions fought to preserve job security and to improve workplace safety, as well as providing direct assistance to displaced workers. In the midst of the pandemic, though, the Indonesian government also pushed through the Omnibus Bill on Job Creation, which sought to flexibilize labor markets and reduce regulation. Among many other things, the Omnibus Bill proposed to change minimum wage-setting processes, reduce the scope of industrial courts, restrict unions' capacity to intervene against dismissals, and curtail severance payments, which have been a central safety net for Indonesian workers. As Ford and Ward (2021) detail, trade unions had long contested this sort of reform, and they mobilized during the pandemic to threaten large-scale protests against the Omnibus Bill. Unions agreed to negotiate instead, but these proved fruitless, and the Omnibus Bill was quickly passed into law in October 2020, precipitating a wave of strikes. The Indonesian constitutional court rejected some parts of the law in 2021, but the Jokowi administration responded with a wave of emergency regulations that accomplished similar goals in late 2022. In 2023, these regulations became permanent, and the Omnibus Law on Job Creation was enacted.

In essence, reforms amidst the COVID-19 pandemic in Indonesia reflected a mix of efforts "from above" and "from below" to buffer firms and workers from supply chain disruptions and to push through labor market flexibilization reforms that had long been demanded by the international business community. Brands and retailers sourcing from Indonesia took few meaningful steps to promote workplace safety (Ford et al., 2023), but some did eventually pledge to pay for their orders and otherwise support supplier factories through this tumultuous period, rather than completely disavowing responsibility (ILO, 2020b; Worker Rights Consortium, 2021). More broadly, and beyond Indonesia, this period was marked by a variety of labor mobilizations, from collective action among healthcare workers around the world (Trappmann et al., 2022) to strikes against workers' displacement, some of which were repressed (Ford et al., 2023). Against this background, we seek to understand the perceptions of workers and managers themselves, to which we turn in the next section.

Theoretical foundations

Despite large bodies of research on global value chains, scholars have only rarely sought to measure perceptions of workers and managers (but see Kabeer et al., 2020; Wickramasingha, 2023; Holzberg, 2023). In this section, we develop a theoretical framework for our inquiry, with an emphasis on the factors that are expected to pattern perceptions of reform within precarious and unequal supply chain structures. We draw guidance from two main bodies of scholarship: First, theories of labor regimes, which emerged from neo-Marxist theories of the labor process, highlight a range of durable configurations of power and inequality that are reflected in and reproduced in workplaces embedded in global industries (Baglioni et al., 2022; Frenkel et al., 2022). While this is primarily a qualitative and case-based body of research, it highlights several categorical distinctions that can be examined in our survey data. Second, research on the political

economy of global value chains (Barrientos, 2019) has increasingly drawn attention to the incentives and signals that flow from lead firms to various audiences—from factory managers looking to upgrade their firms' positions (Malesky and Mosley, 2018) to consumers trying to assess fairness (Steinberg, 2023). This research suggests a different set of factors that are likely to influence perceptions of reform at the point of production, as well as varying accounts of the direction of influence. We take both bodies of research as foundations for our study.

Labor regimes and the structuring of perceptions

A growing body of scholarship on labor regimes provides tools for understanding inequality and power in global industries. Originating with neo-Marxist accounts of conflict on the shop floor (Burawoy, 1985), the labor regimes approach emphasizes that what appear to be mere “labor markets” reflect a profound influence of institutions and social relations that “bind capital and labour in a form of antagonistic relative stability in particular times and places” (Baglioni et al., 2022: 1). This perspective requires attention to collective action by workers and the socio-political factors that unite, divide, repress, or amplify their agency (Wickramasingha, 2023). It also requires attention to structures of production that recruit and shape different types of workers, whether operating at factory, national, or global levels (Frenkel et al., 2022). In Indonesia, labor regimes in manufacturing sectors (especially labor-intensive sectors such as apparel) over the past two decades have combined a seemingly protective set of labor regulations, growing precarity in practice, and a trade union movement that has been fragmented at the workplace level but increasingly politically active (Caraway and Ford, 2022).

While our study is concerned with perceptions of reform rather than variations among labor regimes, we draw guidance from this literature's emphasis on durable antagonisms among different groups of employees. Perhaps most fundamentally, labor regimes scholarship foregrounds trade unions as central and distinctive actors in the politics of production, while also recognizing varieties of unionism and the role of disorganized labor unrest. While some trade unions are far more independent, insurgent, and activist-minded than others (Caraway, 2008), even moderate and management-friendly unions have been at the forefront of some efforts to promote labor rights in global supply chains (Bartley and Egels-Zandén, 2016; Caraway and Ford, 2022). At the individual level, then, union membership should generally be associated with more demanding stances on local reform, regardless of whether this is a *result* of union membership or simply reflects differential selection into union membership.

The distinction between production workers and managers/supervisors is also expected to be stark, since these groups most clearly represent antagonistic interests on the shop floor. Although many production workers in global supply chains are marginalized and precarious, they have nevertheless been at the forefront of many labor struggles (Anner, 2022; Lee, 2007). In contrast, employees in managerial or supervisory roles, even at low levels of the hierarchy, may be more likely to identify with top factory managers and/or worry about production workers becoming disruptive in their demands. Workers in nonmanagerial and nonproduction occupations (such as security guards,

clerical workers) are in ambiguous positions; sometimes they have joined with production workers in making collective demands, yet they may not have strong ties to production workers or dramatic experiences of mistreatment on the factory floor.

Research on gendered labor regimes examines how patriarchal social relations have been capitalized on and reproduced in global production networks (Bair, 2022). Feminist scholars have long drawn attention to the “cheapening” of women’s work as an underpinning of global production (Enloe, 2000; Elson and Pearson, 1981). The sorting of workers into occupations within factories is also deeply gendered, as managers prioritize gender in constructing the norms for “ideal workers” for different tasks (Pun, 2005). In the apparel industry, this has often meant that women have been sorted into low-wage and precarious positions, often involving sewing or finishing, while men have been channeled into operating cutting machines or into managerial/supervisory positions (Barrientos, 2022). Beyond occupational differences, women are more likely to be expected to bear the costs of social reproduction, even when they are also working long hours in factories.

For these reasons, one would expect women, as multiply marginalized workers, to be more aggrieved and demanding than men on average, perhaps especially in the wake of the COVID-19 pandemic, which disrupted school and childcare as well as manufacturing in Indonesia (Kusumaningrum et al., 2022). On the other hand, even when women are overrepresented in the workforce, they are underrepresented in union leadership roles (Ford, 2009) and often excluded from arenas of collective empowerment. Moreover, since women are more likely to be in precarious positions and have shorter employment histories (Mezzadri and Majumder, 2020), they may feel more vulnerable, less strident, and perhaps more obliged to feel like events are beyond their control. Taken together, while prior research suggests that gender nearly always a structuring force in global production networks, there are several possibilities for precisely how it may be related to perceptions of local reform in our study.

The political economy of supply chain signals and incentives

A different set of insights comes from a growing body of research on how perceptions of reform are shaped by signals and incentives in supply chains. Research on the political economy of global value chains has long emphasized the power of lead firms that coordinate dispersed sites of production (Gereffi et al., 2005), and several recent strands of work draw attention to the messages, signals, and incentives for reform that these firms may provide. Here, we describe three different expectations about how these messages may matter, with the goal of applying these to our study of hypothetical promises of support from lead firms.

First, proponents of social upgrading argue that responsible corporations can—and sometimes do—provide incentives for improving working conditions in supplier firms (Greenhill et al., 2009; Distelhorst and Locke, 2018; Gereffi et al., 2005). Some evidence suggests that buyers’ voluntary commitments can thereby bolster local reforms. Based on a survey experiment in export-oriented factories in Vietnam, Malesky and Mosely (2018) find that factory managers were more willing to invest on labor improvements when told

they would be selling to markets with more responsible, reputation-sensitive brands. Studying the apparel industry in Cambodia, Oka (2010) shows how producing for reputation-sensitive buyers can improve labor conditions, especially when combined with transnational advocacy or on-site interventions. Studying campaigns by unions and labor NGOs in Indonesia, Bartley and Egels-Zandén (2016) find that CSR commitments of buyers and brands could sometimes be leveraged into concrete gains for activists, even if these were less than desired.

More broadly, scholars of social upgrading in global supply chains often find that conditions are generally better (though not across the board) and workers are sometimes more empowered (though not always so) when producing for reputation-sensitive firms than when producing for undifferentiated markets (Barrientos, 2019; Alford and Phillips, 2018; Oka, 2012). By these accounts, when workers and managers receive information about buyers/brands being responsible, it should bolster their demands for local reforms, in essence by giving them confidence that reforms will be supported and rewarded.

A second strand of research suggests that messages about corporate responsibility can have the opposite effect, by reducing pressure for change, providing an illusory sense that problems are addressed, and crowding out other types of interventions. Corporate promises of reform have often served to guard corporate power and existing systemic imbalances, deflecting attention from systemic causes of violations and bringing hidden costs that weigh more heavily on vulnerable workers and local communities (LeBaron and Lister, 2021; Keahey and Murray, 2017).

We know of no prior research that has systematically examined this possibility among workers and managers directly. But a growing body of research shows that consumer-citizens in affluent countries can indeed have their concerns ameliorated by rather thin hypothetical assurances of corporate responsibility. Specifically, survey experiments conducted in the USA (Malhotra et al., 2019; Amengual and Bartley, 2022), Switzerland (Kolcava et al., 2019), and Germany (Bartley et al., 2023) have found that public support for state intervention decreases when individuals are told that companies are taking voluntary measures. Though not all corporate statements resonate equally (Amengual and Bartley, 2022), researchers typically find that even vague corporate promises with minimal credibility can appease observers' concerns. If a similar dynamic operates among workers and managers at the point of production, this would suggest a dampening effect, whereby promises of support from distant buyers/brands decrease the perceived utility of local interventions. To be clear, we cannot test this possibility across times and places, but we can at least see if there is evidence of it among one set of employees navigating a moment of instability and regulatory change.

A third idea posits that corporate promises of responsibility may be viewed quite differently by managers and workers, consistent with the labor regimes research described above. Managers may see buyer responsibility as an opportunity for upgrading, greater material rewards, and collaborative problem-solving, consistent with Malesky and Mosley (2018) and Distelhorst and Locke (2018). But for workers, the involvement of distant buyers may look like a rescue from above, rather than boosting their confidence to press for change from below. Workers may even see buyer involvement as making

local reforms *harder*, especially during precarious times, since there is a constant threat that factories may lose orders if workers are too demanding (Anner, 2022). In line with this research, one would expect a promise of support from distant buyers/brands to have a heterogeneous effect; it might increase the perceived utility of local interventions among managers/supervisors but decrease the perceived utility of local interventions among production workers.

Amidst the devastating effects of the pandemic on working conditions and livelihoods and mounting demands for action among workers and their representatives, it remains to be seen if voluntary corporate responsibility has any effects at all among employees at the point of production. It may be that distant promises are largely irrelevant, especially when domestic/local reforms are highly contentious, as they have been with regard to the flexibilization of labor markets.

Methodology and data

Our analysis is based on surveys conducted with workers and managers employed in export-oriented apparel factories across five provinces/regions of Java, the main apparel manufacturing hub in the country, during the COVID-19 pandemic. This provides a unique and valuable source of data for both observing patterns in perceptions of reforms within Indonesia and examining the influence of a promise of support from distant brands/buyers. While case study and interview-based research have revealed key contours of contention in this setting (e.g., Ford and Ward, 2021) a quantitative analysis of survey data has the potential to highlight structured similarities and differences in perceptions across large numbers of employees (e.g., Frenkel et al., 2022; Li and Kuruvilla, 2023).

The surveys were conducted by the ILO-IFC Better Work program, with our input, and focused on members of legally mandated bipartite worker-management committees in 96 export-oriented apparel factories that were part of the Better Work Indonesia program. Generally speaking, members of the committees comprise an equal number of managers and workers (both union and nonunion members). In Indonesia, the committees are mandated by law (under the name of Lembaga Kerja Sama Bipartit or LKSB) and are tasked with discussing and addressing issues that pertain to working conditions. While the management members are appointed by the employer, the law provides that worker members are elected by workers through a democratic process. Research on Better Work programs elsewhere suggests that committee members tend to be knowledgeable of factories' challenges and buyers' codes/commitments, and that they play an active role in advancing improvements (Pike, 2020; Afros, 2022). This makes our sample particularly useful for assessing the influence of promises from distant brands/buyers, since workers and managers in these factories would be generally aware of the dynamics of corporate responsibility, whether through dissemination/posting of workplace standards, training programs, or the experience of being audited. Still, because our respondents are committee members in export-oriented factories producing at least in part for reputation-sensitive brands/buyers that are members of Better Work (such as Ralph Lauren, J. Crew, C&A, H&M), their views should not be taken as representative

of the industry as a whole. Nevertheless, our sample includes factories in five different provinces in different parts of Indonesia, from the older manufacturing regions West Java, Banten and the Greater Jakarta Area to the more recent frontiers in Central Java. Our results should be interpreted with these contours and limits of the sample in mind.

From October to November 2020, workers and managers were asked to complete a self-administered survey with remote support, delivered by Better Work Indonesia field staff and a team of trained consultants. This resulted in a sample of 696 individuals who responded to our question about the perceived utility of different types of interventions. The respondents were roughly equally split between managers and workers, and slightly more production workers than nonproduction workers. (See Table 1 for a full set of descriptive statistics.) A second survey was conducted in November to December 2021, yielding a sample of 850 individuals who responded to our question gauging optimism/pessimism about factory-level reforms in general. While responses were confidential, the involvement of Better Work staff in administering the surveys could have limited contentious or socially undesirable responses, though the extent of this is unlikely to vary across the sub-groups in our analysis or across the experimental conditions, which were randomly assigned.

Table 1. Descriptive statistics.

| | Mean | SD | Min | Max | p50 | p75 | Observations |
|------------------------------------|-------|------|-----|-----|-----|-----|--------------|
| Perceptions of local interventions | | | | | | | |
| Government support | 4.08 | 1.05 | 1 | 5 | 4 | 5 | 696 |
| Factory owner support | 4.06 | 1.01 | 1 | 5 | 4 | 5 | 624 |
| Workers' collective action | 4.21 | 0.77 | 1 | 5 | 4 | 5 | 628 |
| Labor flexibilization | 3.26 | 1.34 | 1 | 5 | 4 | 4 | 559 |
| Childcare support | 3.63 | 1.27 | 1 | 5 | 4 | 5 | 589 |
| Optimism about factory reforms | 3.43 | 1.04 | 1 | 5 | 4 | 4 | 850 |
| Buyer promises | 0.46 | 0.50 | 0 | 1 | 0 | 1 | 780 |
| Union | 0.76 | 0.71 | 0 | 2 | 1 | 1 | 1660 |
| Female | 0.44 | 0.50 | 0 | 1 | 0 | 1 | 1651 |
| Age | 36.87 | 8.68 | 19 | 60 | 36 | 43 | 1648 |
| Education | 5.15 | 0.72 | 1 | 6 | 5 | 6 | 1443 |
| Children | 0.85 | 0.36 | 0 | 1 | 1 | 1 | 1549 |
| Job position | | | | | | | |
| Manager/supervisor | 0.48 | 0.50 | 0 | 1 | 0 | 1 | 1563 |
| Nonproduction worker | 0.23 | 0.42 | 0 | 1 | 0 | 0 | 1563 |
| Production worker | 0.29 | 0.45 | 0 | 1 | 0 | 1 | 1563 |
| Province | | | | | | | |
| Banten | 0.03 | 0.17 | 0 | 1 | 0 | 0 | 1619 |
| Central Java | 0.35 | 0.48 | 0 | 1 | 0 | 1 | 1619 |
| Jakarta | 0.03 | 0.16 | 0 | 1 | 0 | 0 | 1619 |
| West Java | 0.57 | 0.49 | 0 | 1 | 1 | 1 | 1619 |
| Yogyakarta | 0.02 | 0.15 | 0 | 1 | 0 | 0 | 1619 |

To measure the perceived utility of various local reforms, respondents were briefly reminded of the disruptions of COVID-19 and asked what should be done to support workers in their factory. They were then shown five potentially relevant interventions (listed below) and asked to rate each on a five-point scale from “Not helpful at all” to “Extremely helpful.” This scale resembles the widely used five-point Likert scale of agreement-disagreement (Joshi et al., 2015) but adapts it to fit our research question about the extent to which various interventions are perceived as helpful in a period of crisis. Simple 5-point helpfulness scales have performed reasonably well in other settings (Di Malta et al., 2023) and were used here to keep response categories simple. Respondents were asked to rate the helpfulness of five types of interventions:

1. The government should take measures to prevent layoffs;
2. Factory owners should make sure that workers are paid even if they are laid off or suspended;
3. Workers should work together to protect their rights as much as necessary;
4. The government should give factories more flexibility to hire and lay off workers as needed; and
5. Workers with children should be able to go on paid leave to take care of them even when production has restarted.

These were intended to cover a range of relevant demands directed at various power-holders, including the government and factory owners. Statement (3) highlights collective action by workers themselves allowing us to examine perceptions of reform “from below” relative to requests for help “from above.” This statement was phrased in a comprehensive manner, potentially encompassing a broad range of actions, from cooperative to more contentious forms of collective action. Statement (4) focuses on making labor markets more flexible, as was being pursued through the Omnibus Law. Statement (5) specifically focuses on childcare and social reproduction, given the high salience of these issues during the pandemic. Given the widespread nature of layoffs and furloughs, the governments’ project to push through labor market flexibilization reforms, and the intensification of domestic care responsibilities, these statements cover a range of locally-relevant reforms that should be salient to both managers and workers.

In addition to being interested in perceptions of these interventions in general, we developed a survey experiment to see whether these perceptions could be shaped by a simple (and slight) cue about corporate responsibility by distant buyers. Prior to rating the helpfulness of the five interventions mentioned above, all respondents read the following text:

The disruptions of COVID-19 have raised many new questions. As you think about the next two months, what do you think should be done to support workers in your factory? Please tell us whether each action below would be helpful or not.

For respondents that were randomly assigned to the treatment group, the first sentence (“The disruptions of COVID-19 have raised many new questions.”) was followed by a cue about promises of reform by distant buyers/brands:

In response, many international buyers have committed to helping factories and workers survive.

The introductory text then continued as with the control group.

Survey experiments have become a standard tool in the social sciences, including to identify causal impacts of particular pieces of information or framings of a situation, and unpack belief systems (Mutz, 2011; Wallander, 2009). Our simple framing experiment provided a small piece of information that we expect would evoke an additional set of ideas—about CSR—that was not explicitly discussed elsewhere in the survey. In essence, our survey experiment allows us to see if the mere mention of international buyers’ promises of support makes workers and managers in export-oriented Indonesian factories think differently about what sorts of reforms should be going on *within* Indonesia.

While survey experiments cannot approximate the real experience of participating in contentious political activities, they can reveal important assumptions of practical judgment and subtle contours of collective perceptions that might otherwise be obscured. To supplement these responses, we presented respondents (in 2021) with a statement about factory managers, workers, and buyers taking steps to improve the treatment and well-being of workers. We then asked, “When this happens, how often do you think it leads to real improvements?” with responses measured on a 5-point scale from “None of the time” to “All the time” (a popular variant of a Likert scale). This allows us to measure the perceived effectiveness of factory-level reforms in general, independent of any particular promises from brands or retailers.

Since our responses come from employees nested in factories, we use multi-level models (Robson and Pevalin, 2015) when analyzing the nonexperimental effects. While our variables of theoretical interest are at the individual level, multi-level models (with random effects at the factory level) both control for nonindependence of observations (among individuals within the same factory) and estimate the degree to which variation in our dependent variable is clustered by factory. Previous research has similarly used multi-level models to ensure accurate estimates with nested individual-factory data (Kuruvilla et al., 2020). Additional information is available in the Appendices.

Results

We first examine workers’ and managers’ views of worker-friendly reforms in general and then turn to perceptions of different types of local interventions and our survey experiment of buyer/brand promises.

Perceptions of factory reforms

To what extent do different types of employees in export-oriented Indonesian apparel factories think that factory-level reforms are meaningful or merely illusory? As shown in Table 2, there are notable cleavages in these perceptions. As expected, production

workers are significantly less optimistic about factory-level reforms than are workers in managerial/supervisory roles (scoring 0.31 points lower on our 5-point scale in the baseline model on average). This difference persists when using multi-level models to capture the clustering of perceptions within factories, which could capture prior accommodations of factory owners. Similarly, union members are less optimistic than nonmembers (0.24 points lower on our 5-point scale on average). In line with labor regimes scholarship on the patterning of antagonistic interests on the shop floor, these findings likely reflect production workers' and union members' more demanding stances on factory conditions relative to other groups of workers.

We also find evidence of a gendered sense of the prospects for reform, with women reporting more optimistic answers than men, even when controlling for position and

Table 2. Perceptions of factory-level reforms.

| | (1) Optimism about factory-level reforms | | |
|----------------------------------|---|-------------------|-------------------|
| | OLS | | Multi-level |
| Female | 0.36*** (0.07) | | 0.33*** (0.07) |
| Age | -0.00 (0.01) | | 0.00 (0.01) |
| Education | 0.00 (0.07) | | 0.02 (0.06) |
| Children | -0.04 (0.14) | | -0.08 (0.13) |
| Union | -0.24** (0.11) | | -0.24** (0.11) |
| Manager/supervisor | 0.00 | | Base category |
| Nonproduction worker | -0.19* (0.10) | | -0.16 (0.10) |
| Production worker | -0.31** (0.12) | | -0.22* (0.11) |
| Constant | 3.52*** (0.50) | 3.41*** (0.05) | 3.40*** (0.45) |
| <i>Random-effects parameters</i> | | | |
| Constant | | 0.16*** (0.03) | 0.13*** (0.04) |
| Residuals | | 0.92 (0.05) | 0.89* (0.06) |
| Observations (individuals) | 694 | 843 | 694 |
| Number of factories | | 96 | 96 |
| ICC | | 0.15 | 0.13 |
| R ² | 0.06 | | |

Note. Standard errors in parentheses (OLS: clustered by factory, multi-level: robust).

* $p < .10$, ** $p < .05$, *** $p < .01$.

union membership. While many accounts of women's marginalization in the apparel industry would suggest that women would be *less* optimistic about reform, we find more optimism, perhaps indicating a higher degree of trust in factory leadership or more constraints on their capacity to express dissatisfaction, as discussed above.

Our multi-level model reveals that optimism about reform is clustered by factory to some degree (broadly similar to the findings about clustering in Kuruvilla et al., 2020). A baseline intra-class correlation coefficient of 0.15 indicates that 15% of the variation in perceptions is attributable to differences between factories. This may be based on different experiences of reform or different cultures of management and production. Once we account for these average differences across factories, production workers (compared to managers/supervisors) and union members remain less optimistic about factory-level reforms. Yet nonproduction workers (e.g., clerical and security staff) no longer differ from managers/supervisors, suggesting that their views might more closely align with those of management once differences between factories are factored out.

Perceptions of local interventions

One way to buffer workers from disruptions is for governments to take measures to prevent layoffs. The majority of workers and managers in our sample rated this sort of intervention as quite helpful, with an overall average of 4.08 on our 5-point scale (from "not helpful at all" to "extremely helpful"). There are no clear differences among different types of workers in how government intervention was perceived. As shown in the first column of Model 1, there are no statistically significant differences between women and men; union members and nonmembers; or managers, production workers, and nonproduction workers. This is contrary to the image of polarized perceptions in the labor regimes literature but perhaps understandable given the precarity of the moment. Moreover, the multi-level model reveals little clustering by factory. A baseline intra-class correlation coefficient of just .04 indicates that only around 4% of the variation in perceptions is attributable to differences between factories. Put differently, the factory where people work has little to do with their perceptions of local government intervention.

Turning to accommodations by factory owners (to "make sure that workers are paid even if they are laid off or suspended"), we see a similar level of support on average (4.07 on our 5-point scale) but more structured variation. Union members and production workers saw factory owner accommodations as significantly more important than others did, as shown in Model 2. This is consistent with the idea that production workers and/or union members are generally more demanding of factory owners than managers/supervisors are, which can also be observed in some qualitative research on the garment industry (Connor and Haines, 2013; Holzberg, 2023). It could also be that production workers were more affected by the pandemic, which could have heightened their expectations of factory owners. There is also more evidence of clustering by factory here, with 24% of the variation in perceptions being attributable to differences between factories. This may indicate that respondents' perceptions are linked to their sense of their own factory owners' capacities and trustworthiness (Table 3).

In Model 3, we look at perceptions of collective action by workers (that they should “work together to protect their rights as much as necessary”). This was the most popular form of intervention among our respondents, with an average rating of 4.21 on our 5-point scale. Views of collective action in this context and format were quite consensual, with no significant differences between managers, production workers, and nonproduction workers; men and women; or union members and nonmembers. Note that our phrasing of this item encompasses a range of activities, and respondents may not have viewed it as an endorsement of strikes or other contentious forms of collective action. So while views of collective action were less sharply divided than most labor regimes scholarship would expect, the pattern might be different if the question were phrased differently. There is very little clustering by factory here (with an intra-class correlation of nearly 0), meaning that we do not see factories with significantly varying average perceptions on this issue. The only significant effects here pertain to age, which slightly diminishes support, and having children, which is associated with higher support.

A different sort of intervention involves making labor markets more flexible (giving factories “more flexibility to hire and lay off workers as needed”). This was quite unpopular with our respondents (with a mean of 3.24 on our 5-point scale), likely reflecting the controversies surrounding the Omnibus Law. Surprisingly, even those in managerial/supervisory roles did not tend to see labor market flexibilization as helpful. There are no significant differences based on position, union membership, gender, education, or other factors in Model 4. We do see a bit more clustering by factory here, with 17% of the variation being attributable to differences across factories. Nevertheless, this is a strikingly nonpolarized set of reactions to labor market flexibilization, at least among workers and managers involved with the Better Work program. It is possible that the context of the survey (linked to the Better Work program) or *de facto* managerial strategies for flexibility in the apparel industry (even prior to the Omnibus Law) account for this pattern of responses.

Finally, given how the COVID-19 pandemic disrupted children’s education and care, we asked about whether special accommodations for workers with children (to “be able to go on paid leave to take care of them even when production has restarted”) would be helpful. This elicited a moderate degree of support (an average of 3.64 on our 5-point scale), with significantly higher support from parents (not surprisingly), union members, and production workers (compared to managers/supervisors), as shown in Model 5. There is also a bit of clustering by factory (with 18% of the variation between attributable to differences across factories), and also suggestive negative effects of age and education once these factory-level effects are taken into account in the multi-level models.

So far, these results portray some interventions—especially collective action and local government support—as fairly popular among workers and managers with a variety of characteristics. Special accommodations by factory owners are also popular, but more so among union members and production workers than others. Notably, men and women did not differ significantly in their perceptions of any of these interventions (at least when controlling for these other factors), despite stark gender inequalities in labor markets, familial expectations, and experiences of mistreatment on the job. This

Table 3. Perceptions of local interventions

| | (1) | | (2) | | (3) | | (4) | | (5) | |
|----------------------------------|--------------------|-------------------|-----------------------|-------------------|----------------------------|--------------------|-----------------------|-------------------|-------------------|-------------------|
| | Government support | | Factory owner support | | Workers' collective action | | Labor flexibilization | | Childcare support | |
| | OLS | Multi-level | OLS | Multi-level | OLS | Multi-level | OLS | Multi-level | OLS | Multi-level |
| Female | 0.10 (0.10) | 0.10 (0.09) | -0.11 (0.10) | -0.08 (0.10) | 0.02 (0.07) | 0.02 (0.06) | 0.15 (0.15) | 0.04 (0.14) | -0.06 (0.14) | -0.11 (0.12) |
| Age | -0.00 (0.01) | -0.00 (0.01) | -0.00 (0.01) | -0.01* (0.01) | -0.02*** (0.01) | -0.02*** (0.01) | -0.00 (0.01) | -0.00 (0.01) | -0.01 (0.01) | -0.02** (0.01) |
| Education | 0.09 (0.06) | 0.09 (0.07) | 0.08 (0.06) | 0.07 (0.06) | -0.01 (0.05) | -0.01 (0.05) | 0.09 (0.11) | 0.11 (0.12) | -0.09 (0.08) | -0.13* (0.07) |
| Children | 0.18 (0.15) | 0.18 (0.14) | 0.20 (0.15) | 0.30*** (0.11) | 0.23*** (0.11) | 0.23*** (0.09) | 0.25 (0.21) | 0.24 (0.22) | 0.42** (0.19) | 0.42** (0.18) |
| Union | -0.02 (0.08) | -0.02 (0.07) | 0.22*** (0.07) | 0.20*** (0.08) | 0.06 (0.06) | 0.06 (0.06) | 0.07 (0.12) | 0.06 (0.12) | 0.27*** (0.10) | 0.21** (0.10) |
| Manager/ supervisor worker | category -0.07 | category -0.08 | category 0.02 | category -0.12 | category 0.05 | category 0.05 | category -0.14 | category -0.08 | category 0.19 | category 0.10 |
| Nonproduction worker | (0.13) | (0.14) | (0.13) | (0.10) | (0.09) | (0.08) | (0.19) | (0.17) | (0.17) | (0.15) |
| Production worker | -0.01 | -0.01 | 0.30*** | 0.21* | 0.05 | 0.05 | 0.00 | 0.06 | 0.39** | 0.28* |
| Constant | (0.14) | (0.16) | (0.12) | (0.12) | (0.10) | (0.09) | (0.19) | (0.18) | (0.16) | (0.16) |
| Random-effects parameters | 3.63*** (0.43) | 4.08*** (0.05) | 3.21*** (0.46) | 4.07*** (0.06) | 4.84*** (0.33) | 4.21*** (0.03) | 2.51*** (0.75) | 3.24*** (0.07) | 3.71*** (0.61) | 3.64*** (0.08) |
| Constant | 0.05*** (0.03) | 0.01 (0.03) | 0.23*** (0.14) | 0.27** (0.15) | 0.00 (0.00) | 0.00 (0.00) | 0.17*** (0.06) | 0.26*** (0.11) | 0.28*** (0.13) | 0.31** (0.14) |
| Residuals | 1.06 (0.08) | 1.09 (0.09) | 0.74*** (0.07) | 0.70*** (0.08) | 0.60 (0.57) | 0.56 (0.57) | 1.62*** (0.11) | 1.62*** (0.14) | 1.29*** (0.09) | 1.27*** (0.10) |
| Observations (individuals) | 481 | 481 | 433 | 433 | 436 | 436 | 387 | 387 | 412 | 412 |
| Number of factories | 92 | 87 | 91 | 85 | 91 | 86 | 91 | 85 | 91 | 87 |
| ICC | 0.04 | 0.01 | 0.24 | 0.28 | 0.00 | 0.00 | 0.10 | 0.14 | 0.18 | 0.20 |
| R ² | 0.01 | 0.04 | 0.04 | 0.28 | 0.06 | 0.01 | 0.01 | 0.06 | 0.06 | 0.06 |

Note. Standard errors in parentheses (OLS: clustered by factory, multi-level: robust). *p < .10, **p < .05, ***p < .01.

contrasts not only with expectations from the literature on gendered labor regimes but also with other survey research on garment workers, which finds gendered differences in rates of wage violations (Kuruvilla et al., 2020) and rights consciousness (Bartley, 2018). It is possible that the lack of gender differences in our study resulted from our statements being too general to tap into gendered inequalities; further research with more tailored questions is warranted.

Effects of buyer/brand promises

Our survey experiment was intended to assess whether perceptions of these types of local interventions could be shaped by a small cue about promises of support from foreign buyers. As discussed above, there are competing views about whether promises of support from distant buyers should bolster or diminish support for local interventions—and for whom these effects should hold. Our results provide no consistent evidence of buyer promises affecting employees in Indonesian apparel factories across the board. Put differently, there are no statistically significant aggregate differences between those who saw the prompt about brand/buyer support and those who did not. Buyer promises neither uniformly bolstered nor undermined support for local interventions. Since the bipartite committee members who were our respondents are among the most likely to have a good understanding of CSR and of its potential effects on the ground (see Pike, 2020), it is notable that this cue had no uniform effect. This could be driven by ambivalence about buyers' commitment, the subtlety of our cue, or heterogeneity in perceptions, as discussed below.

We do find some evidence of heterogeneous effects. As shown in Figure 1, distant promises of support sometimes *reduced* interest in local interventions among production workers in particular (shown on the right panel of the figure). Perhaps most notably, production workers' interest in collective action by workers was diminished by our simple and slight cue about buyer support. Far from bolstering production workers' demands or giving them confidence that collective action will not be punished, buyers' promises did the opposite—seemingly making production workers less likely to express positive views about engaging in collective action. This is discernibly different than the reaction among those in managerial/supervisory positions, as confirmed by a statistically significant interaction effect (-0.27) in the regression analysis in Table 4. To the extent that production workers were thinking of disruptive collective action, the involvement of buyers may have been perceived as a threat, particularly in the context of canceled orders during the pandemic.

Likewise, production workers were less demanding of childcare accommodations when distant buyers/brands pledged their support for factories. Here too, the reaction of production workers was significantly different than that of managers/supervisors (as confirmed by the significant interaction effect of -0.62 in Table 4). Recall that this was only a moderately popular form of intervention overall, with production workers being more interested than managers/supervisors. The results here indicate that production workers were less demanding when shown a slight and simple cue about buyer support, perhaps because it pacified concerns about future instability.

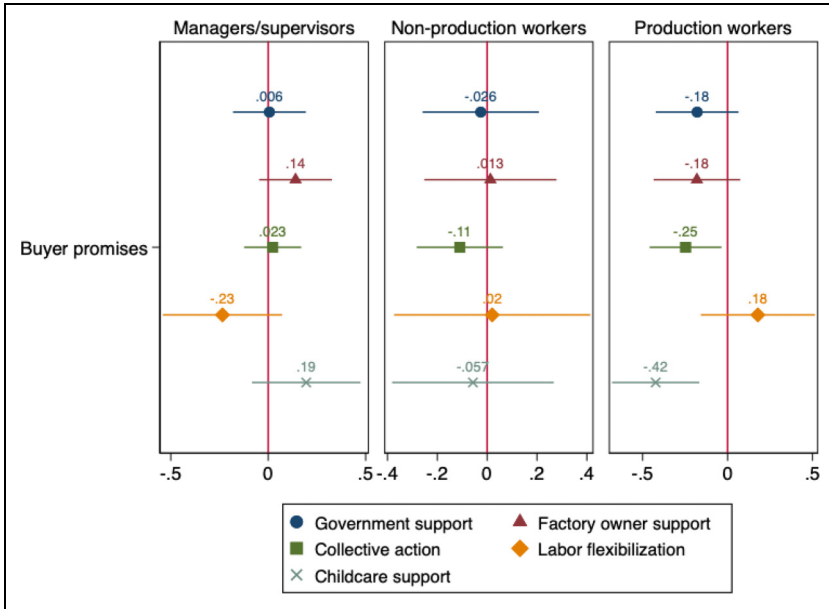


Figure 1. Effects of buyer promises on perceptions of local interventions.

When it comes to demanding help from factory owners, the pattern is slightly more complex. Managers and production workers responded in significantly different ways to the promise of support from distant brands/retailers (as shown in the significant interaction effect of -0.32 in Table 4), consistent with the idea of heterogeneous effects. Yet while the groups tended toward opposite reactions (toward a bolstering effect for managers/supervisors and an undermining effect for production workers), neither of these group-specific effects was statistically significant. Put differently, a buyer promises generated different responses but not fully enough to decisively move either group from their baseline.

Finally, when it comes to government support to prevent displacement or policies to add flexibility to labor markets, there is no evidence of buyer promises making a difference—for either managers/supervisors or workers. While instability in orders from global apparel buyers may have contributed to the rise of the Omnibus Law (as a way for firms in Indonesia to cope with rapidly changing markets), and some buyers promised more stability in the wake of COVID-19, we see no evidence of our statement about buyers shifting perspectives on this issue. Flexibility and short-term contracts have been contentious issues in the Indonesian apparel industry for two decades (Amengual and Chirot, 2016), and our findings suggest that voluntary commitments are unlikely to alter this debate. Law and policy are more proximately related to labor contracts, and buyer commitments may have been too shallow (see Anner, 2022) to shape perceptions.

Overall, we find no evidence to support the idea of a bolstering effect, in contrast to expectations from previous research on reputation-sensitive firms and upgrading in

Table 4. Heterogeneity in the effects of buyer promises and perceptions of local interventions.

| | Government support | Factory owner support | Workers' collective action | Labor flexibilization | Childcare support |
|---------------------------------------|--------------------|-----------------------|----------------------------|-----------------------|--------------------|
| Buyer promises | 0.01 (0.11) | 0.14 (0.11) | 0.02 (0.09) | -0.23 (0.18) | 0.19 (0.17) |
| Manager/supervisor | Base category | Base category | Base category | Base category | Base category |
| Buyer promises × Manager/supervisor | | | | | |
| Nonproduction worker | -0.02 (0.15) | 0.05 (0.17) | 0.18** (0.09) | -0.28 (0.20) | 0.19 (0.20) |
| Buyer promises × Nonproduction worker | -0.03 | -0.13 | -0.13 | 0.26 | -0.25 |
| Production worker | (0.17) | (0.19) | (0.13) | (0.29) | (0.27) |
| Buyer promises × Production worker | 0.03 (0.15) | 0.36** (0.18) | 0.32*** (0.10) | -0.33 (0.21) | 0.76*** (0.20) |
| Constant | -0.19 (0.19) | -0.32* (0.18) | -0.27* (0.14) | 0.41 (0.29) | -0.62*** (0.23) |
| Observations | 649 | 580 | 583 | 519 | 546 |
| R ² | 0.00 | 0.01 | 0.02 | 0.01 | 0.03 |

Note. Standard errors clustered by factory in parentheses.

* $p < .10$, ** $p < 0.05$, *** $p < .01$.

global value chains. While the factory managers in Vietnam studied by Malesky and Mosley (2018) responded to hypothetical signals about the reputation-sensitivity of buyers, the managerial employees in our study had no discernible reaction to our buyer promise of support. The effects tended to be positive for managers/supervisors (as shown in Figure 1), but they did not approach statistical significance. While our subtle cue is a step away from the market profiles named by Malesky and Mosley (2018) or the actual affiliations to the Bangladesh Accord and Alliance measured by Frenkel et al. (2022), it could still have bolstered expectations if managers were especially attuned to buyers' statements.

We do find some evidence that promises from global buyers could undermine local demands, though not uniformly. Production workers' views of collective action and demands for childcare accommodations were undercut to some degree by a promise of buyer support/responsibility. The responses of production workers, then, may resemble those of consumers, who have been found to be appeased by voluntary corporate promises (Malhotra et al., 2019). Yet the processes at play in our study are probably more about a sense of shelter amidst severe precarity, as observed in Uddin et al.'s (2023) study of garment workers in Bangladesh, or fears of brand oversight backfiring (as noted by LeBaron and Lister, 2021; Anner, 2022) than about simply appeasement of concerns or amelioration of guilt among affluent consumers.

Conclusions and implications

In this article, we have combined a focus on the Indonesian apparel industry during the COVID-19 pandemic with an interest in how distant claims of responsibility-taking by brands/buyers—along with other forms of intervention—are perceived by workers and managers. Echoing labor regimes scholarship, we view these workers and managers as embedded in social relations that reflect and refract antagonistic relationships between capital and labor (Baglioni et al., 2022). In addition, we build on studies of strategic signaling in global supply chains and production networks, which have shown how companies use responsibility-taking to deflect calls for more stringent forms of intervention (LeBaron and Rühmkorf, 2019) and to water down negative claims made by activists (McDonnell and King, 2013). At the same time, prior research suggests that even severely limited corporate responsibility initiatives can improve some elements of global supply chains (Distelhorst and Locke, 2018; Malesky and Mosley, 2018).

Our contribution is twofold. First, we have examined expectations and hopes for reform among employees at the point of production in the midst of the COVID-19 pandemic. Rather than documenting the damage done by pandemic-era disruptions, we have sought to understand (at least in ways that can be captured in a survey) how workers and managers view a range of potential solutions broadly conceived. We have especially focused on demands for *local* interventions—from factory owners, domestic governments, and workers themselves. Second, we have combined this focus on perceptions at the point of production with an interest in how distant claims of support from buyers might shift people's expectations for reform. This extends a growing literature on the political effects of CSR among consumer-citizens in affluent markets and a

smaller amount of research on how CSR shapes the expectations of factory managers in global supply chains. This study represents a novel first attempt to elicit the views of workers themselves, as well as the structuring of perceptions among different groups of workers. In doing so, we connect the literature on supply chains signals to a more qualitative body of labor regimes studies, which center local and national struggles (Baglioni et al., 2022) and “constrained labor agency” (Coe and Jordhus-Lier, 2011) in questions about global standards.

Taken together, the interventions examined in this article—such as governments taking measures to prevent layoffs, workers coming together to protect their rights, or making it easier for managers to hire and fire workers—are not unique to the COVID context. Arguably, they reflect perennial issues in apparel factories in Indonesia and beyond. While our survey was done amidst COVID-era disruptions, our results are not necessarily strongly tied to this period. Although we cannot assess their generalizability, they may tap into more durable perceptions of how to address insecurity in apparel factories.

Our nonexperimental analyses reveal that some kinds of local reforms are viewed quite similarly by managers, production workers, and nonproduction workers; by men and women; and by union members and nonmembers, despite frequently antagonistic interests. Moreover, while perceptions of factory owner interventions and childcare support were clustered by factory, perceptions of government intervention, collective action, and labor market flexibilization tended not to be clustered by factory. While labor regimes can be identified at multiple scales, including the factory level, these results suggest that factories matter for some kinds of reforms (perhaps those most closely tied to the actions of factory owners themselves) more than others.

Turning to our survey experiment, we found no evidence that mentions of distant promises support bolster demands for local reforms. Instead, we found partial support for the idea that distant responsibility-taking by brands can undermine demands for local reforms—though this effect is only clear among production workers considering the utility of collective action or accommodations for workers with childcare responsibilities. These results suggest that the general bolstering and undermining expectations predicted by the literature on supply chain signals might be overstated.

Nevertheless, these findings also point to vexing questions about the interactions between different types of interventions to equalize apparel supply chains. Most studies of reform in global supply chains point to the importance of *combining* responsible sourcing from above, mobilization from below, and state intervention or capacity-building in exporting countries (e.g., Locke, 2013). Yet if responsible sourcing initiatives undermine mobilization from below, then combining them may be even more difficult than typically imagined. To be sure, our results suggest a fairly modest and contingent effect on production workers’ expectations, but if these are indicative of larger dynamics of demobilization (which may be hard to capture in a survey), then the crowding out/displacement problem may be a serious issue. While broadening opportunities for solidarity in some cases, corporate promises may not be as beneficial in sites of production as some scholars and policy-makers imagine.

Several limitations of this study should be kept in mind. First, workers and managers in the factories surveyed are likely to have a greater level of awareness of and familiarity with corporate responsibility due to their participation in the Better Work Indonesia

program. Our findings should not be taken as representative of the Indonesian apparel sector as a whole. Instead, they shed light on the perceptions of locally engaged employees in factories producing for reputation-sensitive buyers—for whom promises from distant buyers are arguably more important. Second, the local interventions we asked about were phrased in minimally contentious ways, so they may not have tapped into views of more challenging acts (such as strikes). At the same time, we do find divergent perceptions of some interventions—such as special accommodations from factory owners—so points of agreement should not be overstated. It could be that there are shared goals for local interventions (e.g., preventing layoffs) but divergent assumptions about reform that our survey could not pick up. Third, our survey experiment used a fairly subtle cue in our hypothetical statement about brand/buyer commitments. It is plausible that a louder or more extended signal (perhaps conveyed through a personal statement from a valued buyer) could have provoked more discernible reactions.

For research on labor relations in Indonesia, this study contributes a methodologically novel approach to understanding the intertwining of protective regulations, flexibilization reforms, and global buyers, rather than focusing on just one of these arenas. Although our sample is limited to one particular slice of the Indonesian apparel industry, our results suggest some skepticism of flexibilization reforms among factory managers, which could limit the impact of the Omnibus Law. On the other hand, the results suggest a tension between promises of global buyers and the domestic politics of pro-worker reforms, in contrast to the synergies highlighted in other studies (e.g., Bartley and Egels-Zandén, 2016). The evolution of labor politics in Indonesia leaves many questions to be answered about how managers and workers are navigating supply chain structures, which are themselves evolving toward regionalism and heightened regulatory scrutiny. Future research should seek to measure workers' and managers' perceptions of reform in a fuller way, taking account of multiple dimensions of the surrounding context (i.e., perceptions of local governments, the national government, brands/buyers, and foreign regulations). In addition, detailed studies of activism and upgrading *in situ* may benefit from using comparative quasi-experimental approaches to see how different kinds of distant promises and interventions bolster or hinder improvements in labor conditions within factories.

Acknowledgments

We would like to thank Arianna Rossi, Jeff Eisenbraun, and the Better Work Indonesia program for their support in realizing this study and the three anonymous reviewers for their careful and constructive comments. Special thanks also to all the survey respondents who took the time to participate in our study amidst the devastating impacts of the COVID-19 pandemic.


Declaration of conflicting interests

The authors declared the following potential conflicts of interest with respect to the research, authorship, and/or publication of this article: Prior to beginning this research, Luisa Lupo was employed by the Better Work program in Geneva between 2018 and 2020.

Funding

The authors received no financial support for the research, authorship, and/or publication of this article.

ORCID iD

Luisa Lupo  <https://orcid.org/0000-0003-3788-1422>

Supplemental materials

Supplemental material for this article is available online.

References

- Afros A (2022) *Workers' voice within and beyond participation committees: A case study of two Bangladeshi Garment Factories*. Better Work Discussion Paper No. 46. Geneva: International Labour Office.
- Alford M and Phillips N (2018) The political economy of state governance in global production networks: Change, crisis and contestation in the South African fruit sector. *Review of International Political Economy* 25(1): 98–121.
- Amengual M and Bartley T (2022) Global markets, corporate assurances, and the legitimacy of state intervention: Perceptions of distant labor and environmental problems. *American Sociological Review* 87(3): 383–414.
- Amengual M and Chirot L (2016) Reinforcing the state: Transnational and state labor regulation in Indonesia. *ILR Review* 69(5): 1056–1080.
- Anner M (2020) 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.
- Anner M (2022) Power relations in global supply chains and the unequal distribution of costs during crises: Abandoning garment suppliers and workers during the COVID-19 pandemic. *International Labour Review* 161(1): 59–82.
- Baglioni E, Campling L, Coe NM, et al. (2022) *Labour Regimes and Global Production*. Newcastle upon Tyne: Agenda Publishing.
- Bair J (2022) Gendered labour regimes in global production. In: Baglioni E, Campling L, Coe NM and Smith A (eds) *Labour Regimes and Global Production*. Newcastle upon Tyne: Agenda Publishing, 29–44.
- Barrientos S (2019) *Gender and Work in Global Value Chains: Capturing the Gains?* Cambridge: Cambridge University Press.
- Barrientos S (2022) Work, gender and discrimination in global production. In: Kimberly AE (ed) *Handbook on Globalisation and Labour Standards*. Cheltenham: Edward Elgar Publishing, 64–83.
- Bartley T (2018) *Rules Without Rights: Land, Labor, and Private Authority in the Global Economy*. Oxford: Oxford University Press.
- Bartley T, Amengual M and Koos S (2023) Perceptions of Supply Chain Capitalism: Advocacy, Responsibility, and Regulation. Working paper presented at Earth Systems Governance Conference.
- Bartley T and Egels-Zandén N (2016) Beyond decoupling: Unions and the leveraging of corporate social responsibility in Indonesia. *Socio-Economic Review* 14(2): 231–255.
- Burawoy M (1985) *The Politics of Production: Factory Regimes under Capitalism and Socialism*. London: Verso.
- BW (Better Work) (2021) Indonesia updates. Available at: <https://betterwork.org/2021/05/07/indonesia-updates/> (accessed 10 August 2021).

- Caraway TL (2008) Explaining the dominance of legacy unions in new democracies: Comparative insights from Indonesia. *Comparative Political Studies* 41(10): 1371–1397.
- Caraway TL (2023) Labor's reversal of fortune: Contentious politics and executive aggrandizement in Indonesia. *Social Movement Studies* 22(5–6): 689–705.
- Caraway TL and Ford M (2022) *Labor and Politics in Indonesia*. Cambridge: Cambridge University Press.
- Coe NM and Jordhus-Lier DC (2011) Constrained agency? Re-evaluating the geographies of labour. *Progress in Human Geography* 35(2): 211–233.
- Connor T and Haines F (2013) Networked regulation as a solution to human rights abuse in global supply chains? The case of trade union rights violations by Indonesian sports shoe manufacturers. *Theoretical Criminology* 17(2): 197–214.
- Di Malta G, Cooper M, Bond J, et al. (2023) The patient-perceived helpfulness of measures scale: Development and validation of a scale to assess the helpfulness of using measures in psychological treatment. *Assessment* 31(5): 994–1010.
- Distelhorst G and Locke RM (2018) Does compliance pay? Social standards and firm-level trade. *American Journal of Political Science* 62(3): 695–711.
- Elson D and Pearson R (1981) 'Nimble fingers make cheap workers': An analysis of women's employment in third world export manufacturing. *Feminist Review* 7: 87–107. Available at: <https://www.fairwear.org/covid-19-dossier/worker-engagement-and-monitoring/country-specific-guidance/covid19-indonesia/> (accessed 16 August 2021).
- Enloe C (2000) Daughters and generals in the politics of the globalized sneaker. In: Aulakh PS and Schechter MG (eds) *Rethinking Globalization: Corporate Transnationalism to Local Interventions*. London: Palgrave Macmillan, 238–246.
- Foley L and Piper N (2021) Returning home empty handed: Examining how COVID-19 exacerbates the non-payment of temporary migrant workers' wages. *Global Social Policy* 21(3): 468–489.
- Ford M (2009) *Workers and Intellectuals: NGOs, Trade Unions and the Indonesian Labour Movement*. Honolulu: University of Hawaii Press.
- Ford M, Gillan M and Ward K (2023) Beyond the brands: COVID-19, supply chain governance, and the state–labor nexus. *Industrial Relations: A Journal of Economy and Society* 62(2): 172–188.
- Ford M and Ward K (2021) COVID-19 in Southeast Asia: Implications for workers and unions. *Journal of Industrial Relations* 63(3): 432–450.
- Frenkel SJ, Rahman S and Rahman KM (2022) After Rana Plaza: Governing exploitative workplace labour regimes in Bangladeshi garment export factories. *Journal of Industrial Relations* 64(2): 272–297.
- Frenkel SJ and Schuessler ES (2021) From Rana Plaza to COVID-19: Deficiencies and opportunities for a new labour governance system in garment global supply chains. *International Labour Review* 160: 591–609.
- FW (Fair Wear) (2021) COVID-19 impact and responses: Indonesia. Available at: <https://www.fairwear.org/covid-19-dossier/worker-engagement-and-monitoring/country-specific-guidance/covid19-indonesia/> (accessed 16 August 2021).
- Gereffi G, Humphrey J and Sturgeon T (2005) The governance of global value chains. *Review of International Political Economy* 12(1): 78–104.
- Greenhill B, Mosley L and Prakash A (2009) Trade-based diffusion of labor rights: A panel study. *American Political Science Review* 103(4): 169–190.
- Holzberg B (2023) Local understandings of decent work and the legitimacy of global labour standards: Insights from garment suppliers in Egypt and Jordan. *Journal of Business Ethics* 192: 689–712.
- ILO (International Labour Organization) (2020a) *The Supply Chain Ripple Effect: How COVID-19 is Affecting Garment Workers and Factories in Asia and the Pacific*. Bangkok: ILO.

- ILO (International Labour Organization) (2020b) COVID-19: Action in the global garment industry. Available at: https://www.ilo.org/global/topics/coronavirus/sectoral/WCMS_742343/lang-en/index.htm (accessed 13 November 2023).
- Joshi A, Kale S, Chandel S, et al. (2015) Likert Scale: Explored and explained. *British Journal of Applied Science & Technology* 7(4): 396–403.
- Judd J, Kuruvilla S and Jackson JL (2022) Security for Apparel Workers: Alternative Models. NCP Working Paper No. 3, Cornell University. Available at: <https://www.ilr.cornell.edu/sites/default/files-d8/2022-05/NCP%20IndustriALL%20Severance%20042222.pdf> (accessed 13 November 2023).
- Kabeer N, Huq L and Sulaiman M (2020) Paradigm shift or business as usual? Workers' views on multi-stakeholder initiatives in Bangladesh. *Development and Change* 51(5): 1360–1398.
- Kabeer N, Razavi S and Rodgers YM (2021) Feminist economic perspectives on the COVID-19 pandemic. *Feminist Economics* 27(1–2): 1–29.
- Keahey J and Murray DJ (2017) The promise and perils of market-based sustainability. *Sociology of Development* 3(2): 143–162.
- Kolcava D, Rudolph L and Bernauer T (2019) Voluntary business initiatives can reduce public pressure for regulating firm behaviour abroad. *Journal of European Public Policy* 28(4): 591–614.
- Kuruvilla S, Liu M, Li C, et al. (2020) Field opacity and practice–outcome decoupling: Private regulation of labor standards in global supply chains. *ILR Review* 73(4): 841–872.
- Kusumaningrum S, Siagian C and Beazley H (2022) Children during the COVID-19 pandemic: Children and young people's vulnerability and wellbeing in Indonesia. *Children's Geographies* 20(4): 437–447.
- LeBaron G and Lister J (2021) The hidden costs of global supply chain solutions. *Review of International Political Economy* 29(3): 669–695.
- LeBaron G and Rühmkorf A (2019) The domestic politics of corporate accountability legislation: Struggles over the 2015 UK modern slavery act. *Socio-Economic Review* 17(3): 709–743.
- Lee CK (2007) *Against the Law: Labor Protests in China's Rustbelt and Sunbelt*. Berkeley: University of California Press.
- Li C. and Kuruvilla S. (2023) Corporate codes of conduct and labour turnover in global apparel supply chains. *British Journal of Industrial Relations*, 61, 481–505.
- Locke RM (2013) *The Promise and Limits of Private Power: Promoting Labor Standards in a Global Economy*. Cambridge: Cambridge University Press.
- Mahler D.G., Lakner C., Castañeda Aguilar R.A., H., et al. (2020). *The impact of COVID-19 (Coronavirus) on Global Poverty: Why Sub-Saharan Africa Might Be the Region Hardest Hit*. World Bank Blog. Washington, DC: World Bank.
- Malesky EJ and Mosley L (2018) Chains of love? Global production and the firm-level diffusion of labor standards. *American Journal of Political Science* 62(3): 712–728.
- Malhotra N, Monin B and Tomz M (2019) Does private regulation preempt public regulation? *American Political Science Review* 113(1): 19–37.
- McDonnell MH and King B (2013) Keeping up appearances: Reputational threat and impression management after social movement boycotts. *Administrative Science Quarterly* 58: 387–419.
- Mezzadri A and Majumder S (2020) Towards a feminist political economy of time: Labour circulation, social reproduction & the 'afterlife' of cheap labour. *Review of International Political Economy* 29(6): 1804–1826.
- Mutz DC (2011) *Population-Based Survey Experiments*. Princeton: Princeton University Press.
- Oka C (2010) Accounting for the gaps in labour standard compliance: The case of Cambodia's garment sector. *European Journal of Development Research* 22(1): 59–78.

- Oka C (2012) Does Better Labour Standard Compliance Pay? Linking Labour Standard Compliance and Supplier Competitiveness. Better Work Discussion Paper Series: No. 5, International Labour Office, Geneva.
- Pike K (2020) Voice in supply chains: Does the better work program lead to improvements in labor standards compliance? *ILR Review* 73(4): 913–938.
- Pun N (2005) *Made in China: Women Factory Workers in a Global Workplace*. Durham: Duke University Press.
- Robson K and Pevalin D (2015) *Multilevel Modeling in Plain Language*. Thousand Oaks: Sage.
- Siegmann KA, Merk J and Knorrinda P (2017) Positive class compromise in globalized production? The freedom of association protocol in the Indonesian sportswear industry. *International Labour Review* 156: 345–365.
- Steinberg J (2023) Structure and context: A multi-level approach to supply chain governance. *Annual Review of Political Science* 26: 411–429.
- Tejani S and Fukuda-Parr S (2021) Gender and COVID-19: Workers in global value chains. *International Labour Review* 160(4): 649–667.
- Trappmann V, Umney C, Neumann D, et al. (2022) Labour protests during the pandemic: the case of hospital and retail workers in 90 countries. ILO Working Paper, November 7.
- Uddin S, Ahmed MS and Shahadat K (2023) Supply chain accountability, COVID-19, and violations of workers' rights in the global clothing supply chain. *Supply Chain Management* 28(5): 859–873.
- UN Women (2020) *Whose Time to Care? Unpaid Care and Domestic Work during COVID-19*. New York: UN Women.
- Wallander L (2009) 25 Years of factorial surveys in sociology: A review. *Social Science Research* 38(3): 505–520.
- Wickramasingha S (2023) Geographies of dissociation: Informality, ethical codes and fragmented labour regimes in the Sri Lankan apparel industry. *Journal of Economic Geography* 23(6): 1191–1211.
- Worker Rights Consortium (2021) Covid-19 tracker: Which brands acted responsibly toward suppliers and workers? Available at: <https://www.workersrights.org/issues/covid-19/tracker/> (accessed 13 November 2023).

Biographical notes

Luisa Lupo is PhD Candidate in International Relations/Political Science and a researcher at the Gender Centre for the project *Gendering Survival from the Margins* at the Geneva Graduate Institute (Switzerland). She holds degrees in Development Studies (MA) from the Geneva Graduate Institute and in Economics (BSc Hons) from the University of Rome Tor Vergata, Italy. Her areas of research include issues related to gender, social reproduction, and the everyday life of households, as well as rights and contestations in global supply chains and production networks.

Tim Bartley is Professor in the Earth Commons Institute and Department of Sociology at Georgetown University. His previous work includes *Rules without Rights: Land, Labor, and Private Authority in the Global Economy* (Oxford University Press, 2018), “Global Markets, Corporate Assurances, and the Legitimacy of State Intervention” (with Matthew Amengual, *American Sociological Review*, 2022), “Raising the Floor: New Directions in Public and Private Enforcement of Labor Standards in the United States” (with Janice Fine, *Journal of Industrial Relations*, 2019), and “Beyond Decoupling: Unions and the Leveraging of Corporate Social Responsibility in Indonesia,” (with Niklas Egels-Zandén, *Socio-Economic Review*, 2015).