

FOR IMMEDIATE RELEASE

Haiti's economy at the mercy of the international community

As foreign companies pull out of Haiti, Haitian garment workers are still fighting for their rights

(September 8, 2022, BOSTON, U.S., and PORT-AU-PRINCE, Haiti) — In July, <u>S&H Global</u>, the Haitian subsidiary of South Korean clothing manufacturer Sae-A, <u>announced</u> that it will reduce its workforce in Haiti from 10,000 workers to 6,000. This mass layoff is the latest example of devastation of Haiti's economy and the livelihoods of tens of thousands of workers and their families by foreign corporations and the states that enable them. In an <u>open letter</u> last month to S&H Global, the Autonomous Central of Haitian Workers (CATH) called the planned dismissals "illegal, unjustified, and unjustifiable."

Mario Joseph, Managing Attorney of the *Bureau des Avocats Internationaux* (BAI), which represents unions in their fight against labor rights abuses in Haiti, calls the mass layoffs "even more proof that Haiti's garment industry does not care about Haitian workers or Haitian laws, only about profits." Other foreign companies are also <u>threatening</u> to pull out, with <u>20,000 jobs</u> reportedly at risk.

"The loss of this many jobs - representing over 25% of all workers in the garment industry, which accounts for 90 % of Haiti's exports - epitomizes the danger from much international community control over Haitian workers' livelihoods," explains **Sandra Wisner**, Senior Staff Attorney at the Institute for Justice and Democracy in Haiti (IJDH), BAI's U.S.-based sister organization. "And this vulnerability is no accident; it is the predictable result of decades of foreign policies that have made Haiti and its economy reliant upon foreign actors."

Problematic policies include a <u>series of loans</u> conditioned on economic and trade reforms that <u>decimated</u> Haiti's agricultural sector, made Haiti reliant on foreign food imports, and put local farmers <u>out of business</u>. While U.S. <u>trade preference programs</u> incentivized foreign clothing companies to move their manufacturing to Haiti, international loan and aid programs <u>forced Haitian farmers</u> off their land and into industrial jobs, <u>helping</u> establish a garment industry that features <u>widespread workers' rights abuses</u> and <u>detrimental impacts</u> on food sovereignty. Now, nearly every garment factory in Haiti is either owned by or supplies foreign companies.

"Trade preference programs are justified as helping Haitian workers, but in practice they too often help foreign companies exploit more Haitian workers, with most of the economic advantages going to wealthy countries," notes **Brian Concannon**, IJDH's Executive Director. "The result is a garment industry that violates Haitians' basic rights." Garment workers are subject to <u>racial</u> and <u>sexual harassment</u>, and <u>barely make enough money</u> to feed themselves. But workers say that being out of a job entirely is <u>even worse</u>.

Although supporters point to the trade preference programs' workers protection language, there is no evidence that these programs, such as the U.S. <u>HOPE and HELP Acts</u>, have revoked trade benefits from the foreign companies responsible for these violations or otherwise enforced worker protections. For example, U.S. company Val D'Or <u>closed</u> its manufacturing facility in Port-au-Prince in January without compensating workers, in violation of the <u>international</u> and <u>Haitian</u> labor standards it <u>promised</u> to adhere to under the Acts. The company deprived approximately 1,000 workers of their livelihoods and faced no consequences from the U.S. or Haitian governments.

Haitians are continuously demanding greater accountability for international community interference with their basic human rights, including problematic U.S. support for *de facto* Prime Minister Ariel Henry and his repressive and undemocratic government, whose policies drive many of Haiti's current challenges - including the deteriorating security situation that is <u>pushing foreign investors</u> out of the country. "Haitians do not need more conditioned loans and sweatshops," explains **Joseph**. "If the international community really wants to help, they should stop <u>interfering in our democracy</u> and investing in jobs that inhibit our self-sufficiency and fail to give back to the community."

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