



Building and
Woodworkers International

BWI's IKEA Network for Social Justice

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**The Two Faces
of IKEA**

**IKEA's Efforts
to Undermine
the EU**

**OECD
Charges
Advance**



The Two Faces of IKEA

The Best and The Worst

Charles Dickens, the famous UK author of “A Christmas Carol”, would today recognize his famous miser, Scrooge, especially since his office would be furnished with IKEA furniture, produced by workers treated not much better than Bob Cratchit, his underpaid clerk and nephew.

IKEA was born in Sweden and claims to embody Swedish design and promote the Swedish egalitarian and open culture. At that might be true in developed countries like Sweden with some of the world's most advanced labour laws and best social protections. Because there IKEA looks like an ideal corporate citizen.

They have an EU mandated Works Council and thanks to a long history of union activism, Swedish IKEA production workers are treated with dignity and respect. But when IKEA leaves Sweden; (today there are only about 300 IKEA production workers in Sweden, out of the in total 18.000 directly employed production workers and a million or so more in the total supply chain) they leave those standards and protections behind.

They just “forgot” to tell consumers that the products they are buying are made by workers in challenging conditions and frequently by workers who are denied basic human rights, including the rights to organize

At a recent meeting of BWI IKEA's Network, workers, and trade unionist from Poland, Russia, the US and Bosnia and Herzegovina a number of serious questions were raised including:

- Why are IKEA suppliers in Russia coercing, forcing or bribing injured workers to voluntarily quit in order to reduce IKEA's health care liability?
- Why is IKEA offering raises well below the increase in the cost of living? They did so in Poland, the location of IKEA's largest production sites in Europe with in total over ten thousand workers, Especially for workers who risked covid infections by going to work everyday.
- Why is IKEA still supporting the Belarus dictator who created a crisis on the Polish border seeking to destabilize the EU, while he only allows the union that supports him?
- why did IKEA break it's promises to both workers, and the Danville community in the US?



and bargain. So the workers are paying real price of the “affordable furniture”.

When IKEA workers and workers of IKEA suppliers demand to be treated with dignity and respect IKEA's most frequent response is: “bah humbug”, or they dismiss the wokrrers to replace them by more subduable ones.



*We've been here before
The struggle for justice is unending*



IKEA's efforts to Undermine the EU

The Greatest Good for the Few?

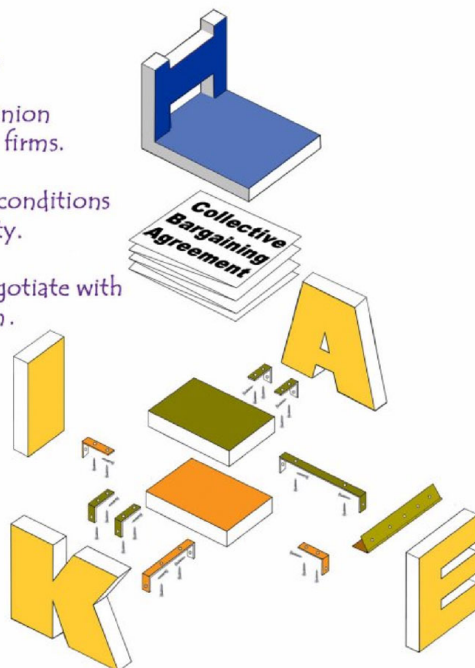
OECD countries especially Germany and others in the EU along with Canada and the US are the locations of IKEA's largest markets. While IKEA customers are concentrated in the global north, IKEA suppliers are spread around the world from China to Latin America. As one of the world's largest consumers of forest products, IKEA claims to support sustainable forest management practices and has donated millions to WWF and their money making forest certification subsidiary, FSC. IKEA has the choice where to purchase their wood and timber materials. It is all the more puzzling why the company continues to purchase wood products from democracy-challenged countries, like Belarus, especially since they have acknowledge the usage of prison labor in the then called Deutsche Democratic Republic (communist East Germany (<https://www.nytimes.com/2012/11/17/business/global/ikea-to-report-on-allegations-of-using-forced-labor-during-cold-war.html>))

The ILO International Labour Conference in 2021, decried Belarus' "numerous allegations of extreme violence to repress peaceful protests and strikes, and the detention, imprisonment and torture of workers while in custody following the presidential election in August 2020." However, IKEA has expanded its purchase to 1 million metric tons of raw wood products from Belarus in 2021. The company's purchases of

bespoke furniture, textiles and other products produced in the country, increased from EUR 80 million in 2018 to EUR 300 million in 2021. By doing this IKEA buying consumers are unaware and probably unwillingly supporting the ruling regime in the country, where "everyday life" of workers faces violence and pressure.

D.I.Y (Do-it-yourself) for Management

1. Open your doors to workers' union.
2. Do not use anti-union Consultants / Law firms.
3. Improve working conditions and health & safety.
4. Recognise and negotiate with the workers' union.



The crisis on the Belarus Polish border has been created to undermine the EU, the very market IKEA depends upon for the largest percentage of their sales. That they are willing to risk these markets by supporting countries in clear violations of ILO labour standards makes a mockery of their long time slogan: "To create a better everyday life for the many people." It also damages the reputation of their sustainability partners WWF and FSC.

Without strict social standards and strong unions, it is impossible to produce sustainably managed forest products in an

industry where work is dangerous, isolated, and frequently exploited.



The Daily Show with Jon Stewart



Wednesday June 29, 2011

Swede Dreams

Sweden is everything America used to be -- dominant, arrogant and so much more beautiful -- while America has become Sweden's Mexico.

Dutch OECD Complaint passes first step

The Building and Woodworkers' International, the International Association of Machinists and Aerospace Workers and the Swedish Union of Forestry, Wood and Graphical Workers submitted a complaint on IKEA decision in Danville to the Dutch Organization for Economic Cooperation and Development (OECD) in December 2020 based on the OECD Guidelines for Multinational Enterprises.

After initial assessment by the Dutch OECD, a decision was made that the case had merit and standing and should proceed. For a next step the NCP has offered parties to their services as "good office" to try to resolve the issues.

Broken Promises and Abandoned Workers

A global production model in a carbon constrained world

Globally, IKEA claims to be committed to create a more sustainable future, including reducing poverty and mitigating climate change. At the same time IKEA decided to close their only production facility in the U.S. in Danville, Virginia and terminated 300 workers. The decision to break their promise to Virginia and Danville workers made when IKEA (Swedwood) accepted millions in public dollars to locate in Danville was made without any prior negotiations, discussions or consultations with the IAMAW, the union, representing these workers. The closure itself was already a done deal before any public announcement was made. The IAMAW and its members were told that the costs of raw materials were too high, so production would be shifted elsewhere.

A few questions are:

- How does this decision to close this factory in Danville corresponds with the IKEA commitment to create a more sustainable future, reduce poverty and mitigate climate change?
- How can IKEA ship flat packs from around the world to the US with a lower carbon footprint then producing furniture in the US?
- Why did IKEA refuse to protect it's workers when it sold its assets to another employer?
- Will IKEA repay the \$12 million in subsidies provided by the State of Virginia and the US government?¹

¹ The Virginia Economic Development Partnership, the City of Danville and Pittsylvania County provided to Swedwood more than \$12 million in incentives.



A Path to Justice

Many larger multinational corporations recognizing the challenges of global supply chains and the different labour standards around the world have decided to model the best social practices in every country of the world regardless of the weakness and flaws of national and local social protections.

One proven tool is a “Global Framework Agreement”. Such instruments are negotiated between global union federations like BWI and corporations like IKEA. IKEA did negotiate an agreement with BWI several years ago but as of today has refused to honor or sign what they agree to.