

Case #7: Corporate Sponsorship of College Sports

A college athlete's uniform bears the endorsement of various sportswear companies. The student learns of certain ethical violations tied one of the companies, Nike. She finds wearing the uniform objectionable because it looks as though she supports Nike. Refusing to wear the little swoosh might jeopardize contracts with the uniform providers and interfere with team identity. She asks that the symbol be removed from her school's uniforms, but is refused. She values her team, but wonders if she should continue to play on the team if she objects to the sponsors.

Nike, an American company based in Oregon, has 500,000 employees in 55 countries. It has been reported that Nike's subcontractors in Asia violate local labor laws, pay below minimum wages, do not provide safe working conditions, oppose unionization efforts and tolerate child labor. Apparently, children in Pakistan stitch Nike's soccer balls for as little as 6 cents per hour. A U.S. network of child advocates has repeatedly demanded identification and removal of all child laborers, arguing instead for programs of education and rehabilitation for them. However, in many nations throughout the world child labor is a necessary evil – the family needs the children's income to survive. The Christian Science Monitor reported that closing the factories in Pakistan over the child-labor issue would cause economic distress and add to human misery in Pakistan.

Nike's Chief Executive Officer Phil Knight, stated, "Whether you like Nike or don't like Nike, good corporations are the ones that lead these countries out of poverty," in an interview with the Washington Post. He argued that Nike's investment in Asian business has helped countries like Taiwan and Japan. The article also notes that workers in many Nike factories actually like the work. Despite these endorsements, Nike has suffered serious public relations problems based on its labor practices. Nike has invested in improving their image, and has also adopted a Labor Practices Department to investigate mistreatment. The company's measures to improve the working conditions, however, have been called nothing more than a public relations campaign.

The question also arises about whether US activists should focus condemnation of child labor in other countries when in the United States child labor, illegal as it is, still exists. For example, Latino children are known to work in the agriculture industry as members of migrant farm worker families, sometimes under appalling working conditions. There is little enforcement of the time and effort that children in America are forced to work in family businesses, and little review of the tasks that they are expected to perform or the pay that they receive.