

GCSE Geography



Year 11



International School of  
Toulouse

# The Great Big Nike Debate

Name \_\_\_\_\_



## **The Nike Debate – GCSE Geography**

### **International School of Toulouse**

#### **Introduction.**

There has been a great deal of controversy over how U.S. (MEDC) firms should acquire manufactured products from abroad. Some people say that the contracting practices of U.S. firms violate human rights. Others say they are appropriate and tend to improve the lives of the employees in the supplier firms and of people generally in the supplier countries.

The controversy has been particularly intense in the athletic footwear industry. The Nike case in your course packet summarizes this. Our 'Chat-Show' debate will address this issue.

Nike is the world's leading supplier of sports footwear and equipment. The company is relatively new and was founded in 1972 and the company name comes from the Greek word for 'victory'. Nike does not make any shoes or clothes itself but contracts out production to South Korean and Taiwanese companies.

These subcontracted companies then act on their own and re-subcontract their operations in other Asian countries that have low wage structures. Examples of these are Vietnam, the Philippines and Indonesia.

In total there are 150 factories employing 350,000 workers who manufacture products for the Nike brand. The way that the company operates is an example of the New International Division of Labour (NIDL)

#### **Background Tasks**

1. Turn to page 190-191 of the OCR B Textbook (Electronic Copy on Laptops) and complete activities 1-4 in your work books.
2. Create a simple table in your book with two columns. First column title is advantages to Vietnam of the manufacture of Nike products and the other disadvantage to Vietnam .....



## **The Nike Debate**

Two small groups of students will play the roles of Nike executives and activists opposing Nike policies, respectively. The students in the audience will play the roles of Nike employees, shareholders, human rights activists, Asian workers flown to the U.S. by human rights activists and economic development officials of Asian countries. As the information on the previous page shows, Nike has frequently been focused on simple business relationships with its suppliers in Asia (South Korea & Taiwan), while activists believe it needs to show dramatically more concern for the rights and welfare of its employees in the poorer Asian countries. But the situation is complex.

The question under discussion is:

***“Should Nike change its approach to global sourcing?”***

The format of the debate is as follows:

**Opening statements** – One or more individuals from each side summarize their position. Since Nike’s policies have been most controversial, I propose to let Nike’s executives go first and explain why they support them. Each side to speak **6 minutes**.

**Reaction statements** – Each side has **2 or 3 minutes** to rebut or comment on any statements made.

**Open discussion** – The students playing many different roles present their points of view and ask questions to the executives of both sides. **30 minutes**.

**Final summation** – Each side summarizes its arguments. **5 minutes each**.

## **Preparation Additional Data**

For additional data, I recommend you start with the most recent annual reports of Nike and discussion of human rights issues on its web site. The annual report is at [www.nike.com](http://www.nike.com)

***About Nike/Jobs > Investors > Reports & SEC Filings > Fiscal Year 2006 annual report***

Discussion of Human Rights etc. is at

***About Nike/Jobs > Responsibility***

You are welcome to gather data from other sources, but if you wish to use statistical data from other sources you must show it to the teacher before the debate so he can guide discussion if the data is challenged.

Performance will be evaluated based on the quality of your critical thinking – the extent to which you show you understand the situation and the extent to which your arguments are based on and follow logically from facts and existing theories. A grade marking scheme of A\* - G will exist for each of the stakeholders in the discussion.



## Is Globalisation a Good Thing?

**Workers:** TNCs don't care about people only about profit. They just use us for cheap labour. Mostly the jobs we do are bring and the same thing all day with few breaks.

**LEDC Governments:** We need TNCs to help us develop our resources (like oil). They bring jobs and help make people and the country richer.

**MEDC Governments:** We like to see our companies doing business overseas. It makes us more important and we collect taxes on their profits.

**Governments:** Some TNCs are far richer and more powerful than we are. They walk in and do what they want and then move on the minute they get a better deal. No one can control them.

**TNCs:** We're the people who make globalisation happen. We go where workers are cheap or there are lots of people to sell to. Watch our profits grow!

**Workers:** We've got jobs in TNCs so we're lucky, even if they are only sewing and don't pay that much.

**Economists:** When TNCs open up branches in poorer countries it helps them to develop, so we're in favour of globalisation. It breaks down barriers between countries and gives shoppers a good choice.

**Environmentalists:** TNCs pollute the air and water with chemicals. They can get away with it in LEDCs because the governments are desperate to attract them.

**Workers:** TNCs are why we lost our jobs. They used to make clothes here, in our town, but now they make them on the other side of the world where wages are lower.

**Economists:** TNCs take most of the profit back home. Poorer countries don't get much help from them.



I like to wear fashionable clothes

Workers in the fashion industry are badly treated

The fashion industry doesn't cause environmental problems

People who work in the fashion industry are really glamorous

There aren't many jobs in the fashion industry

Adverts force young people to buy expensive brand names

Jobs in the fashion industry aren't very well paid

It's better to have a poorly paid job than no job at all

I'm more interested in what my clothes look like than where they come from

My job title is \_\_\_\_\_

Pro Nike or anti Nike \_\_\_\_\_

