Press Release for Letter to University/College Presidents, Monday, September 25, 2000

Academics Critical of University/College Anti-Sweatshop Decision-Making Process

In a letter sent to university/college presidents on Monday, economists and other faculty members from economics and other disciplines of more than 90 universities and colleges across the country urge more research and broader discussions prior to making decisions by academic institutions to apply Codes of Conduct to American firms manufacturing apparel with university/college logos in poor countries.

"We often encounter news reports of sit-ins by groups of students in the offices of university/college administrators, after which decisions are often made without seeking the views of scholars in the social sciences, law, and humanities who have long researched the issues involved or of a broader campus constituency of fellow students and the entire community of faculty members" stated the more than 200 professors who signed the letter.

Universities and colleges, "of all institutions in [our] society, must promote informed decision-making, " the signers stress.

Among the signers are: Nobel Laureate Robert Lucas; past-presidents of the American Economic Association, Arnold Harberger, Anne Krueger; and Thomas Schelling; past-presidents of the Econometric Society Franklin Fisher and Lionel McKenzie; Distinguished Fellows of the American Economic Association Armen Alchian and John Chipman; and former Chairman of the President's Council of Economic Advisers Paul McCracken.

The letter point outs that:

- Codes requiring wages higher than the above-average levels commonly paid by multinational firms may result "in shifts in employment that will worsen the collective welfare of the very workers in poor countries who are supposed to be helped."

- The mechanisms established by the main organizations with which universities and colleges have signed agreements to monitor compliance with the Codes "may prove uneven and ineffective." "Other certifying and monitoring organizations [or mechanisms] should also be considered."