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Reading Between the Lines: The Business Discourse of Globalization, Using Amway as a Local Example

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READING BETWEEN THE LINES: THE BUSINESS
DISCOURSE OF GLOBALIZATION, USING
AMWAY AS A LOCAL EXAMPLE

by

Darlene Bos

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Darlene Bos
READING BETWEEN THE LINES: THE BUSINESS DISCOURSE OF GLOBALIZATION, USING AMWAY AS A LOCAL EXAMPLE

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Western Michigan University, 2000

Corporate globalization has become an increasingly discussed topic. The impacts of corporate globalization have been studied on many fronts. This thesis seeks to examine how these worldwide impacts are tied to the individuals in the U.S. that consent to and comply with corporate globalization. This thesis is specifically concerned with the impacts of corporate globalization on workers in the U.S. and around the world. Discourse is the way in which information and ideas are expressed and shared. Discourse is the key to understanding the ideology behind corporate globalization. This thesis looks at the discourse about globalization within one company, Amway. Discourse is examined in three ways, literature about the company, the Amway Museum, and personal interviews with employees and distributors. This project seeks to illustrate the ideology behind corporate globalization from the perspective of individuals involved in the corporate world at middle level positions.
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CHAPTER I

INTRODUCTION

Around the world there are millions of workers barely able to survive on their wages, working under unhealthy and unsafe conditions, and prevented from collectively bargaining to improve their positions. These conditions are a product of corporate and political globalization. Many multinational corporations seek the cheapest possible labor overseas. This process has been discussed by scholars in terms of its impact on workers in the U.S. and in terms of its impact on workers overseas. My research adds to this work by taking a slightly different angle. I will examine the discourse about globalization within one U.S. company in order to understand how globalization is discussed within the company and how it is presented to the public. In particular, I will look at questions concerning the dialogue between the company and its employees, between employees themselves and the dialogue with the public about overseas manufacturing.

Discourse is language and literature that expresses the beliefs and values of individuals or groups. I include visual images as a form of discourse because images also express beliefs and values. Furthermore these beliefs and values are tied to those of society. Individuals express beliefs and values that are tied to different ideologies, whether they represent that of a dominant or subordinate group. Christina Schaffner asserts that many scholars see discourse as an observable form of ideology (1996:2).
Teun Van Dijk states that through the use of discourse "people routinely derive and support their specific opinions relative to the principles of social attitudes and ideologies of their group, or to the underlying norms and values of society and culture generally" (Van Dijk 1996:16). However ideologies are not always so uniform and we must recognize and identify contesting ideologies through contesting discourses. Through the examination of discourse from a group or between individuals we can attempt to understand what beliefs and values are held by these individuals and groups. We can also identify underlying ideologies.

Michel Foucault (1991:63) states that “alongside everything a society can produce...there is a formation and transformation of ‘things said.’” In this thesis I seek to examine the “things said” about this process called globalization which society has produced. I do this specifically by looking at what is said within one company about globalization. Furthermore, I seek to examine these discourses in the context of globalization. It is because of the processes of globalization that are occurring that this discourse is significant and meaningful. Foucault says that there are three consequences of examining discourses in their exteriority. The first is that discourse is not a commentary but a monument (1991:60). The second is that it is not the structural laws of discourse that need to be investigated but the conditions of existence the discourse (60). Third, discourse must be related to “the practical field in which it is deployed” (60). It is the latter two consequences that I am concerned with here. I seek to examine Amway’s discourses of globalization in relation to their actions. The discourse is necessary because of the company’s practices, therefore
what those discourses are and how they are presented relates directly to the conditions
that exist within the company. Secondly, I am interested in how these discourses are
used Amway. The company wants people to believe certain things about its practices.
The company uses discourse to achieve this goal.

The discourse about global expansion is one key to unlocking how people
come to believe in, and trust, multinational corporations. I believe that if we
understand how the U.S. businessperson articulates her/his beliefs and understandings
about third world labor and the market economy, the ideologies behind them and how
these beliefs are presented and spread within corporate culture, we can better
understand how these unequal economic conditions come about and why they are not
challenged. It is important to focus not just on the issue overseas, but also to focus on
the causes of the overseas problems that begin here within the heart of the companies
and the corporate culture that has helped to create and sustain the situation.
CHAPTER II

METHODS

In order to understand discourse in Amway, we must examine the many forms in which it is expressed. In Amway discourse about globalization is expressed in writing, public speeches, visual messages and daily conversations between individuals.

I look at discourse within Amway and between Amway and the public through three separate mediums. First, I examined the official discourse of Amway through the literature about the company and produced by the company or its founders. Next, I examined the visual discourse of the company through its Museum in Ada, Michigan. Then, I looked at the unofficial discourse of the company from the individual aspect of discourse through interviews that were conducted with current and former employees and former distributors.

These discourses can further be separated into 2 categories; official and unofficial discourses. The official discourses are those produced by Amway or that are sanctioned by Amway. These include the Amway Museum. This is a free Museum that is open to the public and is housed in the Center for Free enterprise, which is part of the large Amway complex in Ada, Michigan. Another form of official discourse in Amway are Amway “functions.” These are large events held several times a year where thousands of Amway distributors attend to be informed, entertained and inspired. The third form of official discourse about Amway are the
books that have been written by the founders of the company or are written by outside authors and are widely excepted by the company. Evidence that the books that are written by outsiders and are friendly to Amway is that distributors are encouraged to read them and they are often sold at Amway “functions” along with other Amway literature that is written by the founders or Amway distributors. I examined four books in detail that are part of the official discourse of Amway. The first book is by co-founder Richard M. Devos (1993) and is entitled Compassionate Capitalism. The second was written by Charles Paul Conn (1977) and is entitled The Possible Dream. I also looked a second book by Conn (1985) entitled Promises to Keep. Finally I looked at Empire of Freedom by James W. Robinson (1997). These forms of discourse will serve as my evidence for official discourses in Amway.

The unofficial discourse consists of literature and speech that is not produced by, or officially sanctioned by, the company. This includes a book by Steven Butterfield (1985) entitled Amway: The Cult of Free Enterprise. Butterfield is a disgruntled former Amway distributor who wrote about his experiences in Amway. This book paints Amway in a negative light. I used Butterfield's book as information from outside the company to counterbalance all of the positive images of Amway with this contested discourse. I also used an article about Amway by Burnstein and Lauerman (1996) from Mother Jones Magazine. This article has been used in this thesis in a manner similar to Butterfield’s book, to show contested discourse about Amway. The final forum of unofficial discourse I have utilized in this paper are the six interviews I conducted with current and former Amway employees and distributors. The discourse expressed in these interviews are considered unofficial
discourse because they express views from individuals' perspectives. I will use both official and unofficial discourses as valid data about the discourses in Amway.

I began my research with an intensive survey of literature about Amway. I consider all of these texts to be official discourses. DeVos' book (1993) expresses the moral stance of the founders and illustrates how this moral stance is put into play in the company. This book could be classified as 'self help'. DeVos lays out a path for personal freedom in the form of Amway. I also read two books by Charles Paul Conn (1977,1985), who is not an employee or affiliate of Amway but writes about the company in a very positive way. James Robinson (1997) is another author who writes inspirational books about Amway but is not officially affiliated with the company.

This body of literature provided me with the view of Amway that it presents to the public in the form of the written word. This literature is also frequently read by Amway distributors. Conn's (1977, 1985) books, Robinson's book (1997) and DeVos' book (1993) were mentioned to me on several occasions by employees and distributors and they were among the books being sold at the Amway function I attended. It is the same written information that the distributors use when shaping their views of the company.

Another form of official discourse that Amway has with the public and with its distributors is the Amway Museum. This Museum presents a history of Amway as well as information about the company and its prospects for the future. The entire second half of the museum is dedicated to showing Amway's involvement on a global scale. I examined the messages that the Museum displayed about the company, its
founders, and its global initiatives. I did this by taking note of common themes throughout the Museum, looking at the images and words used to represent things, and by noting the absence of issues such as depictions of overseas labor. The discourse expressed in the Museum was helpful in understanding how the company portrays itself and how Amway's role in globalization is portrayed.

In addition to the analysis of discourse in these areas I attended an Amway rally, also called a “function”, the weekend of February 4-6, 2000 in Indianapolis, Indiana. Thousands of distributors attended this event. During this weekend I was immersed in the Amway culture. At this rally thousands of Amway distributors gathered to celebrate and inspire one another’s achievements. There were many speeches given, along with awards ceremonies and entertainment. The purpose of my participation in this experience was to add to my understanding of the “Amway culture” as a whole and so enrich my analysis of the discourse on globalization within the company.

To examine the unofficial discourses in Amway I looked at the book by Stephen Butterfield (1985). This text is not sanctioned by Amway and is not nearly as kind to Amway. Butterfield was a former distributor and was quite disgruntled with his experience in the company. However, I felt that his book was helpful because it provided background information about the company that might not have been available in a book written in a positive light. Butterfield’s book provided information on the workings of Amway that was not published in the official discourses of Amway, such as the set up of labor at the Amway factory in Ada. It also provided critiques of Amway that were not present in the official discourses. I
used this book as a source of information about Amway that contested the official discourses.

Another form of unofficial discourse is the personal expression of individuals in conversations. To examine this type of discourse I conducted interviews with current and former Amway employees and distributors. These interviews gave me insight into the perceptions that people involved in the company have about the company and globalization. They also illustrated how these issues are discussed among individuals who are involved in the company. This form of unofficial discourse both confirmed and contested the official discourses of Amway. This provided me with a view of what information from the formal discourses was being integrated into personal unofficial discourse and what was not.

I contacted some of my interviewees through two of my current acquaintances. Other interviewees were contacted either by cold calls or through recommendation by interviewees. I conducted six interviews between October 5, 1999 and November 10, 1999. Two of the interviewees were former Amway distributors, two currently work for Amway in the International Relations Department, one works in the Public Relations department, and one is a former manager for the Amway Grand Plaza Hotel in Grand Rapids, also a part of the Amway Corporation.

The interviews took place either at the interviewee's home or place of business. The interviews lasted between 45 and 90 minutes. They were loosely structured. I asked open-ended questions and personalized follow up questions, responding to the answers I received. Before each interview I wrote up a few
guideline questions for each interviewee. These questions were tailored to the interviewee's position in the company. The interviews were tape-recorded. They were later transcribed.

Additionally, I wanted to examine Amway's discourse within the context of the larger business world. Amway has a unique business culture, yet it is not isolated from the rest of the business world. There are prevailing ideologies in the business world about globalization that are expressed in business discourse. I sought to identify some of these prevailing ideas and compare these to Amway's discourse to find overlaps and differences.

I looked at 19 articles from business-oriented magazines to get an idea of the discourse about globalization in the business world in general. These articles were written between 1987 and 1999. I drew them from 8 different magazines: CFO: the magazine for chief financial officers, Apparel Industry Magazine, Harvard Business Review, Bobbin, Textile World, Business Week, Forbes and Industry Week. I found the articles by searching under globalization and overseas manufacturing on the First Search engine. After choosing and reading these articles I drew out terms and concepts from these articles that I felt were representative of discourse about globalization. I then compared these concepts about globalization to those found in Amway's discourses about globalization. I that discourse in Amway shared many of the same concepts as the discourse in the larger business world.

Through the use of discourse analysis I am looking at ideologies that are perpetuated within the corporate culture of Amway and by the dominant class of individuals in Amway to their subordinates and to the public. In many cases
individuals then accept these ideologies and incorporate them into their worldview. In examining how these dominant ideologies are incorporated into individuals’ worldview I am examining hegemony. The concept of hegemony and how it relates to this thesis will be discussed in the following chapter.

This research relies on the interpretation of various forms of discourse. Interpretation itself is unreliable and imprecise. It can be shaped by individual experiences, knowledge, and judgments. The interpretation of discourses is not only filtered through the researcher making the final interpretations, but also through the informants, the authors of written and visual material, and the sources of their information. Therefore, we must be cautious about interpretation and recognize that it is not fact. Instead, it is a useful tool for looking at the dissemination of information, ideas and beliefs precisely because they too are a product of interpretation based on personal experience, knowledge and judgments. Therefore, we should use the interpretations provided by myself and others that are presented in this paper as human insight that can be used as a tool of understanding, rather than as fact or fiction.
CHAPTER III

THEORY

Hegemony

To explore how certain ideals become dominant in Amway’s discourse and how these ideals are accepted by people, I will examine the discourse of Amway using the concepts of ideology and hegemony.

Raymond Williams (1977) describes Antonio Gramsci’s concept of hegemony as “a lived system of meanings and values... It thus constitutes a sense of reality for most people in the society, a sense of absolute because experienced reality beyond which it is difficult for most members of the society to move, in most areas of their lives”(110). Capitalism in the U.S. is such a system. It is accepted so widely and completely that it is never seriously contested, and those who do contest it are not taken seriously. Curiously, even the people who are suffering because of capitalism rarely contest it either. Instead many lower class people come to believe that capitalism is the natural state of things and that if they work hard enough they will one day be rich.

Ideology is distinguished from hegemony in that it can be contested. John Comaroff (1992) defines ideology this way, "ideology describes 'an articulated system of meanings, values, and beliefs of a kind that can be abstracted as [the] worldview ' of any social grouping" (p.29). Ideology, in contrast to hegemony grows
from a specific social group rather than the totality of the societies' beliefs and therefore it is changeable and often openly contestable.

We will see in Amway that capitalism itself is hegemonic and therefore not contested, rather it is strictly adhered to and seen as the ideal. However, the form of capitalism can be equated with ideology in that it is openly contested. In particular, in Amway the common ideal that individuals in capitalist societies succeed by working for others or selling their labor to a corporation is rejected. Instead, the dominant ideology in Amway sees the concept of the independent business owner as the ideal. Amway distributors are told that they work for themselves, not a large corporation. This ideology, along with that of global expansion, is then incorporated into individuals' worldviews.

While Comaroff (1992) has pointed out that ideologies are contestable, they are not equally contestable. Ideologies of the dominant are less contested than those of subordinate groups. James Scott (1990) discusses how over time dominant ideologies cease to be just ideologies and become hegemonic. Scott describes the concept of thick hegemony as “a dominant ideology works its magic by persuading subordinate groups to believe actively in the values that explain and justify their own subordination” (1990:72). This persuasion can come in many forms, a bombardment of propaganda or scapegoating another group for example. Individuals may also choose to accept the ideology presented to them because they feel that they have no other realistic options. Scott (1990) calls this process of resignation the thin theory of hegemony. According to this theory, people accept the dominant ideology because an alternative one is understood as unrealistic. This defeatism plays a role in
corporate discourse. When individuals choose to believe in corporate ideology they may see the choice of active resistance as futile. Many people feel that there is nothing they can do about terrible labor conditions and so they would rather live with an ideology that justifies or ignores them.

A further reason to accept dominant ideology is the implicit/explicit promise of actually succeeding within it, thus becoming wealthy, powerful or both. Scott (1990) points out that even in hegemonic systems there may exist possibilities for some of the people under subordination to eventually be in the powerful positions at the top. This is the case with Amway. Amway is promoted as a company where anyone has the chance to succeed. The success of others, some of them once poor, is flaunted as proof that anyone can eventually become wealthy. The people are then willing to accept the dominant ideology because they will eventually be successful.

Another reason that individuals may chose to accept a dominant ideology that justifies and ignores the conditions of overseas production is that they are privileged by those conditions, and to challenge the situation would be to lose their privilege. Borrowing from Lipsitz' (1998) idea of “investing” in privilege, we can see that people in Amway are invested in the privilege they have over workers. George Lipsitz (1998) discusses the "possessive investment in Whiteness." Lipsitz claims that White people in the U.S. do not challenge racial discrimination because they are privileged by it. Similarly, being the benefactor of an unseen person's labor provides corporate employees with "resources, power and opportunity" (Lipsitz 1998: vii). Lipsitz claims that this investment is "possessive" because once people have advantages provided to them they seek to keep them. When profiting from another
person's labor, one is being given an advantage over that person that is difficult to give up. To give up these advantages would mean losing their profit from them. Lipsitz says that to get out of the possessive investment in Whiteness, whites must "disinvest and divest themselves of their investment." (1998: viii) This requires action on the part of the privileged. However, it is much easier for people to take advantage of this investment. This is precisely what many people are doing when they choose to accept the propaganda of the company and take the opportunity to benefit from the system themselves.

Individuals choose to immerse themselves in and believe the discourse of the corporation. This discourse then allows them to ignore the conditions of the human beings from whom they profit, and to believe in an ideology that poverty is a choice. To deny this opportunity and challenge the workings of the system is to give up the advantages that might accrue if the system works for you.

Ethnography

In the last two decades cultural anthropology has been going through what George Marcus and Michael Fischer (1986) call a “Crisis of Representation” as ethnographers struggle with how to conduct fieldwork and write ethnographies in a way that best represents and serves their subjects and readers. Do we try to be objective observers, or at least give the illusion of objectivity as was the norm throughout the history of anthropology, or do we recognize our subjectivity and deal with it through our writing?
In the introduction to *Writing Culture*, James Clifford (1986) asserts that there can be no truly objective ethnography. The ethnographer’s position in the field, experience and what and how it is written down are all effected by history, personality, age, gender, relationships, etc. Therefore we can never know any “truths,” because all “truths” are partial.

In recognition of the failure of the ‘objective’ ethnographer, Marcus and Cushman (1982) advocate ‘experimental ethnographies.’ This approach to ethnography differs from traditional ethnography in several ways. George Marcus and Dick Cushman (1982) characterize traditional ethnography as having a false sense of objectivity, which is expressed through a third person omniscient narrator, and which relies heavily on generalizations. On the other hand, experimental ethnographies ought to be self-reflexive, that is, the ethnographer expresses in the text personal feelings, biases and experiences which may have affected the ethnography. Furthermore, these ethnographies are dialogic in that they treat the informant/anthropologist relationship as a interactive one rather than simply the subjects’ informing the ethnographer. In the dialogic method there is recognition of how the informant affects the ethnographer and the ethnographer affects the informant. Marcus and Cushman (1982) also call for multivocality in experimental texts. Multivocality allows the informants’ voices to be heard in the ethnography, even when they may contradict the ethnographer. These are all elements that may or may not be used in experimental ethnographies. The most important element of the experimental ethnography is that it must recognize and acknowledge that the ethnography is not objective truth and the ethnographer cannot be an objective observer.

Activist and feminist ethnographies have a unique place in this debate. These
ethnographers do not entertain the pretext of objectivity or even neutrality. Following in the footsteps of feminist anthropologists, activists anthropologists take subjectivity to a new level by getting involved on their informants’ lives and struggles. By getting involved, I mean taking action in some form. This action can be in the form of political involvement, raising public awareness, or working with a group of informants and/or other activists to accomplish various goals. “As Anthropologists, we have never had to look far to see violations of human rights. Substantial evidence of systems of inequality and the denial of basic rights can be found at sites of our excavations, as well as in our studies of the physical characteristics and the languages of various peoples” (Cole 1995 : 445). Johnnetta Cole said these words to encourage her colleagues to take up the cause of human rights in their work as anthropologists. Increasingly anthropologists have been becoming active champions for human rights and have been encouraging their colleagues to do the same. Nancy Scheper-Hughes (1995 :420) calls for a “barefoot” anthropology. She argues against a moral relativism, saying that anthropologists should get involved in the political, economic and moral struggles of our subjects. Some of the ways in which she suggests that anthropologists do this is by writing books that “go against the grain,” that make a political and moral statement and are accessible to our subjects (1995 : 420). She also suggests that anthropologists become more than friends to their subjects, but comrades, joining them in their struggles, even using proceeds that the anthropologist has gained through writing about the lives of her/his subjects to support the actions of these people (420). Lynn Wilson (1988) also calls for anthropologists to use activism in their fieldwork and writings. Wilson does this in her own work by living amongst activists in her fieldwork and fighting for justice alongside them.

Activist and feminist anthropologists engage with the issues that effect their
informants' lives. They take a political and ethical stance on issues, rather than attempting to remain neutral. While Marcus and Cushman (1982) recognize that no ethnographer can be neutral, activist and feminist ethnographers act on their political and ethical positions. Therefore they must be aware of how this action is affecting the way they conduct fieldwork. While this is an important issue for most anthropologists, it especially important for activist anthropologists because they have an agenda of activism and this is a large part of their work throughout the entirety of fieldwork. As activists they are faced with many issues not explicitly dealt with in traditional fieldwork. In consultation with informants they need to make decisions about what is best for people and how to go about achieving those goals. Furthermore, because they are activists they are faced with new situations which may be difficult or dangerous for their informants, and they must be sensitive to these situations and try to work with and around them.

I feel that it is important for me to express my experiences. The reader of this thesis needs to understand what the circumstances were in which I gathered this information and what my biases are. This will allow the reader to evaluate the information I am providing in the context of how it was gathered. As an anthropologist I am a biased observer. However, this does not mean that useful information can not be gleaned from this study, rather that information needs to be evaluated by the reader with these biases known.

I am not an activist anthropologist in the same way that Wilson or Scheper-Hughes are. I am not working with the people who are being hurt, I am working with the culture that helps to create the situation. However, I am using the information I gather in this project to aid activist work on behalf of workers around the world. This is the main goal of this thesis. To be used as a source of knowledge about the
discourse in the corporate world about globalization. This discourse is something that labor rights activists must deal with and contest everyday. Activists will be more equipped to contest this discourse when the discourse, how it is disseminated and accepted is better understood.

My desire for activism in the field of labor rights has shaped this thesis. I am a labor rights activist and I have spent this last year as a founding member of the United Students Against Sweatshops at Western Michigan University. In this organization I have gathered data on labor conditions around the world, I have given lectures on what is wrong with global capitalism in the way that it is used today, and I have helped to get the University President to sign onto the Worker's Rights Consortium, which is a monitoring system for factories overseas which make collegiate apparel. These experiences have cemented my belief in the cause of worker's rights around the world and my disdain for the corporations that have created inhumane working conditions and the neoliberal policies that have sustained these conditions.

This created a conflict for me as I entered the corporate world for my research. In this project I was working on an issue that was very close to my heart. However, I was primarily looking at the other side of it. I was trying to understand the discourse that surrounds the issue of third world labor within the corporate world that has created this problem. At the same time I was immersed daily in images of third world labor and the horrible conditions that it has created for workers in the U.S. and around the world. The activists I was surrounded by saw any company that used third world labor as evil, and the people that work for them as tools of evil. I have a tendency to see the corporation of Amway in a negative light. However, I had to separate the people that worked for Amway and the Amway distributors that I came in contact
with from the negative things that the company has done. I realized that these people believed what they were told and were not equipped with the same kind of knowledge about globalization that I was. I came to see them as innocent pawns. This may not be an accurate characterization of these individuals or how they feel. However, for me it was a way to separate them from the company and so not to resent my own informants. My intention was never to blame my informants for actions that they are not directly responsible for or even aware of. My informants were very honest with me, they trusted me. I trusted them to tell me what they knew.

However, I felt like an interloper, as many anthropologists do in their fieldwork. I can remember going to the Amway Museum for the first time. I didn't even take my notebook in with me. They happily told me I could take as many pictures as I liked. As I walked through the museum taking pictures I felt strange, like some sort of spy. I would look to make sure no one was watching each time I took a picture.

The first time I had an interview in an office building at the headquarters, I also felt like a spy. I was sitting in this beautiful waiting room in a pair of khakis, a nice blouse and a business jacket. I was sitting there thinking that I didn't belong here. In my daily clothes I would stick out like a sore thumb. I kept thinking that someone would see right through me. I was afraid they were going to ask me if I was a labor rights activist and I would have to tell the truth. I had this completely irrational fear that they would point at me and shriek "hippy in our midst" and a squad of security agents would drag me out of the building. I realize that all of this seems ridiculous now. Some of my informants did know that I am a labor rights activist and didn't care one bit. They thought it was a good thing. I was not there to deceive them or spy on them in any way. However, at that moment I felt like a deceitful spy.
This same feeling filled me again when I went to the Amway function in February. I felt like a cynic among true believers. Everyone treated me so well and I felt terrible because I was investigating a company that they loved so much. What was interesting about this was that the people I went with knew that I was doing this project. They didn't care. They just wanted to help me out with my project. They were completely confident that I would find out only good things about Amway. Even though I was honest with all of the people I came in contact with I could not shake the feeling of deceit. I realize now that it is a symptom of guilt. It is difficult when people believe something so much and you can't believe it. I think that it is the same kind of guilt that some of my friends have experienced as children who have lost their faith in religion but their parents stay faithful to that religion. They feel like their personal beliefs are betraying their parents. It happens all the time. Each time I tell a friend about how their favorite pair of Nike's was made and they get angry at me, I feel guilty. Not everyone wants to know what is happening in the world and those of us who do know some of the terrible things that are happening have to bring it to people and make them look at it and sometimes they hate us for it. It is not easy to believe something so strongly and to study it.

Another really hard experience for me was that the night before I left for Indianapolis to spend the weekend at an Amway function, I discovered that an unknown number of jobs were going to be cut at the Ada, Michigan plant. I became very angry. I sat in my office staring at the report, and I hurt. I didn't know how to deal with this information. I hate when companies betray their employees. And I knew that Amway had just opened a new plant in India. No explanation was going to satisfy me. Now I was stuck. All of my allegiances go to those laid off employees and none go to the company that hurt them. Now I was going to spend a weekend
trying to do participant-observation at this function with all of this anger bottled up in me. I went, and I tried really hard not to be angry. I think I got some good insights from that experience. But I can't help but wonder how it would have been had that not happened the night before. As an anthropologist who chooses sides I could not take the news of the lay-offs as information to add to my collection. It affected me, and I had to deal with that and go on.

These feelings are important to understanding this project because they shaped my actions, my emotions, and the way that I wrote. There may be times when I have held back in my writing, afraid to say some harsh things, afraid that my view of these issues is colored by my anger. There may be other times when I am too harsh, too assuming, because I see the worst in corporations, I am often not willing to give them the benefit of the doubt. Like all ethnographers, my own personal issues color my observations, interpretations and my writings. It is for this reason that I have presented them here, to show the reader how my feelings have colored my research.
CHAPTER IV

REVIEW OF WORK ON GLOBALIZATION

The "free market economy" is an ideology that is a cornerstone of neoliberal policies. Neoliberal policies create a political and economic atmosphere around the globe that is conducive to corporate expansion. Neoliberal policies allow corporations to move around the globe seeking the cheapest labor. These practices impact workers overseas and workers in the U.S. I will discuss the nature of neoliberalism and the effects that it has had on workers around the world.

In the past two decades there has been a rise in the globalization of capitalist production. This is directly related to the increasing use of third world labor by U.S. based multinational corporations. According to Barry Bluestone and Bennett Harrison (1982) this took the form of disinvestment in the United States, which began in the 1980's. Disinvestment refers to companies taking investment capital out of the U.S. and investing in production overseas. They assert that U.S. companies sold their manufacturing patents to foreign customers for a quick profit thereby creating their own competition. Rather than using innovation and development to compete, they chose to cut costs through disinvestment. This allowed corporations to cut labor and tax expenses and so conserve, or even increase profit. Steven Gregory (1994) also describes this shift from worker-oriented production to profit-oriented production.
Technological innovations were employed to increase productivity, while wages, benefits and collective bargaining power of workers were reduced. Through corporate relocations, capital aggressively pursued low-wage nonunion labor in sunbelt areas of the United States, as well as in locations overseas. (Gregory 1994:25)

According to Donella Caspersz (1998), Noam Chomsky (1999) and Robert McChesney (1999) the reason that corporations have the power to move around in search of cheap labor is because of the neoliberal policies and practices or as Chomsky calls it “the Washington Consensus.” The prevailing ideology behind neoliberal practices has become a dominant ideology in the last two decades. It has been virtually unchallenged by mainstream politicians, economists, media and academia. Chomsky (1999) defines neoliberalism as

an array of market oriented principles designed by the government of the United States and the international financial institutions that it largely dominates... The basic rules, in brief are: liberalize trade and finance, let markets set prices..., end inflation..., privatize. The government should 'get out of the way' – hence the population too, insofar as the government is democratic... (19-20).

The principle of free trade allows corporations to do whatever is necessary to maximize profit and the governments must not only comply with this strategy but help to clear the way. Governments' compliance with these policies are often forced through restriction placed on aid, usually given by the World Bank or the International Monetary Fund (IMF). In order to receive aid from these organizations, countries must comply with various rules. These rules often apply to how the money will be spent and what kind of trade policy the country will uphold. Many governments, including the U.S. government also support free trade in the form of support for the WTO (World Trade Organization) and NAFTA (North American Free
Trade Agreement). The mission of the WTO is “exporting American values” (Chomsky 1999: 65). These ‘American values’ Chomsky refers to are the equation of free market economy with the U.S. version of Democracy. The U.S. version of Democracy is based on a strictly capitalist economic strategy that encourages total market freedom for corporations and discourages social welfare. As the U.S. pressures countries into its version of Democracy, through the use of the IMF and World Bank, it is simultaneously pressuring them into the free market economy. The task is to get other countries to comply with, and even serve, the free market economy. Specifically, this means allowing U.S. and European multinational corporations to operate in their countries, and allowing the privatization of public services such as utilities.

How then did neoliberalism become accepted by the U.S. public? According to Chomsky (1999), neoliberalism is presented by its promoters, through media, propaganda, and information as the only viable economic strategy. Any form of socialism or communism is presented to the public as unviable and unDemocratic. Furthermore, according to McChesney (1999), “neoliberalism operates not only as an economic system, but as a political and cultural system as well” (9). The free market economy becomes the free market society. Profit is considered the key element in Democracy and so Democracy becomes equated with a free market economy (McChesney 1999). Chomsky (1999) illustrates this when he discusses how the attempt to protect domestic markets was seen as a barrier to Democracy in many Latin American countries by the U.S. government. Furthermore, McChesney asserts that
when a culture is immersed in the ideology of the free market economy, consumerism
becomes an important characteristic of the society's citizens. McChesney (1999)
states that, in this society, “[I]nstead of citizens, it produces consumers. Instead of
communities, it produces shopping malls. The net result is an atomized society of
disengaged individuals who feel demoralized and socially powerless” (11).

McChesney is essentially saying that when neoliberalism becomes a dominant
ideology, as he suggests that it is in the U.S., the masses are subjugated to it. They
are in essence living the reality of a neoliberal economy that subordinates them to the
will of corporations.

These neoliberal policies that allow corporations and monetary agencies (IMF,
World Bank), to determine the economic and social landscape on a global front have
social, political and economic consequences, both in the U.S. and overseas. In the
U.S., neoliberal policies have had the effect of shifting manufacturing centers out of
cities where they had previously been operating, sometimes for many decades, to
impoverished areas where wages are lower. When manufacturing centers are lost,
jobs and revenue are lost.

This shift in labor effects the workers in the U.S. who are losing their jobs and
their wages as they compete with workers overseas who are making wages far below
the living standard, working in inhumane and unsafe environments and prohibited
from participating in collective bargaining. This is a product of the deindustrialization
of the U.S. that has resulted from these neoliberal policies.
Bluestone and Harrison (1982) assert that this deindustrialization of the U.S. has effects that go beyond lost jobs and decreased wages. They suggest that when manufacturing facilities close down they affect families and communities on a much deeper level. Workers and their families suffer from financial, emotional, and health problems due to the loss of jobs and the financial crisis that it causes. Furthermore, they insist that communities lose valuable revenue when companies leave. They offer the illustrations of Detroit and Cleveland, both cities that nearly fell into bankruptcy after manufacturing facilities that were a major source of revenue left (Bluestone and Harrison 1982).

Michael Moore (1996) is a labor rights activist who uses his home town of Flint, Michigan as a prime example of a city that was economically and socially devastated after General Motors closed several manufacturing plants in the 1980's and 1990's. Moore (1996) explains the dire situation for working class Americans because of deindustrialization,

Today, we're actually earning less than we earned, in real dollars, in 1979! Millions of people officially are out of work - 7,266,000. But the Bureau of Labor Statistics and the Census Bureau estimate another 5,378,000 are also unemployed but uncounted. Another 4,500,00 more are working part-time but looking for a full-time job. And then there are the 2,520,000 Americans who are working full-time and earning a wage that is far below the poverty line. That's nearly 20 million people who cannot make the bare minimum they need to survive! (Moore 1996 :9, emphasis is author's own)

Despite reports that the U.S. economy is soaring and unemployment is at an all time low, Jared Bernstein et al (2000) examined income trends in all 50 states in the U.S. and found that the disparity in income levels is increasing. The prosperity
that is so heralded is being felt by only one-fifth of the population while the other
four-fifths are increasing at a very slow rate or actually decreasing in income level.

Nationwide, from the late 1970's to the late 1990's, the average income
of the lowest-income families fell, by over six percent after adjustment
for inflation, and the average real income of the middle fifth of families
grew by about five percent. By contrast, the average real income of the
highest-income fifth of families increased by over 30 percent. (Bernstein
et al. 2000:vii)

According to Bernstein et al. the main reason for this income disparity is a
wage disparity. Manufacturing jobs are declining as corporations move overseas and
low wage service jobs are becoming more common. These jobs have weak unions or
no unionization. This produces a situation in which workers are vulnerable and have
no way of demanding wage increases through collective bargaining. This leads to a
decline in real wages for the lower and middle income portion of the nation.
Conversely, the upper-income strata benefits from globalization and lower labor
costs, producing higher profits and higher saleries. This income increase for the
upper fifth of the nation creates the illusion of a healthy economy while the middle
and lower income portions of the nation are stagnant or decreasing in income.

According to Robert E. Scott (1999) NAFTA has caused 440,172 Americans
to lose their jobs between 1994, when NAFTA first took effect, and 1998. Job loss
due to NAFTA has affected every single state in the U.S. Furthermore, over three­
quarters of these lost jobs were skilled manufacturing jobs, where individuals with a
low level of education could earn a good wage and benefits. Scott points out the
affects of NAFTA reach beyond the individuals who have actually lost their jobs.
Many U.S. employers have been winning wage and benefit concessions from their workers simply by threatening to shut down and move production to Mexico. The percentage of firms that move rather than continue to bargain with workers has tripled since NAFTA's inception. (Scott 1999:4)

These authors insist that it is the free market system, in which corporations have more power than laborers, that led to these conditions in the U.S. However, these neoliberal policies effect the entire global community which embraces them. When governments in developing nations embrace these policies, workers are often forced to deal with poor working conditions.

In developing countries around the world, workers in multinational corporations face special conditions. Many scholars have documented the conditions in manufacturing facilities in developing countries (Rios 1990, Ong 1987, Casperz 1998, ILO 1985, Barnard 1992, NLC 1999). They have explored the impact of these factories on the workers physically, emotionally, financially and socially. Additionally, these scholars have documented local responses and changes due to the presence of multinationals. Understanding these effects is important for an analysis of the impact that multinational corporations can have when they seek the cheapest labor overseas.

While the presence of multinational corporations in developing countries may appear to be beneficial to the local economy, the local governments often abuse the welfare of workers to attract such companies. For example, Amii Barnard (1992) explored Malaysian labor law and found that it is set up to attract multinationals and not to protect workers rights. This is accomplished in two ways; there is no set
minimum wage, allowing companies to pay workers far below a living wage, and
unionization is strictly curbed. Furthermore, the Director General of Labour can
waive the standards set that limit the workweek to forty-eight hours. The labor law of
Malaysia is evidence that that Malaysian government clearly values the presence of
multinational corporations over the rights of its workers. Barnard states that “the
prevailing governmental opinion seems to be that the benefits of employment
opportunities and earnings are worth the cost of worker rights” (1992: 433).

Charles Kernaghan of the National Labor Committee (NLC) (pers. com. 1999)
reports that in China at the factories that make Teletubbies, young women work 112
hours a week and make a total of $12.02. He calculated the living expenses for
factory workers in China to average $1.75 a day, whereas the average factory wage is
$3.44 after a 70-hour workweek. Nike workers in Indonesia make an average of $.19
an hour. He also reports that workers in a clothing factory in El Salvador make $.60
an hour, which Kernaghan claims is only 80 percent of the living wage for that
country. These workers make about $4.47 a day and it costs the women $2.79 just to
get to work and eat for the day. This cost does not account for childcare, clothing or
rent. The NLC (1999) also explains that companies are making a tremendous profit
from this inexpensive labor. The Liz Claiborne factory in El Salvador pays its women
workers $.58 for a pair of pants that retails for $118 and $.74 for a $198 jacket. “The
wages amount to one-half of one percent of the retail price of the clothing” (National
Labor Committee 1999 : 1). These are not living wages and these workers are living
in squalid conditions (Kernaghan 1999). The NLC asserts that companies could raise the wages of their overseas employees without losing significant profit.

These labor abuses also take place in “developed” countries. Saipan, or the Northern Mariana Islands, is a commonwealth of the United States. It is considered U.S. soil. However, the island is exempt from laws regulating federal immigration, customs and minimum-wage. The lack of these regulations has made Saipan “America’s worst sweatshop” (Global Exchange 1999: 2). This statement was made by an attorney who filed one of three lawsuits that are pending against 18 clothing manufacturers and retailers on behalf of the workers of Saipan. According to Global Exchange (1999), “These companies are accused of violating federal law by engaging in a “racketeering conspiracy” using indentured labor --predominately young women from Asia-- to produce clothing on the island of Saipan” (Global Exchange 1999:1). Collier (1999a) claims that the nearly 40,000 workers in Saipan are subjected to conditions such as forced unpaid overtime, physical and verbal abuse, 12-16 hour workdays, squalid living conditions, and below living wages. Along with these lawsuits, Congress has proposed several bills to remove the “legal loopholes” that allow these conditions to occur in Saipan, however, they face serious opposition from conservative Republicans (Collier 1999b). The case of Saipan is another instance of government legislation that is shaped by neoliberal policies.

Many multinationals seek young women (usually under 30) to work in overseas factories. According to the International Labor Organization (ILO) (1985), women are considered to be ‘cheaper’ than male laborers. This is because in many
developing countries women are not paid equal wages and there are no laws in place to assure equal wages for women (Barnard 1992, National Labor Committee 1999, Rios 1990). There are several reasons for this. One reason is that in many cultures women's jobs are often considered secondary to their duties at home and to their male spouse's income, and therefore they can be paid less (ILO 1985). According to the ILO (1985) there are no established unions or political parties that represent women's rights in many developing countries. Furthermore, according to this ideology women are considered to have lower expectations than men. That is they are more likely to be satisfied with a monotonous dead-end job because of their experience with the monotony of daily housework. Therefore, women are desirable employees because they can be paid less than men. Another reason that women are considered desirable employees is that the management of corporations often assume that women have better manual dexterity than men, which makes them better suited to delicate labor such as electronics work, or weaving. Women are also considered to be more reliable and less likely to fight for their rights or cause trouble (ILO 1985).

Young, single women are specifically chosen because they are less likely to get pregnant and have children (ILO 1985). This reduces the cost of maternity benefits. Unmarried women are more flexible with their time and they are more able to relocate. They are considered to be more efficient workers because they are young. Due to the attitude that women belong in the home, unmarried women are desirable because they are not breaking with gender ideology when they work outside the home. Furthermore, when young women do get married and become pregnant they will leave
their jobs voluntarily, therefore providing a natural turnover, whereby new, young, fresh women will take their place (ILO 1985). Ahiwa Ong (1987) explains how women are viewed as better suited to factory work by “nature and inheritance” (152). This idea that women are suited for this type of work reflects an ideology that places women into an oppressive role and justifies their exploitation.

Ong’s (1987) ethnography of female factory workers in multinational factories in Malaysia documented many changes that the multinationals made on a personal and local level. The main issue in the book is how the Malaysian culture, which includes Islamic beliefs as well as a mix of other beliefs, deals with the contradictory culture of the multinational factory, especially concerning the role of women. Women are chosen to work in these factories partly because of the lower pay, while men, traditionally the ones working outside the home, have higher paying wage labor jobs, or work on family farms. As women leave their natal villages to work, men are left to do ‘women’s work’ and women take on the male role of leaving the home. This effects their culture. Working women do not have a place in society and so society creates myths or stereotypes about them and about their behavior. Working women are seen as nontraditional and in need of control. The managers of the factories manipulate these beliefs. They create a pervasive myth in the guise of “corporate culture” that allows them to control concepts of work both inside and outside the factory walls. Inside the factory this control is physically all-encompassing. Male supervisors monitored women very closely, to the point where men were intruding in toilet breaks. This raised issues in a larger cultural context
because of the Muslim ideology of minimum contact between men and women. To cater to the local beliefs, factory managers added to the control of women outside the factory by helping parents to monitor the behavior of their daughters outside the factory and on the way to and from work. These women were then placed in positions of extreme subordination in all aspects of their lives. Furthermore, factory workers who lived in urban areas away from their villages were demonized through language that described them in ways that implied involvement in prostitution and Western corruption.

Ong (1987) investigated the phenomena of spirit possession on the factory floor. She concluded that spirit possession was a form of resistance by the women to the excessive control of their lives and the inappropriate closeness of male supervisors in the factories (Ong 1988). This ethnography illustrates the culturally intrusive role of multinationals in developing countries. It also illustrates how women are placed into positions of powerlessness and are exploited by multinationals, often using local culture as a tool of this exploitation.

Barnard (1992) addressed the issue of male/female relations of power within the arena of production. She explains that the male supervisors are in positions of control over the female laborers and women are often sexually and physically abused at work. “A survey taken in the plantation industry found extremely high rates of abuse – twenty-one percent of women had suffered physical abuse from male peers or managers, and nine percent had been raped while at work” (Barnard 1992). This type
of abuse further illustrates the powerlessness of female workers in multinational factories.

Another effect of the growth of the free market and the prevalence of neoliberal policies globally has been the growth of the sex trade industry in countries around the world. Women have been economically pressured into the sex trade industry in many developing countries such as Thailand, Kenya, the Dominican Republic and Russia. The sex trade industry is also a part of the global free market economy in the form of business tourism. A large portion of the sex tourism industry is fed by business travelers (Bishop and Robinson 1998). According to Ryan Bishop and Lillian Robinson (1998), the tourism industry in Thailand is based largely on the sex trade industry. Poverty stricken peasant females move to the city and become prostitutes to survive. Bishop and Robinson (1998) claim that the system, which includes the Thai government, multinational corporations and agencies such as the World Bank, intentionally created the conditions which led to the sex trade industry.

One must also try to understand how much intentionality there is in the system, the extent to which national and international economic planning for the tourist industry took account of the conditions of immiseration in the rural areas and deliberately exacerbated them: weakening traditional patterns of land ownership, engaging in deforestation schemes, denying credits for investment in family farms, and manipulating crucial water and irrigation policies (Bishop and Robinson 1998: 94).

Furthermore, Bishop and Robinson (1998) assert that public policy about prostitution caters to the sex tourism industry by overlooking health dangers. The sex trade in Thailand is another industry that is built on the global economy and is reinforced by policies that are meant to serve the free market economy rather than the people.
Along with low wages and the exploitation of women, the repression of collective bargaining and unionization also attracts multinationals to developing countries. As stated before, Malaysian labor law places strict rules on unionization, and many countries outlaw it altogether (Barnard 1992). This type of legislation allows the state to control which workers can organize and it places heavy restrictions on what the organized workers can do. These labor laws are part of neoliberal policies that cater to the multinationals at the expense of the workers. "Legislation was introduced to assure a reliable and docile labor supply for investors" (Barnard 1992: 427). The NLC (1999) reports that union organizers in El Salvador were fired for their efforts. Because government policies cater to corporations, workers have no way to fight inhumane labor practices.

Donella Caspersz (1998) explains that the control exerted over workers in the repression of unions extends beyond legislation. Caspersz insists that the state controls the workers not only through legislation and enforcement, but also through social ideology.

In answering the question of how the neoliberal Malaysian state has controlled EPZ labour and subdued their tendency to form collectively, it is argued that this state (like many Asian states) has achieved this by deliberately fracturing the concept of ‘class’, a cohesive unit of individuals united by their common economic position, both directly through the use of legislative and coercive agents like the police, and indirectly by manipulating workers’ private interests" (256 emphasis in original).

In this case the social consciousness of the workers has been manipulated to further prevent collective bargaining. In Malaysia, the manipulation of workers' private interests comes in the form of promoting divisions along the lines of ethnicity,
nationality and gender. By making the interests of the individual focus on these issues, they fracture the working class as a group. We will see evidence of indirect manipulation later in the way that Amway is set up. In Amway, workers are also fractured by groups, but these groups are based upon status within the company. The prevention of collective bargaining through all of these means is a way to take power from the workers and give it to the corporation.

These various violations of workers' rights are the most often cited reasons (by human rights workers and corporations themselves) for corporations to seek manufacturing labor in developing countries. The neoliberal policies of the last twenty years have created an atmosphere where multinationals can manipulate governments, societies and individuals to serve their ultimate purpose – the lowest possible cost and hence the highest possible profit.
CHAPTER V

REVIEW OF BUSINESS LITERATURE ON GLOBALIZATION AND OVERSEAS PRODUCTION

While Amway is a unique corporation with a unique culture, it is similar to the rest of the business world in many of its goals. Furthermore, Amway promotes Neoliberal ideas through its discourse, as does much of the business literature in general. In the current business climate globalization, especially global manufacturing, has become a common trend. Therefore we can compare Amway's discourse about globalization with that of the larger business world to get a clearer understanding of where Amway stands in relation to the mainstream business discourse. The discourse of globalization within businesses and between businesses and the public can be seen in business literature, both public and private. To get a brief overview of the business literature on globalization I analyzed 19 articles from business oriented magazines. These articles were written between 1987 and 1999. I drew them from 8 different magazines: CFO: the magazine for chief financial officers, Apparel Industry Magazine, Harvard Business Review, Bobbin, Textile World, Business Week, Forbes and Industry Week. I focused my analysis of these articles on two general themes; the language used to discuss labor and the way attitudes and beliefs about globalization are expressed. From this analysis I make conclusions about the larger meaning of these attitudes and beliefs in the business world.
The way in which business literature refers to workers, reflects the attitude towards them. I have found that in these articles workers and the labor they perform are usually discussed in the language of commodity. Terms are used to discuss laborers such as “human capital” and “physical capital” (Krugman 1994: 115), which presents human laborers as machines that make capital for others. Workers from different countries are also compared to one another as if they were products. One article was titled *Is Mexican Labor Really Cheaper?* (Barr 1994) The author proclaimed that, “little attention was paid to what Mexican workers actually cost” (Barr 1994 : 63). A 1997 article in *Apparel Industry Magazine* also compares workers by cost, “Chinese labor costs are currently 27 times lower than U.S. rates, while Mexican labor costs are eight times less” (98). This type of dialogue reflects an attitude towards laborers as objects that can be bought and their prices can be compared. This commodification of people allows management, which benefits from the laborers, to distance themselves from the humans whom they exploit. We will see this type of distancing in Amway’s discourse, as they attempt to make overseas labor invisible.

The second type of discourse about the use of third world labor I found expressed several attitudes about globalization. These attitudes fell into 5 categories; globalization will lead to higher wages for overseas workers, the globalized company is benevolent, overseas manufacturing is good for developing countries, overseas manufacturing is beneficial for companies, and labor rights activists are bad.
The idea that globalization will eventually result in higher wages for workers overseas is common in the business literature. Paul Krugman asserts that, "...an increase in Third World labor productivity means an increase in world output, an increase in world output must show up as an increase in somebody's income. And it does: it shows up in higher wages for Third World Workers" (1994 : 116). A 1991 article in *CFO* emphasizes the good pay, twice Mexico's established minimum wage, free meals and medical benefits that *maquiladora* factory workers in border towns in Mexico receive. A common rationalization for seeking and using 'cheap labor' is that the workers obviously want to work for these wages. Kelly Barron states "They surely pay less than unionized factories in the U.S. On the other hand, they must offer some improvement over other employment opportunities for the workers - if not the workers would leave" (Barron 1999 : 110). This type of rationalization makes seeking out 'cheap labor' seem almost altruistic on the part of the management.

This attitude ties into the assertion that the globalized company can be benevolent. A 1998 article in *Apparel Industry Magazine* describes how Nike has contributed to the health and development of a U.S. town, Memphis, Tennessee. It highlights the 1,700 jobs Nike provides and its one million-dollars in contributions to local charities. By emphasizing the 'goodness' of the corporation it takes the focus off of the criticism Nike has received for its overseas labor practices. Of these 19 articles, none of them gave examples similar to this one where the companies provided so many good things to a third world nation. The lack of this kind of example could be an indication that corporate benevolence overseas is not a common
occurrence. This indication differs significantly from Amway, in which discourse about the benevolence of the company is extremely common.

A third form of discourse expresses how overseas manufacturing is good for third world countries. In an article that praises NAFTA the author expresses how maquiladoras in Mexico are not only beneficial to the U.S. companies they manufacture products for, but are also beneficial to the Mexican economy. "‘It’s the perfect combination’ says Zeledon Guiterrez, ‘Apparel companies can relocate their assembly functions to Mexico, where skilled labor is vastly less expensive than in the United States. The arrangement is productive and beneficial to both countries’" (Navarrete 1997: 94). Again the companies are being praised for helping third world countries to improve their economy.

Overseas manufacturing is of course also beneficial for multinational corporations. This is emphasized many times in the business discourse about globalization. Globalization is often talked about in terms of being ‘good business.’ This attitude is very prevalent in business discourse and thought. Globalization is rarely questioned and often globalization is held up as something to be emulated, something that all companies should do. As we will see with Amway, this is a very common attitude within the corporation. An article in Business Week discusses the good move that Mattel made with offshore production. “Slimming down Mattel and moving its operations to countries with cheaper labor will almost certainly attract serious buyers”(Flynn 1987:61). A 1997 Textile World article explains that for U.S. companies to be successful they must utilize overseas production (Morrissey). Another article explains to business executives why they should “take advantage of
lower labor costs and increased proximity to foreign markets” (Glazer 1987: 37).

The author is very up front about the fact that cheap labor lures companies to engage in offshore production. The article goes on to give a how-to guide for companies planning to move overseas. The author encourages companies to “take advantage of government incentives and assistance” (44). She also tells companies to maintain flexibility so that they can leave in a short period of time. She does not explain why it is advantageous to be able to leave after a short period of time, only that many companies do so. This advice clearly tells companies to take advantage of developing countries and yet, it does not discuss the consequences. The author’s only concern is the welfare of the corporation. Offshore production is discussed in many articles, such as a 1998 article by Irving Vigdor, as being something that companies must do to survive. Both the Vigdor article and a 1987 article by Richard Brandt in Business Week praise executives who took their companies overseas as “wise businessmen.”

The only discussion of the greater social consequences of overseas production was in the 1998 article by Vigdor. The author spends most of the article praising third world labor and says that apparel companies must move manufacturing overseas to compete. Then, near the end of the article he takes a moment to reflect on the greater social consequences, “NAFTA has cost the U.S. tens of thousands of jobs in apparel production” (74). Vigdor also points out the increasing income disparity between rich and poor in the U.S. But he ends the article by saying that this has been happening for 50 years and, in essence, it cannot be stopped. This attitude, that we are helpless to change the system so we might as well take advantage of it is reminiscent of Scott’s (1990) concept of thin hegemony.
The fourth category of discourse blames third world countries for the labor rights abuses that U.S. corporations take advantage of. Though only one of the 19 articles expressed this view, I think it could have an important impact on the business discourse. This attitude goes beyond ignoring problems or rationalizing them. It takes all the responsibility out of the company’s hands and places it onto the countries they are profiting from. James A. Morrissey (1997) explains that “[t]he biggest problems lie overseas, where labor laws and worker rights lag far behind those in the U.S., and the manufacturers continue to undercut U.S. manufacturers” (94). This attitude expresses an idea that U.S. companies have no choice but to take advantage of this bad situation that someone else put into play. Many other articles (Navarrete 1997, Glazer 1987, CFO 1991, Vigdor 1998) talk about how U.S. companies must take advantage of offshore production to compete. This kind of discourse is leaning in the direction of the Morrissey article without coming out and directly saying so.

This attitude that blames third world countries for human rights abuses raises an interesting question. What do companies do when labor rights activists point out labor abuses to them? Recently several monitoring groups have been set up. The executive board of these groups are made up mostly of corporate representatives. They are considered by labor rights activists to be an easy solution for companies to deal with the negative publicity they receive about sweatshop labor. They are considered to be weak and ineffective.

This brings us to the fourth category of discourse which expresses corporate attitudes toward labor rights activists, the U.S. government (when it is trying to establish labor rights laws), and unions. Labor rights organizations such as the NLC
(National Labor Committee) and UNITE (Union of Needletrades, Industrial and Textile Employees) are portrayed as "watchdogs" that "attack" companies, and the companies are seen as "victims" (Rolnick 1997: 79). Alan L. Rolnick's (1997) article warns companies about these groups and tells them how to avoid getting the "bite," "gash" or "nips" from these groups (79). "So how can a U.S. company that has offshore contractors put a muzzle on these watchdog groups?" (79) Rolnick then goes on to explain how companies can get a "rabies shot," meaning to prevent being "attacked" by labor rights organizations (79).

A 1998 article in Apparel Industry Magazine says that the NLC lies about the conditions in factories overseas. In reference to NLC's claims that many factories are surrounded by barbed wire and armed guards to prevent labor rights workers from entering and seeing the conditions of the factories first hand, the article claims, "the barbed wire and armed guards are there to protect workers as well as owners from possible guerilla attacks" (8).

An editorial by Susan Black in Bobbin (1997) speaks out against the AIP (Apparel Industry Partnership), which is an organization whose formation was encouraged by the U.S. government. This organization is made up mostly of Industry leaders and it sets codes of conduct for overseas production. Labor rights organizations claim that the AIP sets superficial and vague codes of conduct and there is no way to prove enforcement of these codes. This editorial views the AIP as an attempt by "Big Brother" to control business, "Regardless of the task force's well-intended goals, the question that bears asking is whether we want Big Brother... involved any more in our business than he already is" (1). Black also complains
about the high cost of compliance to the program. This argument addresses the ideology of neoliberalism. The author feels that corporations should have the freedom to seek cheap labor as they please in the spirit of the ‘free market economy’ without government intervention. The government task force is portrayed as a wrongful violation of company autonomy.

Finally, unions come under attack in an article by Tom Brown (1997). It claims that unions are no longer what they used to be, negotiators between labor and management, but instead have become an extraneous layer of management that hold back companies that want to compete globally. The anti-labor rights attitude expressed in these articles is crucial to understanding how companies view and portray labor rights groups in their discourse. This attitude shows that severe resistance to these groups manifests itself into a defense of perceived attacks on companies’ autonomy, attacks that could threaten the profitability of overseas production.

These attitudes, globalization will lead to higher wages for overseas workers, the globalized company is benevolent, overseas manufacturing is good for developing countries, overseas manufacturing is beneficial for companies, and labor rights activists are bad, express the business community’s overall ideology that globalization is good for everyone. They also express an intense need to hang on to the avenue of globalization. In their dialogue they ignore and negate problems that are coming to the fore about globalization. By engaging in such protective and positive discourse about globalization business is telling itself and the public what it
wants to be true, and so is creating an ideology that allows them to continue their global business practices.
CHAPTER VI

GENERAL INFORMATION ABOUT AMWAY

Amway, founded in 1959 by Richard M. DeVos and Jay Van Andel, is a privately owned company based in Ada Michigan, a small town outside of Grand Rapids. It is most well known for household products, though now one can buy virtually anything from an Amway distributor. Amway is a direct sales company which means that Amway distributors sell their products directly to the customer out of their homes and recruit others to become distributors. The “upline” (the recruiter/salesperson), receives a percentage of the profits from each new recruit. The corporation itself makes the products and disperses the checks to distributors. The distributors are considered independent business owners and do not work for Amway. In the United States, the term distributor has recently been replaced with the term Independent Business Owner (IBO). Distributors in other countries are still called distributors. For the purposes of this paper I will refer to all Amway distributors and IBOs as distributors.

The ideals of the Amway Corporation are based on the particular Christian morality espoused by its founders, who are member of the Christian Reformed Church. Freedom, family, hope and reward are the four fundamentals of the company. They purport that their company is one that allows the distributors to help others while helping themselves, protecting their freedom and providing for their
families. The philosophy of the company is that it helps people to be successful. The practice of helping others while helping oneself is presented as *Compassionate Capitalism*, which is the title of the 1993 book by co-founder Richard M. DeVos. In this book DeVos makes the statement, "Capitalism is not great because it makes millions for a handful of people. It's because it helps millions of people to be what they want to be" (47). This statement expresses DeVos' conviction that capitalism is not something that necessarily hurts people; instead the pursuit of capitalism is something that can help people. It is available for the benefit of everyone, not just a few.

According to James Robinson (1997) Amway has been expanding globally since 1962. Amway now operates in 87 different countries and territories. It also had two subsidiary companies that were publicly traded, Amway Asia Pacific LTD and Amway Japan LTD. However, this spring Amway completed buybacks of the publicly held shares of both of those companies (Singhania 2000). Although about 60% of Amway's manufacturing is done in Ada, Amway also has manufacturing plants in China and South Korea, and they contract labor in India.

On May 18, 2000, Amway announced its plans to lay-off 1,300 workers worldwide. Amway employs 12,000 people worldwide, 4,000 of whom work in Ada Michigan (Singhania 2000). Ada will be effected the most by the lay-offs, 900 jobs will be eliminated. Two hundred sixty jobs will be eliminated overseas, and the remaining one hundred forty jobs will be eliminated from the Amway California offices. According to Singhania (2000 : 1), these cuts are meant to "offset a sales
drop of nearly 29 percent in the past two years linked in part to the growth of electronic commerce." However, Singhania reports that the company reported annual sales of $5.7 billion for 1999. These are not the first cuts to take place at Amway, in 1998 635 people were laid-off (Singhania 2000).

Recently, a larger company called Quixstar, which was founded by the owners of Amway has been started. It incorporates the old Amway business as well as the new Internet based business. This corporation works in the same way as Amway and involves the same people. The differences are that part of it is on the Internet, it involves over 150 other companies that sell products through it, and it has a different name. This corporation is a way for Amway salespeople to sell a larger variety of products, to do it over the Internet and to give a new name and hence a new image to Amway. However the largest volume of products being sold are still the traditional Amway products.

I will describe the direct sales system as Steven Butterfield has laid it out (1985). First a potential distributor must be introduced to the Amway plan. The introduction to the presentation of "The Plan" involves an elaborate illustration of the contrast of the daily rut of American life and the dreams that can be made possible through financial independence with the Amway plan (13). This discussion is very important to understanding the Amway philosophy. It pits those who choose to take control of their destinies and their financial situations against those who choose not to. Butterfield puts it this way, “The Amway organizer, by implication, using himself as an example, blames the ignorance and inertia of workers for staying in their ruts”
The plan is as follows: a distributor gains points for making sales, but gains more points for the sales of those that they sponsor. A distributor gets a group of people to become distributors themselves. These distributors then get distributors and so on. This chain of distributors is called a line. The points that a person’s distributors accumulate are then attributed to that person as well. Therefore, the more lines one has the more points they get, and hence the more money they receive via a check from the company.

Amway provides an interesting look at the discourse about global business practices for three reasons. One, there is virtually no focus on Amway’s overseas manufacturing plants in the media or among labor rights organizations. This is beneficial to my study because employees are more candid and less scripted and defensive, as they might be at a company that has media attention placed on it. The second reason for choosing Amway is that the espoused morals of the founders of Amway so contrast with the idea of taking advantage of people. The third reason is the way that communications within the company are set up to flow from the top down.

The communication system of Amway centers around the concept of motivation and duplication. Because the distributorship system is based on a hierarchy, information flows downward from uplines to downlines. Each upline needs to assure that their downlines are successful, because their business is based on the success of the individuals that they sponsor. Motivation and duplication are the
keys to success. Motivation is accomplished in a number of ways; person-to-person, motivational tapes and books, and motivational seminars and rallies.

An upline is responsible for motivating her/his downlines. This motivation begins immediately with the “showing of The Plan.” Prospects are asked to imagine what their lives could like if they had a lot of money and did not have the daily drudgery of a ‘real’ job. The distributor motivates them to have grand goals and then presents Amway as the way to achieve those goals. Once a new recruit is signed up her/his upline is expected to act as a motivator. Uplines will help to get their downlines started in the business and will check on them frequently. It is very much like a mentoring process. The upline is responsible for keeping her/his downlines constantly motivated.

Uplines will also encourage their downlines to purchase various books, tapes, and other motivational items. The books, like Devos' Compassionate Capitalism (1993), are self-help oriented and encourage people to change their lives for the better. This book includes subtitles that are designed to motivate such as Just do it, If You Don’t Act, You will Never Know (231), and Quitting Means You Didn't Really Try, Stay With It Until It Happens! (239).

Amway also utilizes motivational audio tapes. These tapes are often produced by various Gems. Gems refers to the ranking system in Amway. As an individual recruits more distributors and gains higher sales volume they move higher up in this ranking system. The system consists of various titles that identify rank in the system. The first title position that one achieves is Direct distributor. This is followed by
precious metals, such as Silver and Gold. Higher still are the Gems such as, Pearl, Emerald, etc., with Diamond being the highest. A few individuals reach the ultimate position of Crown Ambassador. Once an individual reaches a Gem position, especially that of Diamond, they often take on the role of teacher to the masses. It is the Diamonds that produce motivational tapes. On these tapes they often tell their personal stories of success or those of other individuals. These tapes both inform the distributors about how to be successful in the business and motivate them.

Other forms of motivation are calendars, videos and screen savers that show the consumer possessions of various individuals who have achieved a Gem status. These items have pictures of people's homes, yachts, motorcoaches, and other possessions. They are meant to motivate distributors to work harder so that they too can own such things one day.

The third form of motivation are rallies and seminars that distributors are encouraged to attend. The rallies, called "functions," are large events with thousands in attendance. There are several of these functions each year, held throughout the country. They last three days and are a consistent bombardment of motivational speeches, guest speakers and entertainment. The seminars are small local meetings of distributors. They are informative and motivational. All of these methods of motivation are designed to mentally and emotionally prepare distributors to work harder to be successful.

The second main ingredient to the Amway business is duplication, which means that each distributorship should function exactly the same. This idea is based
on the notion that one duplicates success by duplicating practice. This idea of
duplication starts with copying the business practices of one’s upline and expands to
worldview. Butterfield (1986) claims that the fervor of duplication extends to
lifestyle, dress, speech, the way one thinks, how one votes, everything. This is
accomplished through a complex set of rules that must be followed for one to be
successful. A distributor must think, behave and live as she/he is told. This is
demonstrated by one of my informants, a former distributor. He commented upon the
insistence of his uplines that he conform to their standards, “the whole time they were
trying to impress upon me my need to cut off my ponytail, stop wearing jeans and
start wearing dress clothes all the time.”

Another form of communication among Amway distributors is Amvox. Amvox is Amway’s voice-mail system through which uplines communicate with their
downlines. In this system, the communication almost always goes from upline to
downline and not the other way around. In fact at the Amway Function I attended,
one speaker made note of the fact that an individual had to be of a certain rank before
they were allowed to send messages to him on the Amvox because he was a Double
Diamond. However, what is communicated on Amvox is not always your average
business chat and often deals with broader political issues. Rachel Burstein and Kerry
Lauerman of Mother Jones Magazine (1996) contend that Amvox was used to
promote the campaign of Sue Myrick, an Amway distributor and a Republican House
Member from North Carolina, and to solicit funds for her campaign. Burstein and
Lauerman quoted a distributor as saying about one Diamond's Amox messages, "He puts out things about helping people how to think" (1996: 50).

This system of mass propaganda with an emphasis on conformity provides a good environment for this kind of study. It allows me see how ideas are passed to employees, distributors and the public through discourse, and in what context they are accepted by people. Furthermore, I can trace beliefs and attitudes back to the larger Amway culture.
CHAPTER VII

RESULTS

To examine the discourses of Amway I used four different sets of data. First, I examined the formal discourse by and about Amway. These include the Museum, official literature about the company, and the Amway “function.” Finally, I looked at the informal discourse that is expressed through individuals in the interviews I conducted. These discourses provide a view of Amway discourse from a variety of sources.

Museum

One way in which Amway communicates with its distributors and the public through formal discourse is through their Visitor Center or Museum. This Museum is housed in the Center for Free Enterprise which is part of the large Amway complex in Ada, Michigan. The Museum is free and open to the public. It is visited by the public and distributors from all over the world, many of whom travel thousands of miles to see the hometown of Amway. I am focusing my analysis of the Museum on how the morals of the company are presented, how labor is represented in the U.S. and around the world, and how globalization is presented.

The Museum begins with a history of the founders, Richard DeVos and Jay Van Andel. It discusses their previous business ventures. A history of the Amway corporation is then presented. There are also several displays on the products Amway
sells and how they are manufactured. An explanation of the direct sales and marketing plan is given along with pictures of people from around the world who have achieved great success in Amway.

The second half of the Museum is focused on globalization. This section contains a large display of flags that represent countries where Amway operates. This is accompanied by a large map. This map was described in the Visitor Center Brochure as, "A Business Without Borders - a giant, state-of-the-art satellite photo of the earth illustrates for visitors Amway's presence in virtually every corner of the world...as well as how much room there still is to grow" (Amway Corporation, USA 1998). Finally there is a display showing some of the sponsorships around the world. In each country that Amway enters the local office picks a local charity to sponsor and these are called sponsorships. There are also two films in the Museum. One film is on manufacturing. The other is a film of the founders talking about Amway and its ideals. This Museum is a representation of the company set up by the company. This Museum is a good form of discourse for study because it illustrates what the company and its founders want to portray to the public.

The morals of Amway are presented in two ways. The business opportunity is presented as a moral foundation that seeks to help people and give them opportunities. This is presented through images of people who have succeeded and a discussion of the vast numbers of people around the world who have succeeded through Amway. The Visitor Center Brochure expresses this ideology well,

...Amway has grown to an international company with over three million independent business owners and affiliate offices on six continents. From Asia and Australia to Africa and the Americas, Amway is dedicated to
providing an opportunity that allows individuals to achieve their goals through a business of their own (Amway Corporation, USA 1998).

The idea that the business opportunity that Amway provides is one of the major fundamentals of the moral foundation of the company is expressed throughout the Museum.

The morals of the company are also expressed in discussions of "the foundations" of the company, "Freedom, Family, Hope and Reward". The founders contend that these are the important foundations in life and that the Amway business opportunity provides people with all of these. The business opportunity is family focused in that it is seen as something a husband and wife do together. It is also seen as an investment for a family's future. Furthermore, there is the idea that once a distributor becomes successful she/he will have more time to spend with her/his family rather than working long hours for someone else. Hope represents the hope for a better future that can be achieved through the Amway business opportunity. Reward represents the spiritual, emotional and monetary reward that distributors receive when they work hard and become successful. Freedom is a very important fundamental and is discussed frequently in Amway. The idea is that when an individual owns her/his own business they are free from working for someone else, all of their effort is for themselves. All of these fundamentals rest on the concepts of personal initiative and free enterprise. The founders believe that anyone can be financially successful if they have the personal initiative and free enterprise/capitalism is made available to them.
These ideals are expressed in the film of De Vos and Van Andel lecturing on the foundations of the business. This concept of personal initiative is expressed by De Vos, "You see, we never looked at poverty, or poorness, or a class-system. We looked at it as a stage you pass through and that many of us were poor. We just chose not to stay there." This idea that poverty is a choice is important to understanding the philosophy behind the company. They do not see poverty as something that is created by social conditions, but rather as something that someone does, or does not, choose to get out of. Similarly, capitalism provides a way out of communism, corruption and poverty and individuals, or whole countries can chose the free-market economy or not. This ideal fits well with the use of third world labor. The corporation is not responsible for the poverty of its workers. The corporation is blame-free.

I also looked at how labor is presented in the Museum. There are a few pictures of laborers working in the Ada plant with smiles on their faces. However, these few pictures are the only images of workers in the entire Museum. There is no other mention of Amway employees except to show them participating in one event or another, outside of the actual workplace or factory. In other words there is no mention of workers overseas at all. The second film that is shown in the museum was about manufacturing. Only Ada manufacturing is mentioned in this film. Most of the images in the film are of the machines used, and there are very few pictures of people. The role of workers in the manufacturing process is largely ignored. Instead, emphasis is placed on the products themselves and direct selling. Concerns with the working conditions or standard of living of workers producing Amway products overseas are poignantly absent.
Globalization is a large focus of the Museum. It is discussed in two ways, in terms of global distributorships and in terms of giving back to the community. There was no discussion of overseas manufacturing involved in the discussion of globalization. Globalization, in the form of distributorships, is presented as benevolent. The company is bringing "the spirit of free enterprise and entrepreneursh (Parks N.D.) to the world. Again, the focus is on the Amway business opportunity. Globalization is presented as a way for Amway to offer more people this opportunity. Many facts and figures are given about how many countries into which Amway had expanded distributorships.

There is also an emphasis placed on the sponsorships that Amway has in each country in which it operates. There is a large display that contains the names of the organizations that Amway has either donated money to or started around the world. There are also pictures of people, mostly children, who have been helped by the sponsorships. By reminding us that Amway gives to each community it enters, we are given an image of a paternalistic and caring company.

The DeVos and Van Andel families are also known for their support of U.S. charities and particularly for the funding of institutions in Grand Rapids, Michigan. A brochure (Parks N.D.) explains that Amway distributors have donated large amounts of money to many U.S. charities, like the Easter Seals. The brochure also mentions the many endeavors in Grand Rapids that the DeVos and VanAndel families have contributed to such as, DeVos Hall, Van Andel Arena, Van Andel Museum, the Helen DeVos Women’s and Children’s Center in Butterworth Hospital, the Van Andel Institute of Education and Medical Research and the Richard M. DeVos Center
at Grand Valley State University. These contributions to the local community of Grand Rapids are a constant reminder to the citizens of Grand Rapids of the benevolence of Amway and its founders.

This Museum presents Amway as its founders and directors want it to be seen. By looking at what aspects of the company and what achievements they are proud of and focus on, we can understand what messages are being sent to the public from the company.

Literature

Literature that is sanctioned by the company is another form of formal discourse about Amway. The literature that has been written by Amway founders or affiliates of the company presents Amway as a benevolent company. These books focus on the history of the company, the moral base of the company and the business opportunity provided to distributors. The four books I looked at were; Empire of Freedom by James W. Robinson (1997), The Possible Dream by Charles Paul Conn (1977), Promises to Keep also by Charles Paul Conn (1985), and Compassionate Capitalism by Amway co-founder Richard M. DeVos (1993).

Robinson's book (1997) begins with a history of the company. The second chapter begins by discusses the downturn the U.S. economy took in the 1980's and 90's. He writes about all of the people who were downsized by large corporations. Robinson blames this economic situation on big government and spending on social services. (The IMF is also concerned with social service spending when they look at requirements for giving money to third world countries. The connection between the
concerns of the IMF and the concerns of Amway will be discussed in the next chapter.) Robinson says that this economic situation set the stage for opportunities in small businesses. He also points out that the Amway business opportunity is the perfect solution for downsized individuals. The rest of the chapter tells various personal stories of Amway distributors who were having financial trouble when they started their own Amway business and how they are now very successful. This second part of the chapter is very much like the motivational tapes sold by Amway Gems. The third chapter explains how the Amway business works, laying out "The Plan." Chapter 4 explains how the Amway business opportunity strengthens families and how Amway is a family oriented company. The reasons he cites for this are that the business is something that families can build together, it can be passed down from generation to generation, and it can be started without putting families in financial jeopardy. Robinson goes on to tell more personal stories about families being "saved" and "freed" by the Amway business opportunity. He then discusses how Amway distributors create a fictitious family among them, or what Robinson calls an extended family. He also points out that the company is family owned and operated. Chapter 5, which is entitled "Against All Odds," discusses how the business opportunity helps people to overcome the overwhelming odds and handicaps they face in life. This is followed by more personal stories of triumph. In chapter 6, Robinson argues that even if a person is not successful in Amway they are getting something positive out of the experience. This can be a sense of personal initiative and success or a least enough money to save and invest for the future. Again, he tells personal stories that illustrate his points. Chapter 7 is about "going global." The
chapter gives a description of Amway's current global operations and a history of Amway's global expansion. It also explains why Amway works overseas. He explains how Amway helps countries, especially Asian countries, in that it helps the economy, it helps the people and it provides a way for women to be involved in business in male dominated societies. Robinson makes a brief mention of the $100 million dollar manufacturing center in Guangzhou, China. He does not give any other information about this facility, and this is the only overseas manufacturing facility mentioned in the book. Chapter 8 expounds on how the Amway business is a team experience, people work together to make it happen. Chapter 9 discusses how Amway works with modern technology such as the Internet. Chapter 10 argues against all of Amway's critics. In particular, Robinson explains how Amway is not a "pyramid scheme". He explains that by law a "pyramid scheme" is a business that's exclusive purpose is to sign up distributors, but Amway sells a product. He also points out that in 1979 the Federal Trade Commission ruled that Amway was a not a "pyramid scheme" (Robinson 1997: 165). The focus of this book is clearly to promote Amway and the business opportunity that it provides.

The second book I looked at was The Possible Dream by Charles Paul Conn (1977). In the preface of this book Conn claims that he is unbiased and has not been influenced by Amway, rather he is merely recording his observations. Butterfield (1985) disputes this and claims that Conn is a promoter of Amway. Chapters one through three give a history of the Amway corporation and DeVos and Van Andel. Chapter 4 gives a description of "The Plan." Chapter 5 promotes Amway as a trustworthy company. Chapter 6 gives a biography of Jay Van Andel. Chapter 7
gives a biography of Richard De Vos. The rest of the book is a series of personal stories about individuals who succeeded in Amway or whose lives were changed by Amway.

Conn's second book, *Promises to Keep* (1985), is very much like the first one, with updated information. Again, it begins with a history of the company. In this book that history is taken further and incorporates the careers in Amway of the children of Van Andel and De Vos. The book also gives a history of Amway's global expansion, without mentioning overseas manufacturing. Conn defends the conservative views of DeVos and Van Andel. Conn claims that they are not pushing their conservative Christian values through their company, rather they are simply promoting the morals and ethics that go along with it. To go along with this Conn points out that there are many minority and non-Christian distributors in Amway. Conn goes on to say that although Amway is not unionized, it is not anti-union. He points out that many Amway distributors are members of unions. This book seems like more of a defense of Amway to its critics than anything else.

The fourth book I examined was *Compassionate Capitalism* by Richard M. DeVos (1993). The introduction to this book begins with the argument that capitalism is the best form of economy and that it is compassionate. DeVos goes even further however, to claim that "(w)ithout Capitalism there can be no compassion" (1993:1). He goes on to say that he and Van Andel named the company Amway because "the American way of private ownership and free enterprise is the best way...Capitalism is not perfect but, but it is the only way to keep this nation strong" (1993 : 1, emphasis is mine). DeVos equates capitalism and free enterprise as
one and the same. He presents the Amway business opportunity as the way to compassionate capitalism.

In the first section entitled “Get Ready!” De Vos talks about how all people are created in God’s image with “worth, dignity and unique potential” and how we must recognize that in ourselves and others (1993:17). He goes on to talk about human suffering and tragedy in the past. He uses powerful images of the Holocaust, slavery and genocide. He talks about how all people have dreams and the potential to achieve those dreams. He claims that people can achieve their dreams with help from God, others and Amway. He claims that the answer to all of these problems can be found in compassionate capitalism. He talks about the importance of getting one’s finances in order so that one can live a happy life and achieve one’s goals. A part of this is to help others as you go. Amway is a way of making money while helping other people to do the same.

The second section is entitled “Get Set.” De Vos begins this section by saying that a good job must be financially, psychologically and spiritually satisfying. Only in a capitalist society, which De Vos equates with all the freedoms of a Democracy, do people have the freedom to choose meaningful work. He then provides a history of capitalism, focusing on Smith’s laissez-faire capitalism. De Vos advocates this but warns that some capitalists have wrongly mistreated their employees in the past and this must be guarded against in the present and future. However, he does not elaborate on how this should be done. He then discusses Karl Marx and the horrible situation that Marx saw around him when he wrote. He says that it is important to
read Marx because, although most of what he says is wrong, he makes some good points. He sums up his discussion of capitalism and communism by saying

We all know the stories of greedy capitalists, child-labor exploiters, and robber barons. Nevertheless, these are the exceptions and not the rules. Capitalism remains the only economic system that gives us hope that we can pull the world and all her people back from the brink of bankruptcy and forward into an age of prosperity and peace (DeVos 1993: 118).

He further explains the history of compassion and its place in entrepreneurship, saying that compassion is the basis of entrepreneurship. He then provides a brief history of entrepreneurship and writes about the importance of owning your own business for your own personal freedom and that of your family. He also expounds upon the importance of helping others as you help yourself.

Part three of the book is entitled "Go!" This section lays out DeVos' formula for success in the Amway business. According to DeVos, to be successful one must believe in oneself. One also needs a good mentor. The next step is to make short-term and long-term goals with the help of a mentor. He then discusses the "attitudes, behaviors and commitments" (DeVos 1993: 220) that will help an individual to achieve her/his goals.

Part four is entitled "Reaching the Goal: Helping Ourselves and Helping Others." This section begins with DeVos encouraging his readers to "help others to help themselves" (1993: 255). He encourages individuals to become mentors to others once they have become successful. This of course also ensures more success for the mentor, as they help those beneath them to make more profits. He then talks about "helping others who cannot help themselves" (DeVos 1993: 273). He encourages his readers to practice compassionate capitalism by giving to those in
need and helping to cease human suffering. He suggests many worthy causes that need help such as: poverty, infant mortality, discrimination, homelessness, etc. He never addresses why these problems exist, just that they must be addressed. DeVos goes on to advocate environmental protectionism. He discusses Amway corporation's commitment to protecting the environment. In the last chapter DeVos discusses how helping others always comes back to the helper. "We believe that when we share our time, money, and experience to help others, we complete the circle of love that leads to our own personal fulfillment and prosperity" (DeVos 1993: 316). He finishes the book with a summary of compassionate capitalism and the good it can do for everyone.

This book is set up like a self-help manual. DeVos argues that this help comes in the form of compassionate capitalism. He presents compassionate capitalism as a method for saving the individual and for saving the world. The book has many references to Christianity. The whole book is also laced with stories to illustrate each point. Furthermore, it is filled with anti-communist and anti-socialist sentiment, as both are constantly contrasted to capitalism/Democracy. This book is an excellent example of how the Amway founders view capitalism and how they view their company. The company itself is said to be founded on these principles and so the expression of these principles is an important form of discourse about the company.
Another form of official discourse within the company is the functions that are held several times a year. The weekend of February 4-6, 2000, I attended a Quixstar (the new Internet company owned by the Amway founders) function in Indianapolis, Indiana. The function was sponsored by one of the major Diamonds. It was held at the RCA dome. There were approximately 30,000 people in attendance. The cost of the event was $130 per person for the whole weekend. The event began at 7 p.m. on Friday night and lasted until 1:30 a.m. It began again at 10 a.m. on Saturday, broke for dinner between 4 p.m. and 7 p.m. and ended at 1 a.m. Sunday morning there was a Christian worship service, also in the RCA dome from 10 a.m. to 1 p.m.

Functions are held several times throughout the year. Each one is sponsored by different Diamonds. Most of the people in attendance are in some way a downline of the Diamonds. Distributors are highly encouraged to attend these events by their uplines. These events are informative, educational, motivational and entertaining. They are organized in a series of speeches and entertainers. Outside the auditorium are numerous booths, both sales and informational. These range from Amway books and tapes to information on church groups and private schools.

Butterfield (1985) claims that Amway functions are spatially segregated by rank within the organization. I found that at this function this was partially true. The Gems and the speakers were segregated from everyone else. The speakers had an area behind the stage, which I did not see but was told about, where they sat at tables
and were served catered meals. Immediately in front of the stage were the rest of the Gems. They sat in a roped off area of nice tables. They were served meals as well. The first few rows of chairs on the floor were also roped off and it appeared to me that this is where the Golds, Silvers, etc. sat. Everyone else was scattered throughout the arena regardless of rank.

I will begin by discussing the speakers. The only speakers I will mention by name are celebrities and Richard DeVos Jr, the current President of Amway. There were three speakers of notoriety at the event. The speakers that were chosen indicate the political orientation of the event, since all three individuals are conservative Republicans in the political arena. The event began with a speech by Charleton Heston, the president of the National Rifle Association. Unfortunately I arrived at the event late and missed Mr. Heston's speech. Everyone that I spoke with about him was very excited about his presence and enjoyed his speech.

The next speaker of notoriety also spoke on Friday night. This was Republican Senator Ashcroft from Missouri. His speech was very politically charged. He talked about values, morals, religion and their place in government and people's daily lives. He also promoted Presidential candidate Representative George W. Bush. Before the dinner break on Saturday the speakers were talking about a very special speaker that would be there that evening. It turned out to be Neil Bush, son of the former President and brother to George W. Bush. Neil Bush talked at length on many subjects. He praised his father and brother. He talked about the importance of freedom. This led him into a discussion on China. He talked about the importance of bringing freedom to China via the "Open Door Policy." He admitted that China has a
human rights problem, but pointed out that the United States has a human rights problem in its own inner cities. He proclaimed that economic freedom would propel China into Democracy. He also talked about the importance of welfare reform. He talked about individuals who receive welfare as being victims of a bad system. He also discussed education reform in the form of free market education, claiming that competition will make the education system better. Bush ended by making statements about what kinds of government programs were beneficial to the people and having the audience shout back "Freedom," which they willingly did.

Richard DeVos Jr., the current president of Amway, spoke on Friday night. He talked mostly about the company. He talked about Amway expanding overseas, and how this was an exciting time. His speech, peppered with images of God and giving, included discussions of the charities that Amway supports overseas, the integrity of the company, and how helping other people is an important part of Amway.

There were also inspirational speakers not directly related to Amway. There was a sportscaster who told stories about various sports figures' achievements. He talked about fighting against the odds, integrity and family values. Another man spoke who had climbed Mt. Everest. He told his own story of personal achievement and self sacrifice. He compared his hard work and achievement to succeeding in the Amway business. He talked about how money was not important compared to the importance of personal achievement and self sacrifice for the sake of others. He told a story about missing the summit to save the life of a team member. This focus placed emphasis on the compassion and caring that Amway is so proud of.
There were also a few religious speakers present. First there was a Reverend who is a personal friend of the DeVos and Van Andel families. I was told that he was a frequent speaker at the functions. He preached a little, praised Amway and talked about his new website. The next religious speaker was an evangelist who makes inspirational tapes for Amway. He is also the moral compass for the steering committee for Pronet, which is an affiliate company of Amway that makes the tapes and books, etc. He spoke on the moral aspect of the business. He said that the company needed to be “God correct” rather than politically correct. He spoke of Christian values. He told distributors four things they needed. First they need to say “I am responsible for making it happen.” Then they need to have a dream. Next they need a moral stance. He based this moral stance on the Ten Commandments of the Old Testament. He said that even if someone isn’t a Christian they live by these rules. The fourth step was to get a mentor, someone who would hold you morally and personally accountable.

There was also a Christian worship service on Sunday morning. There were fewer people in attendance. I estimate between eight and ten thousand individuals attended this service. There was preaching, reading from the bible and gospel singers. There was an emphasis placed on “being saved.” Because of the emphasis placed on Jesus and the emphasis placed on “being saved” I felt that this was not a non-denominational service. It was specifically geared to Protestants who utilize the ideology of “being saved” or “born again.”

Many of the speakers at the event were Diamonds in the company, mostly husband and wife teams. These speakers did two things. They instructed the
audience and motivated and inspired the audience. The instruction took the form of talking about how Quixstar works and how to “show The Plan.”

The inspiration and motivation came in many forms. Many of the Diamonds told personal stories about how destitute they were and how hard they had to work to make it. They talked about their persistence in the face of defeat. Their success was an example that it could be done. In fact, flaunting their wealth as an example was a common occurrence. The benefits of being successful are everything from motorcoaches to private schools for your children. A common benefit that was mentioned several times was financially enabling the wife to stay at home with the children.

Women were specifically addressed as well, most often by the wives on stage. One woman spoke to the women about their role in the business. She said that it was the woman’s job to be her husband’s cheerleader, encouraging him to take the leadership role. She encouraged women to only say things that empower and uplift their husbands.

There were some other very common themes throughout the speeches. One was the recurrent mention of alienated children. Many people told stories about how they were ignoring their children for their careers until they got into Amway, made a lot of money and had time for their children. A second recurring theme was the idea of overcoming dissenters, people who don’t believe in Amway, people who are “stinking thinkers.” The rejection of these people even extended to family. It is okay to reject your biological family because they won’t support you, you have your Amway family. A third recurring theme was duplication. It was emphasized that this
formula for success has worked for so many people, you must duplicate it to make your business work. This specifically means to do what your upline tells you to do.

This idea of duplication could also be seen manifested at the booths encircling the arena. After each speaker who had a product to sell, and most of them did, it was announced where that product was sold. Many times this announcement was made by a Diamond and the hundreds of distributors below her/him took that as a direct order to buy that item. Other times I could hear people saying to one another, “my upline said to get this,” etc. Right after each announcement was made there would be massive lines for the mentioned booth. People immediately went there. This is a part of doing what your upline tells you to do.

The products at these tables also reflected the emphasis on material gains. Along with the materials that showed off the expensive goods of various Diamonds there were booths advertising expensive private schools that some of the children of the Gems attended. These products were supposed to inspire distributors to work harder so that they too could own such nice things.

Another motivational display was the Awards ceremony. Beginning with recent Direct distributors and going all the way up to a couple that recently went Diamond, they recognized people for their achievement level. Each person or couple thanked their Diamond by name as they received their award. When the Diamonds received their recognition they slipped into their new role as mentor and gave a speech. Diamonds were looked up to as the ultimate achievers in many ways and individuals were encouraged to strive for Diamond status. Several times throughout the function the crowd chanted “I’m going home. I’m going Diamond.”
recognition that is received for success is a further motivating factor for Amway distributors.

Finally, between speakers entertainment was provided. There were singers and a ventriloquist. The main event on Saturday night was a performance by country singer Trisha Yearwood. The entertainment was presented as a gift to the distributors from the hosts of the event. The crowd was very enthusiastic about the entertainment, especially Trisha Yearwood.

This event was a cultural experience. Amway has a unique corporate culture, both among employees and distributors. This event allowed me to look at the Amway culture among distributors in action. Thirty thousand people attended, listened and participated, showing enthusiasm for this corporate culture and compliance with it.

Interview Results

The main source of informal discourse for this project was interviews that were held with current and former Amway employees and distributors. The topics discussed with the interviewees included; the labor practices of Amway, Amway’s morals and ethics and those of the founders, Amway’s operations overseas, how Amway’s morals and ethics transfer overseas in the globalized corporation, and how globalization is discussed in the company. These topics were also discussed in relation to the discourse surrounding them. The diversity of the positions held by individuals within the corporation provided me with a variety of insights from various areas within the company.
I wanted to discuss the topic of labor practices in the U.S. in order to understand both the practices themselves and the perceptions of those practices by employees and distributors. Only two of my interviewees felt that they could adequately address this issue. However, neither of these individuals ever worked in the manufacturing sector of the company.

They nonetheless paint a picture of Amway labor practices that is quite different from that of Steven Butterfield (1986). In Ada Michigan, Amway does not have a union for any of its employees. These employees range from administrative to factory workers. The system I will describe here concerns the factory workers at the plant in Ada. According to Stephen Butterfield (1986) the lack of a union is partially due to a hierarchy of the workers. Butterfield describes this system as that of a pyramid. He places the temporary workers at the bottom. These are hired from various temporary agencies. They may then bid for regular positions. Regular jobs are low paid positions with few benefits. These workers may then bid for permanent positions. These are the highest paid employees with the best benefits. Furthermore, Amway employees are encouraged to air grievances as individuals, not as groups. He characterizes this system by saying that employees are “divided into a class system which excludes collective bargaining by design.” (Butterfield 1986: 2) This is because there is constant competition between the temp workers and the regular workers for better positions. Also, the permanent workers are kept satisfied and so have no desire to organize with the workers lower down in the hierarchy.
The interviewees that addressed this issue were Ms. Rivers, a former manager at the Amway Grand Plaza Hotel and Mr. Reel, a current Public Relations employee. Both informants described the company’s efforts to deal with employee issues, and they felt that a union was unnecessary because of this effort. When I asked Ms. Rivers if she felt that Amway employees at any department would benefit from unionization, she said that she did not believe that they would. She said that the company used employee surveys and personal communication to give employees an avenue for airing grievances. She stated, “They work really hard for employee opinion surveys to bring up any issues prior to it coming to that. They are proactive in wanting to know what issues are there.” Mr. Reel, a Senior Public Relations Representative, discussed in detail the monthly ‘speak-up’ meetings that are held at the company. He asserts that these meetings take the place of a union in their purpose. “One of the things I don’t think people think about is that being a non-union shop, it doesn’t mean that there isn’t something there to take that place.” One representative from each department is selected on a rotating basis to attend these meetings each month. The representative is then supposed to go to each employee in the department and find out if they want anything to be addressed. This person then takes any grievances, suggestions or comments to the meetings. At each meeting either the President, Richard DeVos Jr, the Chairman, Steve Van Andel, or a member of either family is present. All issues are discussed in a serious manner and everything is explained in detail. The topics of these meetings are then brought up by DeVos or Van Andel at the monthly employee meetings, where all employees attend.
Both of these informants felt warmly about the company and the way that it, and especially DeVos and Van Andel, treat their employees.

Amway is a company known for its morals. The founders, Richard DeVos and Jay Van Andel are members of the Christian Reformed Church and often talk about morals in terms of Christian morality, although they accept and encourage people of all religions to join Amway as distributors. They claim that the Amway corporation is built on the four values of “Freedom, Family, Hope and Reward.” This proclamation can be seen on literature handed out by the company, it can be heard in speeches by many in the upper echelon of the business, as well as by some of my interviewees. In fact, one interviewee told me that the employees are supposed to learn it when they are hired.

I asked all of my informants what the Amway morals meant to them. Several of them repeated to me the four fundamentals of freedom, family, hope and reward, but were unable to expound on them. My informants focused on different aspects of the Amway morals. Some of them expressed a positive feeling about the moral foundation of the company. Others felt that the morals of the company were falsely represented.

Ms. Rivers saw the Amway morals in terms of the work environment at the company. When I asked her what she thought DeVos and Van Andel stood for she replied, “that it takes each individual, no matter what position you are in, to make things work. Whether it is washing the dishes or working on the line, it is just as important as the person who’s the President of the company, that the company cannot
be successful unless everybody’s job is seen as important.” She also expressed the importance of Richard Devos’ role in this atmosphere of teamwork. She told a story about how he would come to the hotel and talk to all the employees. She expressed extremely high regard for Devos. “He is one of the only people I know that has such charisma that it can suck you in. He has such warmth.” Praise for Devos and his oratory abilities is very common among employees and distributors.

Mr. Elroy, a former distributor, also talked about the emphasis placed on the founders Devos and VanAndel within the company. Speaking of his uplines, he said,

They talked about their founders all the time... You always heard about Amway being founded upon a Christian foundation... They talked about those two guys like their shit didn’t stink. The sun rises and falls in their eyes, that kind of thing. And they could do no wrong and I want to be just like them someday and I want to be free just like them. They’ve given me such an opportunity, if it wasn’t for those guys I don’t know where I’d be. Those two guys, nobody ever sees them. You see a picture of them in a brochure that you get once a month... They kind of deified them. But as far as talking about charities and things like that, I never heard it.

Mr. Elroy’s negative feelings were uncommon among my interviewees. Mr. Rogers, another former distributor, also expressed the positive information he was given about the company. “They were depicted as positive, they were a happy company, very growth oriented, getting involved, community involvement. It was all positive. It left you with a feel good attitude about the company after you heard it. It made you feel positive about what you were getting into, like a pep talk.” Both of these informants express the information they received from uplines who persuaded them to be distributors.
The discourse about the business opportunity that Amway provides was not restricted to distributors however. Ms. Melendez, who worked in the International Department, also discussed how Amway's business opportunity was an important part of the morals of the company. "So it's through the business opportunity, primarily, and through the products that it offers an opportunity for people to achieve their goals." The opportunity that Amway provides for its distributors is a major focus of the company. Amway is portrayed by distributors and employees alike as a company that provides people with the tools to achieve their dreams.

Mr. Rogers explained some the discourse used by Amway to show distributors and potential distributors how the business opportunity can help them.

I listen to some of those tapes, and it's all Diamonds and Rubies and people who have gone up real far in the company and they'll talk... They'll go to conferences where there's nothing but Amway and it's just a pep rally to get you going. And they're telling you how they started out in a one room house, and they spent like $50 a week trying to get people to join... A lot of the stories are 'I started out with nothing and now I'm here.' In the Amagram they'd always show pictures...of people that have gone up to the next level.

Mr. Elroy also discussed this message of achievement, in a more cynical tone.

It's all these people talking about how they are free. They've got their yachts, they've got their two houses, they're driving nice cars, their kids never have to worry about a thing. That's all it talks about, is bragging about their wealth. That's where Christian values seem to kind of go down the toilet because you never hear about them doing anything nice for anybody ever.

I asked my informants whether they thought that these morals transferred overseas as the company goes global. Most of my interviewees felt that the Amway morals did transfer overseas. Ms. Rivers focused on the Amway opportunity as the main tenet of Amway morals overseas. Ms. Rivers stated, "I think it fits because it
provides opportunities to people who have never had opportunities before. In a lot of those countries people are hungry for an opportunity to be successful and they don't have that opportunity with the current economy and governmental organization the way it is and it opens free enterprise." Ms. Rozetti addressed the issue of Amway morals from a larger perspective. She viewed the basic tenets of freedom, family, hope and reward as the morals that transfer overseas.

That's one of the strengths of the business. The values. The fundamentals and the values of the company stay the same. So whatever country you go into, I mean most people, I would say all people, respect personal achievement, integrity, family life, responsibilities for your actions. And that really is what the values are. So those really transcend through all cultures.

Ms. Melendez discussed the morals of the company transferring overseas in the form of corporate culture. She explained that employees were sought who fit with the company values and that company values were taught to employees overseas. "The corporate culture, the focus on the family and caring about employees does translate over... We went through a process where we found that we needed to educate them on our corporate culture and also to identify what kinds of people we were looking for." She went on to explain the "Amway culture seminars" that are utilized in foreign countries, as well as in the U.S. These seminars explain to Amway employees the history of the company, the basics of the business, and the ethics of the company and its founders.

One of my informants, Mr. Elroy, did not feel that the Amway morals transferred overseas. He felt that having manufacturing facilities overseas is contradictory to the ethics of the company.
It's totally contradictory. It's those hypocrites again. I mean you know Amway people are always happy and they always want the rest of the world to be happy just like them by being just like them but they turn a deaf ear to all the problems because it brings them down. They don't want to solve any problems, they want to get rich. That's all they care about and if stepping all over somebody to make something cheap so they can sell it for an inflated price makes them rich then they are all for it. That's my impression of Amway people.

I also asked my informants why Amway has overseas manufacturing, and what they were told about it. The two informants who were former distributors and the one who had worked at the hotel did not know about overseas manufacturing at all, they had never been told about it. The current employees, the public relations person and the two international relations people, knew much more about it. They discussed three reasons for Amway to have manufacturing overseas; foreign government regulations, cost and good business sense.

All three of these informants discussed the foreign government regulations as a major reason why Amway has overseas manufacturing. Mr. Reel stated that, "Some countries require it (manufacturing) to be in operation...because it's employment, that sort of thing." Ms. Melendez went into much more detail.

The primary reason why manufacturing is done in Korea and China is because of the foreign investment regulations. We were (told) when we started these projects that those countries did not allow a company to import products for resale, especially any consumer products. And the same thing with India. And so the manufacturing of consumer products, especially the quality that the products are, is a really expensive investment. And you needed an economy of scale, of volume large enough to sustain it.

Ms Rozzetti also discussed government regulations and the resulting manufacturing situation in detail.
I think it is twofold. One is many countries will not allow you to do business in those countries unless you have manufacturing in those countries. That's one consideration. The other thing is generally we found that it was less expensive for us to manufacture here and ship over there then it was to actually build a manufacturing plant there. While we could control the quality of all of our raw materials, we could control the quality of our manufacturing processes a lot more easily. Innovation and that kind of thing...It really was easier for us to manufacture here and ship over there. So I think there has been some change in thought, because we do some contract manufacturing. The reason (is that) we do have products that we assemble but we do not manufacture directly.

Here we see that manufacturing overseas can be a burden on the company and they had to devise ways to make it easier.

The second reason for overseas manufacturing that was given was cost. However, only Ms. Rozzetti discussed this issue, with the exception of Ms. Melendez who will be discussed below. After Ms. Rozzetti made the statement above I asked her "Is it more inexpensive to do it that way?" She replied, "Sure. Cost is one of the driving forces...cost, cost, cost, cost. Bottom line." This statement was made in reference to U.S. manufacture and overseas assemblage. There was no indication that manufacturing overseas was itself a means to save money by the company.

The third reason given for manufacturing overseas was that it was "good business sense." Only Ms. Melendez addressed this issue. Her statement is also tied to cost. "But also it is good business sense as far as you are able to manufacture because there's enough quantity, you can manufacture it with low enough costs that you can sell."

I also asked my informants how globalization was discussed in a broader sense within the company. My informants focused on three ways in which
globalization was discussed in the company; the way it provided opportunities to people overseas, opportunity for the company and its distributors, and sponsorships.

Both Ms. Rivers and Ms. Rozetti talked about how Amway brought opportunities to people overseas in the form of the business opportunity. "I think it stems from the philosophy that they want to give everybody the opportunity to succeed. And that's the basis of a lot of their foundation as to how they go about business." Ms. Rozetti also discussed globalization in terms of providing people with opportunities and good products.

Not only are you are offering them unique products that they can't get anywhere else, but you are offering them a business opportunity. You are offering them an opportunity to start their own business, develop their own lifestyle if you want. And that's always an added attraction to life. It's a different way of distributing product and it's a wonderful idea to have your own business. I mean I think its an American concept, but its one that has transcended world wide. We have over three million distributors worldwide so we must have some attraction.

The second way in which globalization was discussed was in terms of globalization being beneficial to the company and to its employees and distributors. I asked Ms. Rivers about dialogue within the company about globalization. She responded by discussing the positive way in which globalization was portrayed within the company.

In a positive way... I don't think it was discussed 'should we?' It was discussed 'this is where the future is, this is where we're going, this is where the growth is, this is how its going to make everybody's life better.' So yeah, it was and they would have big announcement about what market they were going to be opening in next... Always in a positive way. I don't think that discussions were ever solicited, 'should we?' A benefit to the company and the people that work for it.
Mr. Rogers also discussed how globalization was presented to him in very positive terms. "They were really positive about it. They came across as, this is a really exciting time, we're growing. We're expanding our markets." Mr. Elroy talked about how globalization was discussed in terms of how beneficial it is to distributors and how it was used as a selling point to attract distributors. "I think he (his upline) thought that you know its just expanding, everybody's getting in on it and you better get in on it now because once everybody's in it nobody's going to be making money anymore... They used 'we're going global' as a selling point."

The third way in which globalization was discussed by my informants was in terms of corporate sponsorships. In each community that Amway enters overseas they start up a sponsorship. They choose one local charity to support. This is presented as the company "giving back" to the community. Two of my informants mentioned sponsorships in their discussion of globalization. Ms. Rozetti stated sponsorships are considered one of the philosophical tenets of the corporation is to give back to the community, so wherever it is that we are in the world we select a sponsorship or we assist in some way in terms of community development or community projects and that kind of thing. So we have over 200 of them at this point in time.

Mr. Reel also mentioned community responsibility. "It goes back to the ethics of paying attention to what's going on, what you can do. You are part of the community and being global we are part of a lot of communities." Discussing sponsorships as a part of the globalization of the company is one way of emphasizing the benevolence of the company when it goes overseas.
These interviews illustrate how information and attitudes about globalization are expressed through personal and mass communication to individuals operating within the company. These discourses provide insight into the beliefs and ideologies that people hold about Amway and its overseas operations. I will now look at how and why these discourses inform beliefs and ideologies.
CHAPTER VIII

ANALYSIS

Amway's discourses about globalization come in many forms. In some ways they fit with the discourses of the larger business world. However, in other ways they appear to be unique. As a company that has a unique corporate culture, they have forms of discourse about globalization that fit that culture as well. Put together, all of these discourses about Amway's globalization present a positive image of the company and this image is internalized by many people involved with the company. I will discuss how Amway presents itself as a benevolent company, how Amway presents globalization as a process that is good for both the company and third world countries, and how Amway presents itself as a moral company based on “Christian values.” I will also discuss the way in which Amway uses Neoliberal ideas about “free enterprise” in its discourse.

Of the five categories of attitudes about globalization found in the business literature, I found that three of these attitudes are reflected in Amway's discourse. While Amway's discourse rarely addresses overseas manufacturing directly, it does address the issue of globalization through the idea of “markets.” Amway's discourse about globalization falls into the previously named categories of; the globalized company is benevolent, globalization is good for developing countries, and globalization is beneficial for the company.
The idea that Amway is a benevolent company both in the U.S. and overseas is expressed in many ways. The first way in which Amway's benevolence is expressed is through the business opportunity Amway provides for distributors. The Amway business opportunity was mentioned in the interviews, the Museum, the literature and at the function, as a form of benevolence. The business opportunity is discussed in terms of how it brings people financial and emotional freedom. It provides opportunities to people in the U.S. who are overworked and want time for themselves and their families, and individuals who have lost their jobs. Overseas, the business opportunity brings financial success and freedom to people who are impoverished or have not previously been able to experience the wonders of free enterprise. By providing people with a way to own their own business Amway is good and benevolent.

The second way in which Amway is seen as a benevolent company is through their sponsorships. In the U.S. this takes the form of large donations to various foundations, especially in the city of Grand Rapids. Overseas this takes the form of the local sponsorships that Amway has in each country in which they are located. The interviewees, the Museum and Richard DeVos Jr.'s speech at the function all mentioned these overseas sponsorships and how they contribute to the local community. By placing emphasis on charity work around the world, the company is showing how they are 'giving back' to the communities they are in.

The idea that globalization is good for developing countries is also expressed in Amway's discourse. My interviewees, the Museum, the literature, and Neil Bush's
speech at the function all express the idea the Amway business opportunity is bringing prosperity and the free market to people in developing countries and communist countries, where these things were previously not available. The company is talked about as if it were taking the free market principles of economy to the world and in doing so they are helping the people of the world.

The third type of discourse that is expressed is the idea that globalization is good for the company, and in the case of Amway this also means that it is good for the Amway distributors. The interviewees, the Museum and DeVos' speech at the function all discussed how globalization was exciting and beneficial to the company and it's distributors. Two interviewees implied that globalization was also good for the employees of the company, however, in light of the recent lay-offs this discourse may have changed.

These three types of discourse about globalization reflect discourses in Amway that are similar to discourses in the larger business world. In this way Amway's discourses about globalization illustrate that Amway shares some similar ideologies about globalization with the rest of the business world.

Another form of discourse that Amway utilizes that also reflects the benevolence of the company is the absence of discussion about overseas labor, and focus on other aspects of globalization instead. This is very clear in the absence of discussion about overseas labor in the interviews, the Museum, the literature and the speeches given at the functions. While an absence of discussion seems like a strange form of discourse, it is discourse in that it expresses an ideology in its absence. To
ignore the possible problems with globalization and focus on other issues instead makes an important statement about overseas labor, “out of sight, out of mind.” The most poignant example of this absence of discussion within Amway is that the two interviewees who were former distributors did not know about Amway’s overseas manufacturing at all. This is important because Amway distributors are considered independent business owners and they are encouraged to educate themselves about the company that they own part of, yet this information is not provided to them. While this was not discussed in the business literature section, for decades the issue of overseas labor continued without public debate. It was not until labor rights groups begin to speak out about these issues that they began to be addressed by corporations.

The discourse about Amway’s labor practices in the U.S relates to the issue of globalization in that it speaks to how the labor practices of the company are portrayed in general. The interviews and Butterfield’s book (1986) were the only forums to discuss this issue. While Butterfield’s book speaks negatively about Amway’s labor practices, his book is not positively influenced by the company nor is it sanctioned discourse from the company. The interviewees, however, spoke very positively about Amway’s labor practices, emphasizing the avenues provided by the company for employee grievances. This positive discourse about Amway’s labor practices expresses the idea that this is a company that is good to its employees. Interestingly, there is little discussion of how Amway employees would not be considered free according to the principles of the company which assert that one is not free when she/he works for someone else.
The gender ideology expressed through some of the forms of discourse in Amway, especially at the function, is one that portrays women as the docile supporters of men, men as leaders and women as followers. The concept of the docile female fits well with the concept of women in factories overseas as docile and unlikely to object to low wages and bad working conditions.

Another ideology expressed in Amway's discourse is its Christian foundation. The Christian foundation of the company and the Christian values of its founders were mentioned by my interviewees, at the function and in the literature. They discuss the ideas of self-sufficiency and helping others as specific aspects of Christian morality that are utilized in the company's foundations. Christian morality is also discussed in a broad sense as a foundation for the ethics of the company and the way it is run. For Amway's founders Christian morality is a positive aspect of the company and it is discussed as such.

Amway builds on the hegemony of capitalism with its own ideology about Compassionate Capitalism (DeVos 1993). This ideology builds on capitalism and asserts that there are certain ways to use the capitalist system to help others while getting rich yourself. This ideology is widely accepted within Amway. In all forms of discourse analyzed here “free enterprise,” and “free market” are mentioned. In fact, those that contest the ideology would most likely leave the company, just as Stephen Butterfield (1986) did.

The discourse of Amway also places great emphasis on “free enterprise”, which is used by many as synonymous with capitalism, and thus freedom and
Democracy. In all the forums of Amway's discourse free enterprise is emphasized as an important and positive aspect of the company. Free enterprise is discussed as the best economic path, and Amway provides it to everyone to whom they offer the business opportunity. This issue is discussed in regards to globalization specifically as well. Amway is talked about as bringing free enterprise to impoverished peoples around the world and to communist or formerly communist countries. Free enterprise and Democracy are often referred to as synonymous with each other. In this way when Amway is seen as bringing free enterprise to a country like China they are also seen as ushering in Democracy. This idea fits well with Chomsky's (1999: 65) notion of neoliberalism.

Amway's discourse reflects the ideology behind neoliberalism through the promotion of three basic concepts. First, Amway promotes individualism. This can be seen in the discussion of "showing The Plan" and in the self-help form of DeVos' book. Furthermore, the shift in discourse that Amway has recently undergone, whereby distributors in the U.S. are now referred to as Independent Business Owners, reflects this idea of the individualism in profit-making. Images of freedom from working for someone else and the freedom of being one's own boss compare to the way in which the IMF and World Bank encourage countries to privatize their utilities and make their own profits. This concept of individualism also reflects the current trend in the U.S. among internet start-ups. In the current economic atmosphere in the U.S., the search for independent wealth is becoming more common. Amway reflects this trend in its emphasis on the Independent Business Owner.
Another way in which Amway reflects the ideals of neoliberalism is in Amway's promotion of the ideology that profit equals freedom. They present images of individuals who are free because they have the money to do what they want to do. This follows with the neoliberal ideals that once a country begins to make profits through the free market economy they will have Democracy and freedom.

The third ideal of neoliberalism that Amway promotes is that of consumerism. Just as McChesney (1999) suggests that consumerism is an important characteristic of a free market society, consumerism is an important part of Amway's culture. Material gains are heavily emphasized in Amway as an important aspect of showing one's wealth and freedom. By promoting individualism, the importance of profit and consumerism Amway is promoting the ideals behind neoliberalism and the free market economy.

These discourses illustrate that the company wishes to project a positive image of globalization through its discourse within the company itself and with the public. Furthermore, by ignoring or simply not addressing the possible problems with globalization, specifically for workers in the U.S. and overseas, the company is taking any emphasis off of this issue that might raise questions from the public, the employees or the distributors. The public, the employees and the distributors then incorporate this discourse and it becomes part of their belief system about the company and its global practices.

Amway uses Scott's (1990) concept of thick hegemony, persuading people to believe in ideas and values that justify the subordination that they experience.
Amway persuades people, through intensive propaganda and an emphasis on conformity, to believe that poverty is a choice. They are presented with this philosophy and choose to believe it or not to believe it. Once people make the choice to believe it they are immersed in the values and beliefs that reinforce the dominant ideology. This propaganda involves an extensive build up. Butterfield (1986) explains that part of “showing The Plan” is to create an imagery of the dull and monotonous cycle of the dead-end job. Amway is then presented as a way to rise out of this terrible cycle. Best of all, it is available to everyone and therefore is not oppressive or harmful to anyone because everyone has the chance to take this opportunity and they are hurting themselves by not doing it. This imagery extends to overseas involvement by the company because overseas expansion is presented as if the opportunity were being given to disadvantaged people overseas to be prosperous and rise out of poverty. They too are receiving the 'goodness' that Amway provides. This downplays and ignores the situation of overseas workers. If accepted, this propaganda can lead to a feel-good lived experience.

Amway employees and distributors may also easily accept the discourse that ignores and denies overseas labor because of a “possessive investment” as Lipsitz (1998) has described in terms of a possessive investment in Whiteness in the U.S. For Amway employees and distributors, ignoring the situation about overseas labor not only allows them to feel guilt-free about participating in the system, but also allows them to benefit from it.
The motivational aspect of Amway distributorships is an excellent example of Scott's (1990) "promise of the top". Distributors are lead to believe that if they completely believe in the system they can and will rise to the top and will not have to worry about losing one's job, or taking a massive wage cut as they become part of the growing service sector. These people are given the promise of making a profit as a motive for believing in the system and so ignoring, or actively denying the abuses of the system by which they earn their money. The promise of the ultimate top is a further reason to take advantage of the system and this increases the "possessive investment."

Amway provides us with a look at how multinational corporations discuss their global business practices. This discourse reproduces an ideology about globalization that is then internalized by those who choose to believe it.
CHAPTER IX

CONCLUSIONS

This is one example of the discourse of globalization and how it justifies and reinforces a positive outlook of multinational corporations. This project has attempted to look at how corporations and the people within them use discourse to promote an ideology about their practices. It has also attempted to analyze how these discourses influence the beliefs that individuals hold about the company.

Amway is an interesting example of the use of discourse within a corporation for several reasons. First, Amway is direct sales company that promotes a corporate culture based on personal achievement, compassion and Christianity. This company and its founders hold certain beliefs that are strongly supported through the company. Furthermore, the corporate culture promotes the duplication of lifestyle, attitudes and beliefs. The discourses within the company reflect this unique corporate culture.

Secondly, Amway has been very public about going global with the business opportunity but has been far less public about its overseas manufacturing. Consequently little attention has been paid to the overseas manufacturing used by the company despite the public talk of globalization. Discourse about globalization in the company therefore emphasizes one part of the issue while skirting around the other. This is because emphasis on globalization in the form of consumerism and profit-making is seen as a positive outcome, whereas the inhumane working conditions in
many countries around the world and the loss of jobs in the U.S. is a negative outcome. By emphasizing the positive and ignoring the negative, Amway creates a positive image of globalization.

Finally, Amway has recently laid-off several hundred workers in the U.S. while expanding overseas. This company is just beginning to follow in the footsteps of many other multinational corporations that have largely moved overseas. We are viewing the movement of this company as it is happening and not just looking at an already established system.

Further investigation into the discourse within businesses will help us to better understand why individuals conform to the ideals of corporations. I believe that understanding this process is a key step in resisting corporate power.

Through my experience with this project I have gained some insights into some issues that should be addressed in future projects. Future projects of this type should include more interviews with a larger range of company employees and distributors such as U.S. factory workers, other types of employees and higher up distributors.

Future projects of this type should also include information on the conditions and circumstances of overseas manufacturing, either from sources in the U.S. or by the researcher attempting to gain access to manufacturing facilities overseas. If gaining access to factories overseas were possible the best-case scenario would be the opportunity for the researcher to interview workers. However, many groups have attempted to gain this kind of access around the world and found it nearly impossible.
Another route for information on overseas manufacturing are labor rights groups. Any information they provide could be very useful.

A future project should also include an expanded business literature review section. In fact a comprehensive discourse analysis of business literature could be a project in itself. This would provide researchers working on the issue of the representation of globalization with a comparative sample.

Many of the political, social and economic issues expressed in Amway's discourse and promoted by Amway and its founders reflect current, political, social and economic issues. For example, the concept of Compassionate Capitalism reflects many of the same ideals as the recent concept of Compassionate Conservatism promoted by many Republicans. Furthermore, the founding families of Amway have real political connections to conservative politicians. The explorations of these connections between Amway and the current political climate would be an excellent emphasis for future research. Also, attention should be paid to the changes in Amway politics and views and how these fit with changes in the larger political climate of the U.S.

These methods should be considered for future projects of this type in order to gain a comprehensive understanding of the business discourse of globalization. It is important to understand the discourse within corporations because corporate power is strengthening its hold on the world. In order to combat the power corporations hold over governments, consumers, citizens and workers we must fully understand how they are presented to the public and thought about by the public. We must understand
why the public is willing to accept corporate discourse and unwilling to fight corporate power. Once we have this knowledge we can use it in the fight against corporate power.
Appendix A

Protocol Clearance From the Human Subjects
Institutional Review Board
Date: 29 April 1999

To: Vincent Lyon-Callo, Principal Investigator
Darlene Bos, Student Investigator for thesis

From: Sylvia Culp, Chair

Re: HSIRB Project Number 99-03-17

This letter will serve as confirmation that your research project entitled “The Conceptualization of Global Business Practices” has been approved under the expedited category of review by the Human Subjects Institutional Review Board. The conditions and duration of this approval are specified in the Policies of Western Michigan University. You may now begin to implement the research as described in the application.

Please note that you may only conduct this research exactly in the form it was approved. You must seek specific board approval for any changes in this project. You must also seek reapproval if the project extends beyond the termination date noted below. In addition if there are any unanticipated adverse reactions or unanticipated events associated with the conduct of this research, you should immediately suspend the project and contact the Chair of the HSIRB for consultation.

The Board wishes you success in the pursuit of your research goals.

Approval Termination: 29 April 2000
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