

Forum: Economic and Social Council
Issue: Establishing international standards to reduce the exploitation of affected demographics in global supply chains
Student Officer: Carlotta Senftleben
Position: Chair of the Economic and Social Council

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I. Introduction

The exploitation of the common worker is an artifact that has remained untouched throughout the history of mankind. Slavery formed the backbone of the most sophisticated communities of ancient times, therefore it comes as no surprise that it is still so present and profound in our modern society. Exploitation forms the foundation of our largely late-stage capitalist society. In an environment where constant exponential growth and consumption is the aim, this should come as no surprise. However, now we have renamed slavery as common work in global supply chains. In the global supply chains, millions of men, women, and children work under inhumane conditions: They receive wages below subsistence level, are mistreated in the workplace, and time and again people die as a result of accidents in factories. Companies from the Global North¹ exacerbate working conditions by setting tough price targets and tight delivery deadlines. Certifications and voluntary commitments have proven inadequate to improve this situation. At this moment, it is estimated that up to 24.9 million² individuals are suffering from this exploitation. The lives and well-being of these people are dependent upon how well countries utilize economic sanctions and frameworks to enable the creation of a more just society.

¹The True Scale of the Global North's Economic Appropriation of the South

<https://www.trtworld.com/magazine/the-true-scale-of-the-global-north-s-economic-appropriation-of-the-south-55223>.

² Forced Labor, Modern Slavery and Human Trafficking <https://www.ilo.org/global/topics/forced-labour/lang-en/index.htm>

II. Key Terms

A. Exploitation

Exploitation is a term for utilization of any kind, whereby the term is particularly related to the exploitation of an individual by an individual. It was more precisely defined in Marxist theories as appropriation of other people's labor³. Often, the ruthless exploitation of people as labor, the exploitation of women by men, of developing countries by industrialized countries, or of natural resources through greed for profit was and is also addressed as exploitation. Exploitation mandates that the labor of one is underpaid or valued for the profit of another.

B. Supply Chains

According to Wikipedia, a supply chain in the context of commerce is “ a collection of organizations, people, activities, information, and resources involved in the delivery of a product or service to a consumer. Supply chain activities include the transformation of natural resources, raw materials, and components into a final product and its delivery to the end customer⁴... Supply chains are a link between value chains. Suppliers in a supply chain are often classified by "levels".” These levels constitute different levels of oppression and exploitation. To eliminate mistreatment of said workers within the aforementioned systems, it is necessary to understand the distinctions within these levels.

³ Marx, Karl, 1818-1883. *The Communist Manifesto*. London; Chicago, Ill.:Pluto Press, 1996.

⁴ *The Role of Marketing Channels in Supply Chain Management*

<https://www.researchgate.net/publication/276212454> *The Role of Marketing Channels in Supply Chain Management*

C. Chain Governance

The Economist defines Chain Governance as a concept that “exists when some firms work to the parameters set by other powerful firms in the chain. The firm that sets the parameters with which other firms in the chain must comply is referred to as the lead firm in the chain.”⁵ It is structures like these which promote the creation of exploitative systems. The standards set by different “levels” within the chain often create unrealistic aims which cannot be achieved through decent labor.

D. Decent Labour

According to the International Labor Organization, decent labor “sums up the aspirations of people in their working lives. It involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men.”⁶ This standard of labor seeks to create a just work environment for all.

5 IT's Changing Mandate in an Age of Disruption.

https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=&ved=2ahUKEwjLkrLL-5z3AhVZSfEDHY1tBMqQFnoECAMQAQ&url=https%3A%2F%2Fimpact.economist.com%2Fperspectives%2Fsites%2Fdefault%2Ffiles%2Fitschangingmandate_final.pdf&usq=AOvVaw3QaToHK8NErWVvCEf05-oL

6 *Decent Work*

<https://www.ilo.org/global/topics/decent-work/lang-en/index.htm>

E. Supply Chain Levels

There are three levels of Supply chains: strategic, tactical, and operational. Strategic supply chains deal with future planning, things such as looking at market evaluation, capacity issues, new products, and technology changes. This is accomplished at the executive management level. Tactical supply chains involve a shorter planning cycle. They are more concerned with demand planning, inventory planning, and supply planning. Operational Supply chains are current planning activities. Operational chains involve the majority of the operations. They include demand fulfillment, scheduling, production, transport, and monitoring. The exploitation of different nature is prevalent in all of these levels, although most common in operational supply chains.

III. General Overview

A. Affected Demographics

a. Children

By the time we buy a product, it has usually traveled a very long way through many countries around the world. During this process, the rights of girls and boys are often violated repetitively all over the world.

Unfortunately, very common child rights violations in a global supply chain include exploitative child labor, damage caused by environmental pollutants due to a lack of health and safety measures, and additionally labor rights violations against their parents or other caregivers.

According to current estimates, 86 million⁷ children fell into poverty last year because the broad social and economic impact of the pandemic - triggered in part by the disruption of global supply chains - deprived their parents of income and forced them to work or drop out of school. It is mainly the workers

in the producing countries - and their children - who suffer from job losses and wage cuts.

In the absence of childcare facilities, smaller children, in particular, are exposed to dangers during their parents' working hours: either they spend the time unsupervised or they accompany their parents to their workplace - a stopgap solution that can lead to child rights violations such as neglect, accidents, and exploitative child labor.

Protecting the rights of all those working in supply chains and their communities is therefore crucial to protecting children's rights. For example, wages that are too low are often insufficient to fund education and health expenses for children. This often leads to children and young people starting to work to contribute to the family income.

b. Women

For many workers, unfair wages, exploitation, child labor, restrictions on trade union rights, or inadequate fire and building safety are part of everyday life. Women and girls are often acutely affected.

Women make up around 80 percent⁸ of the workforce in the textile industry, a notoriously exploitative environment. Women also work in other sectors, such as the electrical and automotive industries - especially in final processing. Lower pay for work of equal value, inadequate occupational health and safety measures, a lack of social security and no opportunities for advancement, as well as sexualized violence - are examples of discrimination that many women experience every day at the beginning of supply chains. Patriarchal social structures often further exacerbate their precarious situation.

7 Covid-19: Number of Children Living in Household Poverty to Soar by up to 86 Million by End of Year.

<https://www.unicef.org/press-releases/covid-19-number-children-living-household-poverty-soar-86-million-end-year>.

8 Gender: Women Workers Mistreated.

<https://cleanclothes.org/issues/gender>.

The high production pressure that companies generate also has an additional negative impact on them. Companies often lack a gender-sensitive approach to their risk assessments, particularly concerning the risk of sexist discrimination and violence in the workplace. Access to safe complaints bodies to which victims can turn in cases of discrimination are most often nonexistent. Transnational companies do not recognize the sexual and reproductive health of their workers at all levels of the value chain as an aspect of occupational health and safety. Most often, women within a patriarchal environment also fall victim to the exploitative demands of a capitalist society.

c. Migrants

For plantation owners and corporations, migrant workers around the world are one thing above all: cheaper than local labor. In addition, it is often more difficult for migrants to stand up for their rights, because not only do they risk losing their jobs, but they are often threatened with deportation. Therefore, they are exposed to human and labor rights violations such as violence and exploitation, especially women. Many workers receive significantly less than the legally prescribed minimum wage - even on certified plantations. Contrary to legal requirements, piecework of more than the maximum given hours is a bitter daily routine for many workers.

The study by the ILO also describes cases of union repression, sexual exploitation, inadequate protection against pesticides, and other labor rights violations in Costa Rica and South Africa. The symptoms of exploitation do not differ between migrants and other workers, but migrants are much more vulnerable to it.

IX. Major Parties Involved

A. Fair Labor Association (FLA)

The FLA has founded in 1999 on the initiative of several garment and shoe manufacturers and Bill Clinton. In 1996, the first meeting of these parties, as well as labor, religious, consumer, and human rights groups, was held at the White House after several scandals involving child labor and poor working conditions rocked the industries. It was agreed to take steps to improve working conditions worldwide and to establish an independent commission to write reports that would help guide purchasing decisions, with a particular focus on working conditions. The FLA Principles for Fair Labor and Responsible Sourcing and Production define essential company-level practices to ensure safe and sustainable supply chains. All FLA standards are based on the standards of the International Labor Organization (ILO Core Conventions) and internationally recognized good labor practices. Each member company commits to implementing the FLA principles in its business practices and to complying with the FLA Code of Conduct in its supply chain. The FLA continuously assesses its member companies and awards accreditation to companies that can demonstrate compliance with the FLA standards.

B. International Labor Association

The International Labor Organization (ILO) is the oldest specialized agency of the United Nations. It was founded in 1919. It is the only UN organisation that is not composed exclusively of states. In addition to the governments of the member states, employers' and workers' organisations also belong to it.

The ILO's main tasks include setting standards, monitoring compliance with ILO standards in member states, technical cooperation with developing countries, and disseminating information and research results. Since its foundation, the ILO has drawn up international labor standards in the form of conventions and recommendations and adopted them at international labor conferences.

C. India

India has made remarkable social and economic progress in recent years. However, millions of children have missed out on this development. There are laws to protect children from exploitation and there are social security systems. But the protection of Indian children from child labor remains a considerable problem.

India has the highest number of child laborers in the world. A total of about ten million children between the ages of 5 and 14 work on the subcontinent, of whom 5.6 million are boys and 4.4 million girls. This was revealed by the 2011 census. According to the ILO, the data also shows that the level of child labor decreased by 2.6 million between 2001 and 2011. Most are employed in agriculture. The 5-14 age group in India comprises a total of 260 million children. Additionally, the Indian economy heavily relies on its textile market, a workplace dominated by women. Here the tales of 48-hour shifts, sexual misconduct, and a lack of protective equipment are manifold. It is feared that poverty among millions of workers and their children will continue to increase because of the Covid-19 crisis, making this an issue that desperately needs attention.

D. China

China is notorious for its massive exports, and it has not managed to achieve this reputation without besmirching itself with the stains of exploitation. China's incredibly competitive economy heavily relies on underpaid and over strained workers to uphold it. At the heart of the heated debate is the "996" working time culture: working from nine in the morning to nine at night six days a week, usually without additional or sufficient pay. A protest movement originated in the information technology industry and is spreading to other sectors. Censorship stays out of the popular discussion - and state media signal support for the protest. The labor situation in Chinese factories has hardly improved. This is reported by the Christian Initiative Romero. The human and labor rights organisation refers to knowledge of

undercover investigators and investigators of the labor rights organisation China Labor Watch (CLW), which produced toys on the assembly line there - and has found serious labor law violations to workers up to 126 overtime hours per month. Thus, according to the information, the legal overtime limit of 36 hours was massively exceeded, and social security contributions were not paid. Hardly anyone had contact with trade unions.

According to the Romero Initiative, however, many employees have no choice but to work this excessive overtime: the minimum wages for regular working hours are not enough to secure their livelihood. Family life falls by the wayside, and many of the workers - often both parents are employed in the same factory - have to leave their children behind with relatives in the countryside, they said.

The report also described cases of discrimination against women. Female workers are often insulted, sexually harassed, and - unlike their male counterparts - have few opportunities for advancement, according to the report. In addition, female workers who are pregnant are not given special protection, work overtime, and night shifts, and are exposed to toxic chemicals.

E. Pakistan

There are currently millions of workers in Pakistan's garment industry who are victims of exploitation and abuse. In recent years, these invisible workers have on rare occasions been part of the national conversation, sadly, almost always for wrong and often tragic reasons. While the scope of the research is limited given the vast scale of the apparel industry in Pakistan, it nonetheless points to a trend of widespread poor working conditions, identifies key concerns voiced by workers and labor rights advocates, and details the failure of inspection mechanisms to enforce compliance with applicable labor laws and regulations. According to some estimates, Pakistan's garment industry employs 15 million people, some 38 percent of the manufacturing labor force. But a combination of lack of job security that makes it easier to

dismiss and control workers, poor government labor inspection and enforcement, and aggressive tactics against independent unions, make it difficult for workers to assert their rights.

F. Bangladesh

Bangladesh is the world's second-largest textile exporter. Violations of human rights, especially at suppliers to textile manufacturers, characterize the everyday working lives of Bangladeshi workers. The human rights organization Human Rights Watch interviewed children working in Bangladeshi tanneries. They had to soak animal skins in chemicals, cut tanned hides with razor blades, and operate tanning machines. They pay the cost of a ridiculously cheap fashion consumed in the west.

X. Previous and Possible Solutions

Previous Solutions

The first step in attempting to prevent the exploitation of workers is often the funding of investigative reports. Reports like these enable member states to create an overview of the situation of their labor markets and thereby enable a more target-oriented approach to fighting the abuse of workers. However, often no real policy changes stem from the findings in these reports.

In the past workers' Unions have been monumental in securing exploited workers with new rights. A labor or workers union is “an organization that engages in collective bargaining with an employer to protect workers' economic status and working conditions.”⁹ Unfortunately, unions like these are often oppressed by companies that see the danger in their unity.

Last but not least the ILO has created a set of national labor standards which, if fulfilled, prevent the exploitation of workers. The only issue with this is

that countries often fail to ensure that said demands are appropriately met by companies within their member states.

9 Worker Exploitation in UK Clothing Supply Chains.

<https://commonslibrary.parliament.uk/worker-exploitation-in-uk-clothing-supply-chains/>.

Possible Solutions

At the moment there is no lack of already implemented “solutions”. The true issue of this problem exists within the lack of successful implementation as well as monitoring of these solutions. Therefore, I encourage all of you to not only come up with resolutions for this issue but to also concern yourselves with how these solutions can be implemented with success.

XI. Questions to Consider

- How has your country dealt with exploitative labor? Would your country change its strategy?
- Is your country a consumer or producer of this labor?
- How can the United Nations facilitate and more importantly maintain international standards for labor?
- What steps can the United Nations take to prevent the exploitation of labor?
- How restrictive is your country when it comes to labor unions or labor rights?
- How dependent is your economy on exploitative labor?

XII. Conclusion

In a society that praises itself for its sophistication and lack of savagery, it is time that we recognize the festering foundation of our profitable successes. We can no longer look away and consume ridiculously cheap clothing and foods while others pay the price for our gluttony. The blueprints for the establishment of international standards to reduce the exploitation of affected demographics within global supply chains already exist. It is now up to member states to successfully implement them.

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