Combatting forced and precarious labour in global supply chains
Defining forced labor

According to the ILO:

“forced or compulsory labour shall mean all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily”.

C029 - Forced Labour Convention, 1930 (No. 29)
Defining forced labor

“...the employer or the State are not accountable for all external constraints or indirect coercion existing in practice: for example, the need to work in order to earn one’s living.”

The rise of global supply chains

SIMPLIFIED GARMENT SUPPLY CHAIN

End Markets

Global Retailers

National Retailers

Exporters

Wholesalers

Processors / Traders

Producers

Producers

Input Suppliers


Figure 1: Simplified Supply Chain for Tea (India)

Severe labour exploitation (including forced labour) is a stable and predictable feature of many global supply chains.
Downward pressure on labour

- Excessive and compulsory overtime
- Wage theft
- Unsafe work conditions
- Illegal wage deductions
- Sexual violence

- Harassment and intimidation
- Delayed payment
- Repression of freedom of association
- Punitive high quotas
- Physical abuse or discipline
- Gender-based violence
The political economy of forced labor

SUPPLY
- Poverty
- Identity and discrimination
- Limited labour protection
- Restrictive mobility regimes

DEMAND
- Concentrated corporate power and ownership
- Outsourcing
- Irresponsible sourcing practices
- Governance gaps

FORCED LABOUR

The fire at Ali Enterprises killed nearly 300 people. The factory had been inspected and certified as safe just three weeks before the fire.
Global business of forced labour study

Figure 8: Wage Violations

- Certified plantations
- Non-certified plantations

% of workers who had benefits withheld:
- Certified: 17.22%
- Non-certified: 11.71%

% of workers who experienced unfair deductions:
- Certified: 36.25%
- Non-certified: 45.37%

The problem with CSR/MSIs

• Voluntary, not binding, commitments;
• A lack of clear consequences for suppliers who violate workers’ rights;
• No role for workers in the design of the program or monitoring compliance with its standards;
• Little or no transparency; and
• A failure to address to root causes.
Worker-driven social responsibility (WSR)

The Fair Food Program

- Created by the Coalition of Immokalee Workers (CIW)
- Legally binding agreements between CIW and brands
- Worker-to-worker education
- 24-hour complaint process
- In-depth field and farm office audits
- Independent monitoring by the Fair Food Standards Council
Worker-driven social responsibility (WSR)

Accord on Fire and Building Safety in Bangladesh

- Independent inspections by qualified professional safety engineers
- Full public reporting
- Brands/retailers must require factories to undergo all necessary renovations and must help pay for them
- Central role for workers and unions
- All commitments are binding and enforceable by labor unions
Worker-driven social responsibility (WSR)

Milk with Dignity Program

- Legally-binding agreement between Ben & Jerry’s and Migrant Justice
- Worker-to-worker education
- Independent monitoring by the Milk with Dignity Standards Council
- Mandatory consequences for farms for non-compliance
- Ben & Jerry’s will pay a premium to all participating farms in their supply chain.
Labor rights initiatives must be worker-driven.
Obligations for global corporations must be binding and enforceable.
Buyers must afford suppliers the financial incentive and capacity to comply.
Consequences for non-compliance by suppliers must be mandatory.
Commitments by corporations must be quantifiable & time-bound.
“for nearly two decades, workers’ rights and trade union organizations, scholars, and auditors themselves have documented the flaws of the audit regime; yet, corporations have done little to transform it. The problem is not one of finessing the institutional design or audit methodology, but rather relates to corporate power, politics, and profits”

G. LeBaron et al. (2017) ‘Governing Global Supply Chain Sustainability Through the Ethical Audit Regime’.
For questions or additional information, please visit https://wsr-network.org/ or email penelope@wsr-network.org.