

3.2: Challenging labour exploitation in global supply chains

Welcome back everybody. Last week we spoke about the structural root causes of forced labour in supply chains. This week by contrast, we are going to examine some of the things that we can do to make supply chains fairer and to fight against exploitation. These ideas come from struggles taking place all over the world and together they can form a framework for making a fairer global economy.

The first and immediate starting point is to ensure better enforcement of labour standards. As we mentioned last week, governments worldwide are not protecting their workers in the way that workers need. We therefore need governments to make reforms which promote worker rights and which increase the size and the mandate of their labour inspectorate's to ensure that businesses are respecting the rules. This in turn requires shifting budgetary priorities – in other words taking more money from business and spending it on the enforcement of worker rights.

Other strategies with regards to workers' rights include the creation of penalties for businesses that violate labour standards. A good example here is Brazil's dirty list, which shames companies found to have used forced labour. We can also think of targeted enforcement of standards in sectors where there is a high risk of exploitation, and we can think of support for collective action and the right to organise, for example via unions. There are also innovative, worker-led strategies that we can promote. These include, for example, involving worker centres or unions as monitors of labour standards, in partnership with the state and with business. The Coalition of Immokalee Workers in the United States, for example, is a farm work organisation which has pioneered this type of worker-led standards enforcement that can serve as a model for others. Its work is underpinned by a worker-drafted code of conduct agreed to by partner firms.

A second move is to redistribute value in global supply chains and to push for living wages. Major firms need to be encouraged to pay more to their suppliers, to keep less of the profits, and to share value more equitably. Activists and worker organisations can be supported to bargain with big businesses for a greater share of the value that they help to produce. One example here is the Asia Floor Wage Campaign. This regional research initiative seeks to establish a living wage for garment workers across Asia by bargaining across countries with the big brands who sit at the top of the clothing supply chains.

A third set of reforms are those which tackle poverty. Think of it like this, if being poor increases a person's vulnerability to forced and exploitative labour, then policies which reduce poverty will likely reduce the supply of people vulnerable to those kinds of labour. It is a no brainer. In practice this means massive redistribution, higher taxes on those who have wealth, closing tax loopholes, and ensuring that the have-nots receive more. This means increased social protection, stronger social safety nets, and more extensive public goods provision – for example, health care for all.



VIDEO TRANSCRIPT

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Another option for tackling poverty is unconditional basic income. Unconditional basic income is defined as a cash payment given regularly without means test or work requirement. It's like a wage that we all receive simply for being human beings. Ideally this could be rolled out at a global level, but it can also be rolled out at a national level. The key point though is to give everybody enough money to be able to resist the kinds of exploitative work that we saw last week, which takes place all across the world in global supply chains. Until recently UBI was thought of as a utopian or fanciful strategy, but it's recently started to be trialled by governments and authorities across the world. A recent trial run by the United Nations Children's Fund UNICEF in India found that basic income reduced forced labour. This is something that has to be built on when we're thinking of how to overcome the poverty that structures forced labour in supply chains.

A fourth strategy for improving workers' rights in supply chains involves better immigration policies and pushing for more migrant rights. If unfair policies which target migrants facilitate the use of forced and exploitative labour, then it follows that the rules governing migrant workers' work must play an important role in curtailing the supply of migrant workers who are vulnerable to forced labour. A simple example of a reform that would be useful here in the UK would be ensuring that migrants, like non-migrants, can access free health care or legal support. Another would be shifting the costs of bringing over a foreign worker onto the employer, rather than the foreign worker paying for themselves to come over. Abolishing tied visas would also be useful. Tied visas restrict a migrant's work rights to employment with a single, specific employer. In cases where the employer is exploitative, the migrant ultimately faces a choice: do they leave the employer and protect themselves at the cost of getting deported, or do they accept the exploitation? Abolishing such visa schemes would be a massive step forward for migrant rights and for migrant workers' conditions in supply chains.

Fifth, we showed last week that the lack of protective legislation at the global and national levels allows exploitation to take place. Employers and major corporations have been largely made responsible for checking on the working conditions in their supply chains. We know that this self-regulation doesn't work, so what we need is binding legislation.

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