UNITED NATIONS HUMAN RIGHTS COUNCIL

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Beyond Sovereignty:

Strengthening Global Alliances in a Divided World

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Topic: The ethical dilemma of Multinational Corporations and Cheap Labor in balancing profit and moral responsibility.

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Introduction

A widely recognised ethical dilemma is the issue of illegal forced labor, where individuals are compelled to work for little to no pay, sometimes against their own will. However, a problem even more pressing is the issue of the loose economic loopholes which allow for this to be completely legal. Companies are constantly faced with the conflict between moral responsibility and the lure of larger profit through cheaper labor. A very common practice that is present in everyday life is the case in which a company relocates its production centers to a country where labor protection laws are weaker. This makes it simple for the business to exploit its workers and violate human rights, therefore reducing costs and maximizing the company's profit. If a company's manufacturing facilities are located in a country where the minimum wage is far lower than the country where the product is being sold, it can pay wages to its manufacturing workers that would be considered illegal to pay in the selling country. As long as the wages comply with the laws of the country where the production occurs, this is technically entirely legal. However, one should ask oneself if legality excuses exploitation. These companies charge their customer prices for a higher-wage market, maximizing profits while their workers are trapped in low-income conditions, working as hard as those in a developed country, but for much less.

There is a significant power imbalance between multinational corporations and their local suppliers. In many cases, suppliers are medium sized factories that rely solely on interactions with powerful firms to stay in business. They often feel forced to accept unfavorable terms as a result of being dependent, which ultimately creates a system where workers bear the loss of basic rights through measures such as extremely low wages, long working hours, and unsafe working conditions. These pressures perpetuate a cycle of exploitation, as suppliers comply to meet the demands of global brands, while workers remain in low paying jobs with no say in their conditions.

Definition of Key Terms

Minimum Wage

The lowest payment that employees are legally entitled to receive. This wage is set by an authorised body like the government, and it is set in order to protect workers from exploitation and to reduce poverty. The minimum wage varies from one region to another.

High-wage Market

A region where the average wages are significantly higher than other economies. Typically, higher wages mean a higher cost of living, stronger labor protection laws, and higher prices set for products and services.

Supply Chain

The entire network of people, resources, organizations and activities involved in the production of a good. It refers to all the parts of the process, including the raw materials, the manufacturing, the distribution, etc, and portrays how a product moves from its origin to the end consumer.

Multinational Companies (MNCs)

A big company that operates in more than one country. This might mean that it has offices, factories, or stores all around the world. Corporations become multinational with the aim of maximizing profit by reaching more customers or lowering costs. Some examples of popular multinationals are Apple, McDonald's, and Nike.

Sweatshop Practices

This term refers to when a factory or workshop has very poor working conditions, usually involving developed countries that make products for major brands. Conditions that could be classified as sweatshop practices tend to include very low wages, excessively long working hours, unsafe environments, exploitation of the vulnerable, and weak workers' rights.

Corporate Social Responsibility (CSR)

When companies integrate social and environmental concerns into their business operations. The CSR's aim is to focus not only on profit, but also on enhancing moral responsibility for results to have an ethical impact on society and the environment.

Background Information

Historical Background

Historians usually reference slavery as one of the principal root causes of cheap labor. This issue dates back to the era of colonialism during the 15th century, when imperial powers would exploit their colonized lands for resources and their people for services, with the goal of fueling economic growth. Colonial powers imposed slavery, indentured servitude, and many other forms of forced labor on natives, ensuring a system that allowed for them to maximize profit with a steady and cheap supply of labor.

Colonialism further institutionalized the local colonies' dependency on exports by setting up systems that controlled trade. The powers set laws, taxes, and trade rules requiring colonies to only trade with them. This means that colonies could not sell their products to any other country. The Navigation Acts is an example of this case. This Law set up in 1651 by the English Parliament ensured that all the valuable raw materials and goods such as sugar, tobacco, indigo, and cotton, native to American land, could only be exported to the British. These products had to be shipped to Britain, where they would then be resold elsewhere, denying the colonies access to the most profitable markets.

Several labor systems that sprung during the colonial era mirror some modern cheap labor practices. For instance, slavery, indentured servitude, and debt-peonage, where workers and enslaved people performed exhausting and most frequently unpaid work under extremely harsh conditions, usually with limited rights or freedom. Plantations in the Caribbean and South America, for example, depended on slavery. On the other hand, Asian, African, and Caribbean colonies mostly utilized indentured servants, working under contracts requiring years of low wage labor.

These systems were further developed during the 19th and 20th centuries by imperialism, as it created a foundation for networks of interdependent markets and trade. This expansion is often seen as the forerunner of today's globalization in the world, shaping the current flow of capital, labor, and goods.

The great expansion of globalization during the late 20th century further fueled the issue. This trend led to a rapid advancement in transportation, communication, and production, making it significantly easier for companies to locate their manufacturing centers across the globe.

Even after independence, former colonies fell into a loop and therefore still remain economically tied to supplying cheap labor. Bangladesh and Vietnam, for example, supply low wage clothing products for global brands, and several African countries provide raw materials labor for European and American industries. A common pattern for these countries that perpetuates labor exploitation in the colonial era is for them to focus their economies on exports demanded by wealthy countries, while facing pressures to keep their wages low in order to stay competitive in the market of global supply chains

Current Situation in the World

Even after centuries of battling cheap labor, with MNCs choosing to prioritize profit over ethical responsibilities, this issue is still undeniably prominent in today's economy. With high production rates and even higher consumer demand, cheap labor is a simple and accessible strategy that companies resort to.

The economic disparities between developed and developing countries play a major role in feeding the cheap labor system as well as keeping it in place. Many underdeveloped countries with high unemployment rates and desperate citizens find themselves in a position where it's difficult to reject any available work, even if those offers don't comply with basic labor laws. For many, this low income means being able to afford rent or food. Multinationals often consider this vulnerability and take advantage of it by setting up factories in the poorest regions, handing out employment opportunities, only to then abuse the imbalance of power against their workers, knowing that they are not very likely to protest or quit due to the lack of work alternatives and their dependence on their wage.

Over the past years, global unemployment rates have notably dropped, and as of May 2025, they were at a historic low, with only 4.9% of the world's labor force remaining unemployed. Additionally, the Future Jobs Report 2025 by the World Economic Forum explains that MNCs play an important role in job creation globally, and expects it to contribute to the creation of 78 million job positions worldwide by 2030. Looking solely at the statistics, one could argue that these numbers showcase that multinationals are favoring local economies; they are essentially giving people job opportunities, providing employment to the citizens of underdeveloped regions. In this way, they help combat the high unemployment rates while also improving overall economic activity. One could also claim that foreign investment plays a significant role in economic development, stimulating the global market, as well as helping invigorate local businesses by introducing new technologies, skills, access to global supply chains, as well as improving the integration of low income countries into the global economy. However, the reality of this is more complex. Apart from benefits, this system brings to developing nations a cycle of dependency, where workers find themselves trapped in poverty without being able to turn around. The economic and social conditions that let cheap labor occur still exist, making it extremely difficult for these countries to improve worker protection or wage laws. Low income countries make up about 40% of the global population, and they are the main regions where multinationals seek cheap labor. In these countries, workers might just earn the equivalent to about a few euros daily while producing goods that are being sold for hundreds in wealthier markets. According to 2020 estimates by the International Labour Organization (ILO), globally, 19% of all workers – which represents around 327 million people – are paid at or below their minimum wage. In low income countries, this figure goes up to about 30-40%.

The use of cheap labor by MNCs is not uncommon. This issue can be found in most industries: in the clothes worn, the technology used, the goods purchased, the food eaten, and more. As of 2025 research, several industries have been strongly associated with cheap labor, with the textile industry being among the most prominent. Fast fashion is a highly profitable and rapidly growing sector. It refers to a business model where clothing companies produce a large quantity of clothes at a low cost and quickly. In order to do so, many of these fast fashion companies resort to outsourcing their factories to cut costs. The textile industry employs approximately 75 million factory workers across the world, with less than 2% of these earning a living wage. A Vietnamese woman who works at a factory which produces shoes for global companies explains that one pair of shoes that they make is valued more than their whole month's salary. An example of an extremely popular American brand that operates its manufacturing factories in underdeveloped nations is the famous sportswear brand: *Nike*. Currently, China and Vietnam are *Nike'*s top production bases, with these countries being in charge of manufacturing 36% of the companies' shoes. 22% of them are made by Indonesia, and 6% by Thailand. Other countries on this list include Malaysia, Pakistan, Sri Lanka, and more. For example, in Vietnam, although it varies by region, the country's minimum wage ranges approximately between the equivalent of €129 to €186 per month, while in the U.S. – where *Nike* was founded –, the minimum wage is currently $7.25 per hour, which roughly translates to $1,160 per month for full time workers. The electronics sector follows a similar model involving cheap labor. Much like Fast Fashion, this industry outsources manufacturing to countries with weaker labor protections such as China, Vietnam, and Malaysia. Recognisable brands like Samsung or Dell depend on factories in these countries to assemble their products.

Apart from paying its workers extremely low wages, which some even report to not being enough to feed just one of their children, cheap labor puts its employees in highly dangerous positions. As a result, workers often have to work under extremely unsafe conditions. This might be manifested through overcrowded factories with poor ventilation, unsafe exposure to toxic chemicals, excessive working hours, etc. Throughout the course of the past years, there have been several incidents due to these unsafe regulations that have ended in death for thousands. An example of this is the 2012 incident in Pakistan, where 289 people died due to a fire breaking out in the factory, which had most doors locked and poor safety regulations.

Despite ongoing public concerns and promises from MNCs to improve labor conditions, many arguments claim that current global supply chains frequently prioritize profit and cutting costs over the protection and rights of their workers in developing countries.

Major Countries and Organisations Involved

Bangladesh

Bangladesh plays a central role in the cheap labor system, specifically in the textile industry. It is currently the second largest clothing exporter in the world, with its Ready Made Garment sector making up more than 75% of the country's exports and employing millions of Bangladeshi. This country supplies to many multinational clothing companies. For instance, *H&M* has over 200 factories in Bangladesh, making it the largest buyer of their garments. After this company, corporations such as *Primark*, *Walmart*, and *Gap*, follow. As of 2025, The minimum wage in this nation is 12,500 Bangladeshi Taka per month, roughly equivalent to 88 euros, and workers often earn as little as 3 to 5 euros per day. Factories keep their wages low to stay attractive to global customers and investors, and many follow unsafe protocols. In 2013, over 1100 died and 2500 were injured in the Rana Plaza collapse, where employees were demanded to work despite the building being in dangerous conditions, leading it to collapse and trap over 3000 people inside. Bangladesh faces challenges regarding inflation, taxation, political and economic stability, and more. Nevertheless, exportations are the main driver of their GDP growth, and the country is expected to graduate from the Least Developed Countries (LDC) status by 2026.

China

China is greatly attractive for multinational companies as a source for cheap production of electronics, machinery, consumer goods, and textiles. The country is often referred to as the "world's factory" and is immensely targeted for their manufacturing capabilities, with this sector employing hundreds of millions of Chinese citizen workers and offering an immensely effective low-cost, high-production capacity. China is home to thousands of factories that create products for *Shein*, *Samsung*, *Nike*, *Huawei*, and many other brands. It is the largest apparel exporter in the world, supplying over 30% of global clothing exports. Apart from textiles, China is also the leading exporter of electronics in the world. It makes up about 70% of the global smartphone manufacturing market. Additionally, over 80% of all global toys from the goods industry are produced in the country, and it is also critical for industries like electric vehicles and renewable energy as it is a major hub for solar panels and rare earth materials. One of the most notable examples of China's dominance in mass production at a low cost, is the ultra Fast Fashion giant that has rapidly reached global market levels, *Shein*. This brand heavily relies on China's factories and cheap labor to produce clothing, pushing thousands of new items to the market daily, and selling these products for extremely low prices. This business model allows the company to offer items at prices that are almost impossible for competitors to match. Reports have accused *Shein* of poor working conditions, excessive working hours, and extremely low wages for its manufacturing workers. Although the wages in China have risen over the last few years, certain regions still have poor labor protection laws, making it easy for companies to exploit workers without facing serious consequences. In many factories, employees work from 12 to 18 hours a day, sometimes earning less than the equivalent of 500 euros per month. As a country, China does not have a national minimum wage, but rather, this number ranges between regions.

India

India is also amongst the list of countries that are most involved with the cheap labor market, specifically in the textile and electronic sectors. It is an efficient source of cheap manufacturing for global brands as it currently has some of the lowest prices in the market. The country's clothing industry plays a major role in contributing to its economic growth. It employs millions, particularly in regions like Tamil Nadu. There, garment workers earn the equivalent of around 100 euros per month, while India's average monthly factory wages are between 188 and 230 euros. Reports evidence that some textile workers from marginalized communities and often without actual contracts earn as little as 0.11 euros per hour. On another hand, India is also a hub for the cheap manufacturing of electronics. Companies like Samsung, Xiaomi, Sony, Panasonic, and more, operate factories in India. In Delhi, unskilled electronics workers earn around 180 euros per month, while skilled workers earn more. India does not have a national minimum wage, and each state government sets its own. However, as of 2025, the National Floor Level Minimum Wage is around 178 Indian rupees per day, roughly equivalent to 1,70 euros per day, or around 51 euros per month, but states often set higher rates. Approximately, 70% of India's estimated 68 million manufacturing workers are employed in small and often unregistered firms where labor protection laws are limited.

United States

The United States is a major consumer market and driver of demand for low cost goods and services, being one of the main contributors of cheap labor, feeding its system and essentially keeping it running and in place. U.S. citizens buy enormous amounts of clothing, electronics, and other goods produced outside the country. Mass consumption creates a high demand for fast and cheap products, which incentivizes multinationals to move their factories abroad, to places with weaker labor laws. In addition, many U.S. founded companies, such as *Nike*, *Walmart*, and *Levi's*, heavily rely on factories in low wage countries to keep their prices competitive. About 60% of all United States companies move their operations or service centers to other countries to cut costs, and about 35% of U.S. manufacturing work now occurs in other countries. Some legislations, like the Uyghur Forced Labor Prevention Act, aim to stop forced labor productions to enter the U.S. market. However, enforcement is not strong enough yet, permitting many goods from high risk regions to reach consumers.

United Nations Human Rights Committee (UNHRC)

The United Nations Human Rights Committee plays a central role in promoting and protecting all types of human rights, among which, labor rights. This committee serves as a forum for dialogue and for cooperative action on human rights issues. Its duty is to work together in order to discuss and pass resolutions that improve the protection of human rights in and outside the workplace: freedom from exploitation, violence, and discrimination are some of the rights it attempts to safeguard. The council helps strengthen labor laws by reinforcing international standards which advocate for fair pay, decent working conditions, the right to work, and the right to unify and bargain collectively. The UNHRC is actively collaborating with other organizations such as the ILO, and working with these partners to advance worker's rights by promoting equality and addressing factors like forced or child labor. However, the UNHRC's power is limited, as it cannot directly impose legal regulations; it can only establish guidelines and offer suggestions. Instead, the willingness of Member States to accept and follow its rules determines its impact.

Timeline of Events

Date	Description of Event
1500s-1800s	**Translatlantic Slave Trade and Colonial Exploitation** European Empires, particularly Britain, Portugal, Spain,

France, and the Netherlands, established colonies in the Americas, Asia, and Africa. The slave trade made millions of Africans work on plantations producing cotton, sugar, and more goods. The profits and raw materials were kept by the colonial powers and provided for the expansion of European economies and cities.

1672	**Royal African Company in England** England gained exclusive control over the trade of enslaved African and gold for English colonies when it founded the Royal African Company. This company became a monopoly of this sector, and because it was supported by the government, the company greatly expanded the slave trade by volume and profitability. By doing so, the money earned helped when investing in Britain's growth, including its infrastructure, economy, and expanding its colonies.
Early 18th century	**Colonial Cash Crops Fuel Industrialization** Products extracted from slave labor and colonial plantations, such as sugar and cotton, were shipped from colonies to Europe. These goods became essential for European Industries, especially in Britain. The profits made from this trade were invested in banks, infrastructure, and new industries. This advancement helped speed up industrial growth and set the stage for the Industrial Revolution.
Late 18th century	**Industrial Revolution** Using the capital gained by its colonial trade and slave labor, Britain became the first power to industrialize. It started deploying cheap labor in factories, with its workers getting paid extremely low wages and in harsh conditions. By doing so, it set a trend of large scale, low cost production, which then spread across Europe and North

America over the next century. This new mass production model adopted by developed nations radically transformed their economies and the working conditions of their factories.

1807-1838

Abolition of Slave Trade and the Apprenticeship System

In 1807, the British Parliament passed the Abolition of the Slave Trade Act, which made it illegal to engage in the act of buying or selling enslaved people across the British Empire. However, it wasn't until later that engaging in the slave trade became illegal across all the colonies. In 1833, the Slavery Abolition Act was passed. This act finalized slavery by abolishing the institution itself. However, many of these newly freed individuals were forced into a system called the Apprenticeship System, which lasted from 1834 to 1838. It required the formerly enslaved people in British colonies to keep working for their past enslavers for little to no pay and often under harsh conditions. This period kept cheap labor in place in order to benefit plantation owners and the overall colonial economy.

1830-1890

U.S. Industrial Expansion

Fueled by the great expansion of railroad networks and mass production techniques, the United States experienced rapid industrial growth, which led it to become a leading industrial power. Urban centers saw factories getting multiplied as well as producing goods faster and for cheaper than they ever did before. This great expansion heavily relied on cheap labor, particularly on immigrants, women, and children, who faced harsh working conditions and very low wages. This period settled systems of labor exploitation that would be later seen in future similar patterns of low cost production.

1919	**Creation of the International Labour Organization (ILO)** The ILO was founded after the first World War. It is a United Nations agency that works on setting global standards for labor with the aim of improving the working conditions of employees across the world. It promotes fair wages, safe working conditions, and the prohibition of forced and child labor. This Organization has played a major role in shaping labor rights globally, building more ethical and safe working environments worldwide.
1948	**Universal Declaration of Human Rights (UDHR)** This declaration was adopted by the United Nations General Assembly after World War II. It established global frameworks addressing rights and freedom. It advocated for fair wages, safe working conditions, and the prevention of exploitation. The UDHR has heavily influenced international law.
1966	**International Covenant on Economic, Social, and Cultural Rights (ICESCR)** This binding international treaty requires countries to guarantee fair labor conditions and wages, and protection against exploitation. It enhances human rights by making economic, social, and cultural rights legally enforceable and assuring governments take on their roles of responsibility in promoting social justice for workers.
1970s-1990s	**Global Relocation of Production** During this period, it slowly started becoming more common for multinational corporations to relocate their production centers to less developed countries such as China, Vietnam, India, and others. This was driven by the motive of reducing manufacturing costs, therefore

Relevant UN Treaties and Resolutions

The United Nations plays a key role in combating the issue of cheap labor systems. It has helped set international labor standards, promote basic human rights, and coordinate global efforts when tackling the issue of exploitation. These are some of the treaties attempting to combat cheap and forced labor that came together by the member states of the UN.

Universal Declaration of Human Rights (UDHR), adopted by the United Nations General Assembly on December 10, 1948

The UDHR, established by the UN General Assembly in 1948 through Resolution 217 A (III), remains today as one of the most important documents aiming to establish fundamental human rights, among which, labor rights. Article 23 on the Resolution claims that everyone has the right to favorable conditions of work, fair wages, protection against unemployment, and the free choice of employment. In addition, it explains that everyone should have the right to form trade unions, essentially allowing workers to join as one to defend their rights and negotiate with higher authorities. Even though countries are not mandated to follow the UDHR the way they must follow a law, it still serves as a moral and ethical compass, setting frameworks and basic standards regarding human rights, as well as having served as a guide for the creation of later treaties and labor laws. For instance, its principles have influenced conventions by the International Covenant on Economic, Social and Cultural Rights (ICESCR), and the International Labour Organization (ILO). The UDHR also recognizes forced labor and unsafe working conditions as human rights violations, and it underscores the global responsibility of states and businesses in ensuring that workers are treated fairly.

UN Guiding Principles on Business and Human Rights, adopted by the United Nations Human Rights Council on June 16, 2011

The UN Guiding Principles on Business and Human Rights (UNCP’s), established by the UN Human Rights Council in Resolution 17/4 in 2011, was one of the first frameworks advocating for the protection of human and labor rights from businesses that was globally recognized. This treaty revolves around three core principles: The state’s responsibility to protect human rights, the corporate’s obligation to uphold ethical practices, and the ability for workers whose rights have been violated to seek justice. The main aim of this resolution is to tackle issues such as forced labor, child labor, unsafe working environments, unfair wages, etc. Similar to the UDHR, the UNCP’s are not legally imposed, but likewise, they are heavily influential on corporate social behavior and national security. It slowly became more and more expected for multinationals to engage with stakeholders, such as employees and unions, report on compliance publicly, and perform checks on human rights. The UNCP’s have been widely embraced by governments and firms around the world.

UN Global Compact, launched by the United Nations on July 26, 2000

This initiative aims to strengthen ethical business practices by encouraging firms to follow ten universally recognized principles and to try to align their operation systems with them. These principles defend human rights, the environment, labor rights, and anti-corruption. Regarding labor, the treaty aims to abolish child and forced labor, ensure safe working conditions, and protect the right of workers to form unions. Corporations commit to the requirements by integrating them into their work strategies once they sign the Compact. Although participation is voluntary, thousands of companies have joined the initiative. All signatories are driven to report their progress, their challenges, and their efforts to combat and prevent exploitation for the public to see. This method has helped systematically improve countries where cheap labor is still very prominent. The Global Compact also partners with other UN agencies, society organizations, and industry groups. They work together to raise awareness on the matter and improve labor standards.

Previous Attempts to Solve the Issue

Over the years, there have been numerous attempts to put an end to cheap labor, exploitation, and the implications that come with these systems. Although some of these efforts have had degrees of success, unfortunately none have achieved eradicating the problem or creating lasting results. Some United Nations resolutions proposed stricter international enforcement mechanisms, but due to the economic and political interests of the parties involved, mainly from those who benefit the most from low cost production, the resolutions failed to gain support. Likewise, regional initiatives by organizations like the International Labour Organization, for instance, faced significant challenges such as inadequate funding or lack of participation by member states when attempting to effectively enforce labor standards. Without strong collaboration, it became difficult for these programs to exert their influence on improving workers' rights.

Because most countries are not legally enforced to follow international labor protocols, nations and corporations that benefit from cheap labor have no incentive to follow moral standards. For example, although the UN Guiding Principles on Business and Human Rights promotes safe working conditions and fair wages, many nations with multinational corporations still allow for unsafe working conditions to persist. The reason for this tends to be directly correlated to the fact that enforcing these standards could potentially discourage foreign investments or profits. Similarly, The Fair Labor Association works with the aim of improving labor conditions in factories across the world through monitoring processes. However, often due to a lack of legal enforcement mechanisms or penalties, many factories disregard the association's proposals, failing to fully comply with its standards. Countries that refuse to follow these protocols tend to mainly prioritize short term economic gains over long term labor protections, which ultimately weakens the global push for enforceable standards.

Possible Solutions

Establishing Fair and Living Wage Standards for Workers

Ensuring that workers receive wages that truly reflect the value of their work would help combat cheap labor in developing countries. This solution emphasizes comparing how much workers in more developed countries would earn from similar jobs, and for corporations to set its employees' wages respectively to this information. Guaranteeing that wages meet living standards depending on each region's economy is a fundamental technique to prevent exploitation from occurring. This solution calls for an international wage monitoring mechanism under the supervision of organizations such as the International Labour Organization (ILO) and the United Nations Development Programme (UNDP). It would be mandatory for member states to submit annual wage reports demonstrating conformity to fair wage standards in relation to the cost of living. Trade related consequences, such as the loss of tariff privileges or access to international funding programs, could affect member states that persistently underpay their workers. In addition, a Global Wage Certification System could be implemented; companies that follow up to wage and labor standards would be acknowledged by the UN, enhancing their international standing as well as their access to the market. This system's intent would be to hold governments accountable while also pressuring multinational corporations to comply, as not doing so could harm their global credibility. Through this approach, employees are better protected from abusive practices and potential exploitation.

Enhance Global Transparency and Supply Chain Accountability

International cooperation is essential for combating cheap labor as this issue tends to flourish in areas with minimal enforcement and regulations. To develop mechanisms that improve transparency across international supply chains, governments, NGO's, and businesses must collaborate. This could involve mandating companies to use validated online databases, and for these to be available to both the customers and regulators in order to publicly display information about where their production centers are located, their suppliers, the wage standards in their manufacturing facilities, and more. Working together, member states could identify patterns of abuse and share data by establishing cooperative inspection platforms. Furthermore, by using digital tools such as blockchain technology, it may be possible to track products from manufacturing to sale. This could guarantee that no stage within the process of production and distribution uses abusive labor. By increasing supply chain transparency, global institutions like the ILO would be able to identify unethical behavior by businesses, putting pressure on them to uphold fair working conditions. This solution would protect workers from exploitation regardless of where the production is taking place.

Enhance Unskilled Workers' Education

Cheap labor ultimately sustains itself due to the uneducated or unskilled workers whose last resort of income is working for these companies. When employers understand their workers depend entirely on their jobs and fear unemployment, they take advantage of this vulnerability, as they understand that employees are unlikely to quit or protest due to the limited alternatives. For this reason, tackling one of the root causes of this system – a high rate of uneducation across low income countries – can be a sustainable way of reducing dependency on cheap labor. In areas with high rates of exploitation, governments could set up vocational training centers in partnership with agencies like the International Labour Organization and the UNHRC. These centers could provide programs with the aim of teaching skills that are currently in demand in the labor market, such as manufacturing technology, logistics, computer use, and more. These facilities could also collaborate with a specific set of companies to ensure post training employment, guaranteeing workers the ability to move into safe roles. Additionally, rural areas with limited access to traditional education systems could be reached by mobile education programs that use digital platforms or by an established group of educators that move around remote communities. Not only would these programs teach useful skills, but they would also educate employees about their rights as workers, advocating for them to protect themselves and demand fair treatment. Through this method, former victims of systematic labor exploitation would become less reliant on unfair work.

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