

BIGMUN 2024

GA 6: Legal

Research Report

Topic 1: Holding companies accountable for the exploitation of workers



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Introduction:

An evaluation of a nation's ability to hold private corporations responsible for worker exploitation must consider a number of variables, such as labor laws, worker rights enforcement systems, regulatory frameworks, and general worker commitment. Generally most countries suffer from rather poor legal frameworks when it comes to worker exploitation, most African and Asian nations, partially due to their underdevelopment, are well known for the existence of sweatshops and resource mines which abuse their workers daily.

Definition of Key Terms:

- **Corporate Social Responsibility (CSR):** An approach by which businesses incorporate social and environmental issues into stakeholder interactions and business operations. Efforts to guarantee equitable treatment of employees fall under CSR.
- **Social Audits:** Methodical assessments of a business's compliance with labor laws and other social responsibility criteria. Social audits evaluate how corporate activities affect communities and employees.
- **UNGPs:** A set of UN-endorsed guidelines outlining the different responsibilities of governments and corporations with regard to stopping and dealing with violations of human rights. The UNGPs place a strong emphasis on businesses' obligations to uphold human rights.
- **Supply Chain Transparency:** The sharing of details about a business's supply chain, such as where materials are sourced and working conditions. Recognizing and resolving abuse in the supply chain requires openness.
- **Fair Labor Practices:** Lawful and moral hiring procedures that guarantee employees receive fair treatment. This entails offering competitive pay, manageable work schedules, and secure working environments.

- **ILO Conventions:** Ethical and legal recruiting practices that ensure workers are treated fairly. This means providing secure workspaces, reasonable work hours, and competitive compensation.

Background Information:

The first piece of modern labor law, known as the Health and Morals of Apprentices Act, was passed in Great Britain in 1802¹. It came as a result of the industrial revolution, which severely worsened conditions of laborers as the economy switched from production by individuals to production chains in huge, unsanitary and unhealthy factories. As industrialization finally took hold in mainland Europe in the 1840s more countries began implementing regulation aimed at curbing overexploitation, usually in response to agitation and organization of the workers. Labour organizations were beginning to be legally recognized some time later, in 1821 in England and in 1889 in France. Proper frameworks of labour law were established during the early 20th century. The most significant advance in labour law was first seen during the inter-war years, likely as a response to the wave of socialist revolutions following the First World War, and again after the Second World War, to preemptively deprive communism of its main talking points during the height of the Cold War. However since the collapse of the Soviet Union, and the end of the Cold War and the perceived communist threat, labour organisations and laws have been on the decline as can for example be seen in Germany².

Major Countries and Organizations Involved:

- **International Labour Organisation (ILO):** A tripartite international organization which brings governments, employers and workers together to set labour standards, propose regulations and campaign for better working conditions for everyone.
- **People's Republic of China:** Although the Chinese government claims itself to be socialist working conditions in China are very poor and their infamous sweatshops bring in billions every year in revenue to Chinese companies and the government. As a government claiming to be socialist China publicizes good working conditions and laws but will in reality try to avoid any international regulation that holds countries accountable.
- **United States of America:** Labour regulations in the USA are poor when compared to other developed countries and despite recent developments³ labor organizing is still lacking.

¹ <https://www.britannica.com/topic/labour-law>

² <https://link.springer.com/article/10.1007/s00148-009-0299-7>

³ <https://www.bbc.com/worklife/article/20230927-how-strike-culture-took-hold-in-the-us-in-2023>

- **European Union:** The European Union’s Charter includes basic provisions of labor law⁴ and most EU countries have decently robust systems of corporate accountability. European labour regulation remains as some of the best in the world and most people enjoy a stable workplace and decent wages.
- **World Trade Organization (WTO):** As the main international body of trade the WTO possesses the bargaining power to needed to influence labor laws in many countries as stipulations in international trade agreements which it often oversees.
- **International Trade Union Confederation (ITUC):** An international organization of trade unions which through yearly congresses defends and promotes worker’s rights and power.

Relevant United Nations Resolutions

- **Universal Declaration of Human Rights:** The Declaration includes many provisions of relevance to exploitation and labour law.
- **The Convention on the Rights of the Child:** The Convention explicitly bans child labour, which sadly still remains common in many countries.
- **Promoting the Social and Solidarity Economy for Sustainable Development” (A/RES/77/281):** This General Assembly resolution about sustainable development passed in April 2023 holds labour laws and worker satisfaction as very important components of sustainable development.
- **The Occupational Health and Safety Convention:** This binding ILO convention sets out the basis of proper worker protection at the workplace.

Previous Attempts to Solve the Issue

United Nations Guiding Principles on Business and Human Rights were created in 2011 to delineate the obligations that nations and corporations have with respect to human rights. They place a strong emphasis on the need for states to defend against corporate violations of human rights, the obligation of corporations to uphold such rights, and the necessity of providing adequate remedies for those harmed by commercial operations. Apart from the ILO another important organization is the UN Working Group on Business and Human Rights which was founded to encourage the implementation of the Guiding Principles. The Working Group consults with governments, corporations, and civil society organizations to offer direction and suggestions on how to handle the effects of business operations on human rights. There are also several binding conventions created by the ILO such as Abolition of Forced Labour Convention of 1957 or the Right to Organise and Collective Bargaining Convention of 1949.

⁴ <https://www.etui.org/sites/default/files/EuropeanLabourLawShort%20Web%20version.pdf>

Possible Solutions

The greatest issue with the current standing of labour protection around the world is that national law almost always falls short of proper regulation because governments often profit from the cheap labour of exploited workers. To this end a system of international pressure through embargos or sanctions could be implemented to offset any benefits of exploiting the workers of one's country. Another major problem is that many companies in the First World also make use of the weak labor laws in Third World countries, because of this First World countries need to create more robust ways of holding such companies accountable.

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