

Forum: Economic and Social Council

Issue: The Question of Fair Trade and the Exploitation of Workers in Global Supply Chains

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Introduction

Fair trade and the exploitation of workers are current problems. Fair trade is important to ensure businesses, consumers and workers alike aren't undervalued or exploited for the work, time and effort put into a product, service, etcetera.¹ The exploitation of workers is a problem existent mostly in least developed countries (LDCs), such as Afghanistan, Eritrea and Mauritania, but may also include economically developed countries such as Russia, Turkey and the United Arab Emirates.² Most cases of forced labour are found in the private sector, including, but not limited to: construction, domestic work, agriculture, manufacturing and service.³ Fair trade and the exploitation of workers are connected, with fair trade being a solution to the exploitation of workers by - but not limited to: Implementing regulations; Training workforces on the topic of exploitation of workers; Government and businesses alike working together; And educating consumers on the topic of fair trade and exploitation of workers.⁴

Definition of Key Terms

Fair trade

Fair trade is a way of buying and selling products that makes it certain that the people who produce the goods receive fair pay.⁵

¹ BBC "Business and Fair Trade" <https://www.bbc.co.uk/bitesize/articles/zts7h4j>

² Walk Free "Global Findings On Modern Slavery"
<https://www.walkfree.org/global-slavery-index/findings/global-findings/>

³ The Guardian "Modern slavery in the UK is inflicting misery under our noses every day"
<https://www.theguardian.com/commentisfree/2017/sep/20/modern-slavery-misery-uk-exploitation>

⁴ Fairtrade International "Forced labour"
<https://www.fairtrade.net/en/why-fairtrade/why-we-do-it/forced-labour.html>

⁵ Cambridge dictionary "Fair trade" <https://dictionary.cambridge.org/dictionary/english/fair-trade>

Exploitation of workers

Refers to workers who are undervalued, which may include - but not limited to - the value of their salary; Work safety; Work benefits; Limitations of freedom of movement; And confiscating belongings such as passports.⁶⁷

Forced labour

All work or service that is extracted from any person under the menace of any penalty and for which said person has not offered himself voluntarily.⁸

Private sector

Businesses and industries that are not controlled by the government.⁹

Least developed countries - LDC

Developing nations listed by the United Nations. LDCs are defined as low-income countries that are highly vulnerable to economic and environmental shocks.¹⁰ As of December 2024, there are 44 member states under the LDC category.¹¹

⁶ Stanford Encyclopedia of Philosophy “Exploitation” <https://plato.stanford.edu/entries/exploitation/>

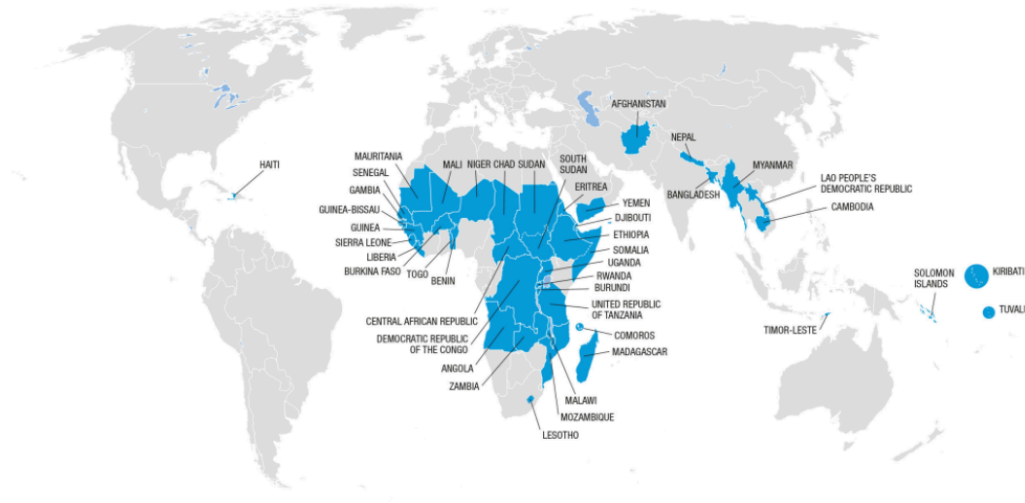
⁷ Yle “Syytteet: Thaimaalaisia poimijoita vedätettiin liki kaikessa – passit vietiin, vaaka huijasi, ruoaksi kalanpääsoppaa” (“Accusations: Thai pickers were tricked into almost everything – passports were taken, scales were rigged, fish head soup was served”) <https://yle.fi/a/74-20089734>

⁸ International Labour Organisation “Forced Labour Convention, 1930 (No. 29)” https://normlex.ilo.org/dyn/nrmlx_en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID:312174

⁹ Cambridge Dictionary “Private sector” <https://dictionary.cambridge.org/dictionary/english/private-sector>

¹⁰ United Nations “The Least Developed Countries (LDC) Category” [https://policy.desa.un.org/least-developed-countries#:~:text=Least%20developed%20countries%20\(LDCs\)%20are%20low%20income%20countries,support%20measures%2C%20including%20development%20assistance%20and%20trade](https://policy.desa.un.org/least-developed-countries#:~:text=Least%20developed%20countries%20(LDCs)%20are%20low%20income%20countries,support%20measures%2C%20including%20development%20assistance%20and%20trade)

¹¹ United Nations “UN list of least developed countries” <https://unctad.org/topic/least-developed-countries/list>



Map of LDCs by the UN (December 2024)¹²

Supply chain

The system of people and things that are involved in getting a product from the place of production to the consumer.¹³

Global supply chain

International network of suppliers, producers, warehouses, distribution facilities, and retailers involved in producing and delivering goods and services.¹⁴

Universal Declaration of Human Rights (UDHR)

A declaration created by key members of the UN to combat exploitation of human rights. It includes articles such as “No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms.” and “Everyone has the right to recognition everywhere as a person before the law.”¹⁵

¹² United Nations “Map of the Least Developed Countries”

<https://unctad.org/topic/least-developed-countries/map>

¹³ Cambridge Dictionary “Supply chain” <https://dictionary.cambridge.org/dictionary/english/supply-chain>

¹⁴ Crown Institute “What is a Global Supply Chain?”

<https://cllinstitute.co.uk/blog/management-training/what-is-a-global-supply-chain-definition-key-component>

¹⁵ United Nations “Universal Declaration of Human Rights”

<https://www.un.org/en/about-us/universal-declaration-of-human-rights>

Modern Slave

An individual who is exploited by others for commercial or personal gain without freedom.¹⁶

Explanation of the question

It is vital to consider the value of products and services throughout the whole supply chain, including production, transit and buying. The question asks to what effect fair trade may go hand in hand with reducing the exploitation of workers in every supply chain around the world.

Economic effect

Economically, the exploitation of workers is a profitable way of finding a workforce. The exploitation of workers makes an estimated 236 billion USD in 2024 according to the International Labour Organisation, which is around 10 000 USD per worker. The industry sector yields a total of an estimated 35.4 billion USD in illegal profits in 2024, the most amount of illegal profits out of every work sector. Recruitment of forced workers also makes an estimated 5.6 billion USD.¹⁷

Nestle is a company popular on the topic of forced labour. Nestle had admitted to the use of forced labour and child labour in the past, but have made improvements in preventing it in their supply chain by promising to track 100% of their supply chains. The promise has not been met by Nestle.¹⁸¹⁹

Human Rights Violations

Exploitation of workers is a human rights violation according to the UDHR. UDHR article 4 states “No one shall be held in slavery or servitude; slavery and the slave trade shall be prohibited in all their forms.” All 193 UN member states have signed the declaration, although

¹⁶ Anti-Slavery International “What is a modern slave”

<https://www.antislavery.org/slavery-today/modern-slavery/>

¹⁷ International Labour Organisation “Profits and poverty”

<https://www.ilo.org/publications/major-publications/profits-and-poverty-economics-forced-labour>

¹⁸ The Guardian “Nestle admits to forced labour in its seafood supply chain in Thailand”

<https://www.theguardian.com/global-development/2015/nov/24/nestle-admits-forced-labour-in-seafood-supply-chain>

¹⁹ Nestle “Forced labour and responsible recruitment”

<https://www.nestle.com/sustainability/human-rights/forced-labor>

most - if not all - member states still have modern slaves.²⁰ Loopholes exist in countries where forced labour is illegal, such as in multiple Arab countries with the kafala sponsorship system.²¹ Migrants under the kafala system are typically subject to harsh living conditions, low pay and inability to move freely.²²

Key Member States, Alliances, and NGOs Involved and their views

Amnesty International

Amnesty International condemns all forms of slavery. The organisation has repeatedly acted to decrease the number of potential forced labour within Amnesty International's supply chain, such as training staff on the exploitation of workers and making a due diligence questionnaire on modern slavery.²³

Côte d'Ivoire (Ivory Coast)

Côte d'Ivoire is a member state high in child slavery victims, with reports from 2024 estimating 28.8% of children aged 10 to 14 being forced to work.²⁴ Côte d'Ivoire is also home to multiple lawsuits against Nestle in terms of child slavery in the cocoa industry, with an estimated 18 000 children being exploited within Nestle's cocoa supply chain in Côte d'Ivoire.²⁵

Democratic People's Republic of Korea

The DPRK has the highest rate of modern slaves, with an estimated 10% of the population in 2024.²⁶ North Korea is the only country in the world that has not criminalized any

²⁰ International Labour Organisation "50 million people worldwide in modern slavery"

<https://www.ilo.org/resource/news/50-million-people-worldwide-modern-slavery>

²¹ University of Central Florida "The Kafala System"

<https://ucfglobalperspectives.org/blog/2024/12/13/the-kafala-system/>

²² Walk Free "Life under the kafala system"

<https://ucfglobalperspectives.org/blog/2024/12/13/the-kafala-system/>

²³ Amnesty International "Modern slavery statement 2024"

<https://www.amnesty.org/en/documents/org20/9453/2025/en/>

²⁴ U.S. Dept. of Labor "Child Labor and Forced Labor Reports"

<https://www.dol.gov/agencies/ilab/resources/reports/child-labor/cote-divoire>

²⁵ Swissinfo "Nestlé identifies over 18,000 child labourers in cocoa supply chain"

https://www.swissinfo.ch/eng/business/bitter-chocolate-_nestl%C3%A9-identifies-over-18-000-child-labourers-in-cocoa-supply-chain/45423936

²⁶ Walk Free "Global Findings On Modern Slavery"

<https://www.walkfree.org/global-slavery-index/findings/global-findings/>

form of slavery, with forced labour being the most common form of punishment in the DPRK's judicial system.²⁷

European Union

The EU's stance on forced labour is fully against forced labour, although having around an estimated 800 000 victims of forced labour.²⁸ The EU has taken action into the problem, including initiatives such as allowing non-EU victims to integrate into a host country's society and granting support to organisations that address human trafficking.²⁹ EU member states are divided on the prostitution industry, with countries like Germany and the Netherlands regulating and legalizing the industry, whilst Sweden and France illegalize prostitution.³⁰ The EU has made multiple agreements on fair trade with states such as - but not limited to - Ukraine, Vietnam and Mauritius.³¹

Russian Federation

The Russian Federation has abolished slavery in its constitution. Despite it being abolished, the state's enforcement is not strong. Victims - typically from central Asia - go to Russia promised with work in shops. Instead of working in shops, they work up to 20 hours a day in inhumane conditions.³²

People's Republic of China

The PRC has formally abolished slavery. Despite the abolishment, the PRC has been accused of slavery against minorities like Uyghurs, North Koreans, and Yi people.³³ Human

²⁷ Walk Free "North Korea"

<https://www.walkfree.org/global-slavery-index/map/#mode=data:country=PRK:dimension=p>

²⁸ Human Rights Watch "EU: Show leadership to End Forced Labour"

<https://www.hrw.org/news/2014/05/01/eu-show-leadership-end-forced-labour>

²⁹ European Union "Revision of Directive 2011/36/EU"

[https://www.europarl.europa.eu/RegData/etudes/BRIE/2023/740213/EPRS_BRI\(2023\)740213_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2023/740213/EPRS_BRI(2023)740213_EN.pdf)

³⁰ Statista "The State of Sex Work in the EU"

<https://www.statista.com/chart/16090/eu-member-states-prostitution-policies-by-type/#:~:text=Only%20three%20countries%20in%20the.of%20brothels%20in%20years%20prior.>

³¹ European Union "EU trade agreements"

https://policy.trade.ec.europa.eu/eu-trade-relationships-country-and-region/negotiations-and-agreements_en

³² United Nations "Russia must act to end long-standing trafficking for labour exploitation of migrant women: UN experts"

<https://www.ohchr.org/en/press-releases/2025/07/russia-must-act-end-long-standing-trafficking-labour-exploitation-migrant>

³³ Wikipedia "Slavery in China" https://en.wikipedia.org/wiki/Slavery_in_China#North_Koreans

trafficking is common within defected North Koreans in the PRC.³⁴ It is important to note the importance of the PRC's presence in global supply chains as a leading state in production and manufacturing.

United Arab Emirates

The UAE's judicial system has abolished slavery since the day of independence and has signed the UDHR, which prohibits slavery. Despite the UAE signing the declaration, there are still slaves in the UAE due to the Kafala System. The Kafala System allows migrant workers - typically from the south Asian region - into the UAE to work and have residency. But the Kafala system goes against the UDHR, due to the employer having substantial power over the employee, including permission to leave the country (in some cases), renewal of stay, termination of employment and transfer of employment.³⁵ Workers under the Kafala system typically get paid very little, with the average worker receiving 175 USD a month compared to the UAE's per capita salary of 2 106 USD a month, while taking loans up to 3 000 USD to go to the UAE to work.³⁶

Walk Free Foundation

The Walk Free Foundation is an NGO that specializes in international human rights. Walk Free has the largest and most well-known database for forced labour. The foundation made the global slavery index, an index that tracks states' and sectors' use of exploitation of workers.³⁷

³⁴ Human Events "North Korean women fleeing to China forced into marriages."
<https://humanevents.com/2023/03/27/north-korean-women-fleeing-to-china-forced-into-marriages-sex-slavery>

³⁵ International Labour Organisation "Employer-Migrant Worker Relationships in the Middle East"
<https://www.ilo.org/publications/employer-migrant-worker-relationships-middle-east-exploring-scope-international>

³⁶ Travelling Jezebel "Dubai Slavery – Why It's Our Problem"
<https://travellingjezebel.com/modern-slavery-dubai/>

³⁷ Walk Free Foundation walkfree.org

Timeline of Events

Date	Description of events
500 BCE - 1400	Forced labour used in ancient civilizations, medieval and early modern worlds. ³⁸
1800	Industrial revolution starts, with forced and child labour being used in production and manufacturing. ³⁹
1930	The first convention of forced labour occurs: The ILO Forced Labour Convention. ⁴⁰
1948	Universal declaration of human rights made. ⁴¹
1957	Another convention strengthening the first convention: ILO Abolition of Forced Labour Convention. ⁴²
1966	International Covenant on Civil and Political Rights made, a convention that makes banning forced labour legally binding for states ratifying it. ⁴³
2000	UN Palermo Protocol made, focusing on human trafficking. ⁴⁴
2014	ILO Protocol on Forced Labour made, focusing more on victim protection, compensation and prevention. ⁴⁵

³⁸ Digital History “Slavery in the Ancient, Medieval, and Early Modern Worlds”

https://www.digitalhistory.uh.edu/disp_textbook.cfm?smtid=2&psid=3027

³⁹ History Workshop “Slavery, coerced labour, and the development of industrial capitalism in Britain”

<https://www.historyworkshop.org.uk/slavery/slavery-coerced-labour-and-the-development-of-industrial-capitalism-in-britain/>

⁴⁰ ILO “Forced Labour Convention”

https://normlex.ilo.org/dyn/nrmlx_en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID%2CP12100_HISTORICAL:312174%2CY

⁴¹ United Nations “Universal Declaration of Human Rights”

<https://www.un.org/en/about-us/universal-declaration-of-human-rights>

⁴² ILO “Abolition of Forced Labour Convention”

<https://www.ohchr.org/en/instruments-mechanisms/instruments/abolition-forced-labour-convention-1957-no-105>

⁴³ United Nations “International Covenant on Civil and Political Rights”

<https://www.ohchr.org/en/instruments-mechanisms/instruments/international-covenant-civil-and-political-rights>

⁴⁴ United Nations “The Protocol for human trafficking”

<https://www.unodc.org/unodc/human-trafficking/protocol.html>

⁴⁵ United Nations “Protocol of 2014 to the Forced Labour Convention”

<https://www.ohchr.org/en/instruments-mechanisms/instruments/protocol-2014-forced-labour-convention-1930>

UN Involvement, Relevant Resolutions, Treaties and Events

- Universal Declaration of Human Rights⁴⁶
- Forced Labour Convention⁴⁷
- Abolition of Forced Labour Convention⁴⁸
- Palermo Protocol⁴⁹
- Convention on the Rights of the Child⁵⁰

Possible solutions

Stricter enforcement of laws

A possible solution is to promote the strengthening of laws illegalizing forced labour. This would affect the budget of countries by a margin dependent on the amount of exploited workers. Possible punishments may include fines; imprisonment; and the death penalty.

Protection of victims

Protection of exploited workers is vital in ensuring forced labour won't happen to them again. This includes: illegalizing the prosecution of exploited workers in the case of them being prosecuted of acts they were forced to do; allowing temporary or permanent residence to victims; creating telephone hotlines for victims.

Regulation of firms and organisations

Regulating firms and organisations can require companies operating within a state to: check their supply chain; ban imports made with forced labour; and punish violators of regulation.

⁴⁶ United Nations "Universal Declaration of Human Rights"
<https://www.un.org/en/about-us/universal-declaration-of-human-rights>

⁴⁷ ILO "Forced Labour Convention"
https://normlex.ilo.org/dyn/nrmlx_en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID%2CP12100_HISTORICAL:312174%2CY

⁴⁸ ILO "Abolition of Forced Labour Convention"
<https://www.ohchr.org/en/instruments-mechanisms/instruments/abolition-forced-labour-convention-1957-no-105>

⁴⁹ United Nations "The Protocol for human trafficking"
<https://www.unodc.org/unodc/human-trafficking/protocol.html>

⁵⁰ United Nations "Convention on the Rights of the Child"
<https://www.ohchr.org/en/instruments-mechanisms/instruments/convention-rights-child>

Spreading Awareness

Hotlines for forced labour victims can be known to everyone, including non-victims, which makes it easy to access/use. The spread of knowledge of hotlines can help so witnesses of victims may report suspected exploitation of work.

Advancement in Technology

Technology has replaced jobs of humans in the past. With the advancement of technology and making it easier to access, then slavery may go down as a by-product. Machinery and AI can do jobs that were meant to be for exploited workers at a faster and efficient pace. Economically, machinery is more expensive overall for development, but may cost less than an average exploited worker's living cost.

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Photo source

United Nations “Map of the Least Developed Countries”

<https://unctad.org/topic/least-developed-countries/map>

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