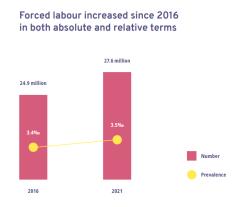
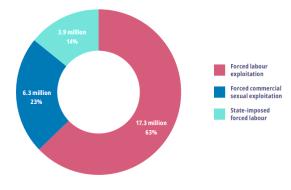
## 1. Background and Research Purposes

Venessa is a Philippine female domestic worker in a Taiwanese family. She has to work overtime for 23 hours per week to pay off the debt she owes to the migrant intermediate agency within her contract period. Otherwise, the agency will report the fact that she stowed away as an illegal migrant. In this situation, Venessa is exposed to forced labor from the intersectional structural forces of the Taiwan government, the migrant agency, and her employer. According to International Labor Organization (ILO) (2022), 27.6 million people were experiencing forced labor in 2021, showing a 10.8 % increase from the 2016 data (Figure 1). Meanwhile, 86% of forced labor was imposed by the private sector (Figure 2), leading to more difficulty in relying on legal means to address the situation. As a widespread labor exploitation form, forced labor can result in poor physical and mental health, further reinforcing the inequality of opportunities. Thus, it is essential for policymakers to evaluate forced labor and take action to prevent exploitation based on humanitarianism. This research first reviews the definition of forced labor, followed by statistical data, cross-industry comparison, and cause-effect analysis. Then, it illustrates forced labor in the global supply chains of the fashion industry using the example of China's Xinjiang cotton. Finally, it draws conclusions about the forced labor concept with recommendations on policy actions.





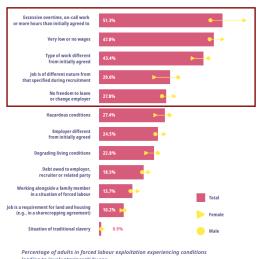


Number and percentage distribution of people in forced labour, by category

**Figure 2**. Forced labor exploitation by economic sectors. Source: International Labor Organization. (2022).

### 2. Theoretical Framework

Based on ILO's (2022) definition, forced labor refers to undertaking work under coercion (i.e., threats of penalties) and involuntariness, which can last from recruitment to work terms. ILO (2014) has provided six principles that the identification of two or more indicates forced labor. Specifically, these principles are a) Verbal threats or physical harm; b) Confinement to the workplace; c) Debt bondage; d) No or few payments of wages; e) Confiscation of identified documents; f) Denunciation threats. Figure 3 and Figure 4 provide more types of involuntariness and coercion with coverages throughout forced labor.



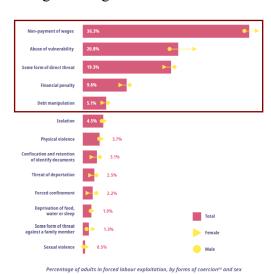
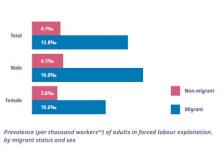


Figure 3. Forced labor: Forms of involuntariness. Source: International Labor Organization. (2022).

**Figure 4**. Forced labor: Forms of coercion. Source: International Labor Organization. (2022).

Among the 27.6 million people who were experiencing forced labor in 2021, 15.1 million (55%) were in Asia and the Pacific region, constituting the largest geographic segment of forced labor. Several reasons may explain this crowding effect. First, entering the post-industrial era, East Asia has become a heaven for developed countries to outsource production due to low labor and material costs. This results in more labor exploitation from a Marxian perspective. Second, Asia is a major source of migrants, who are the most likely to be trapped in debt bondage due to invisible fees and irregular migration (Andrees, 2008, also see Figure 5). Lastly, Asia is home to many industries that rely on unskilled occupations (e.g., agriculture and manufacturing), that experience forced labor more commonly. Apart from these traditional "blue-collar" industries, forced labor was found to take place most in service

industries with "pink-collars". Domestic workers, especially those who are migrants, are highly possible to experience forced labor. Research has also indicated the existence of forced labor among white-collar and higher-end workers. For instance, Tong's (2008) study on the Chinese high-end labor market has shown labor alienation and atomization of white collars under Human Resource management's exploitation, which normally includes overtime work and radical staff reduction.



**Figure 5**. Forced labor: Migrants vs. non-migrants. Source: International Labor Organization. (2022).

**Figure 6**. Forced labor: Cross-industry comparison. Source: International Labor Organization. (2022).

The main causes of forced labor can be categorized into three dimensions. First, from the supply side, people who are unemployed and (or) live in poverty are more vulnerable to forced labor since they have much fewer alternatives to better job opportunities. Second, from the demand side, discrimination and social exclusion of specific "disadvantaged" groups like migrants, women, and children intensify forced labor and exploitation. Lastly, labor protections and force of law are weak in many countries, contributing to much labor exploitation in the black market. Multiple studies have indicated the negative impacts of forced labor. Individuals who have experienced forced labor can have serious physical and mental health problems, including juries, depression, PTSD, etc. (e.g., Bales et al., 2004). Meanwhile, overtime work was proven to cause higher mortality and heart disease rate in previous longitudinal studies (e.g., O'reilly & Rosato, 2013).

# 3. Theoretical Application: Forced Labor in the Global Supply Chain of the Fashion Industry

Entering the era of consumerism, the rise of fast fashion has significantly contributed to McDonaldization in the fashion industry. Prior studies have shown that the rapid growth of

consumer needs drives the global supply chain of garments to exploit cheap labor forces, resulting in forced labor in many underdeveloped countries (e.g., Smestad, 2009). This section illustrates forced labor in the fashion industry by analyzing the case of China's production of Xinjiang cotton, aiming to reveal labor exploitation at the bottom of the global supply chain.

Since 1982, China has become a major cotton exporting country in the world, while Xinjiang province has become the major production area of cotton due to its rich natural resources and cheap labor force. Nevertheless, longitudinal field studies have revealed the existence of forced labor among Xinjiang cotton pickers. First, cotton pickers earned little or no pay. Zhou's (2014) documentary shows that cotton pickers only earn 0.35 CNY (about 0.057 dollars based on the 2013 exchange rate) for picking 1 kilogram of cotton, while exporters enjoy more than 30 CNY per kilogram, revealing the extreme inequality in the supply chain. Furthermore, Murphy et al. (2021) have indicated several forced labor phenomena exist among Xinjiang cotton pickers. For instance, some of them were confined to concentration camps with confiscation of documents and threats of speaking about abuses. Since most cotton pickers are natives or seasonal workers from central China who live in poverty, they barely have any bargaining power against exploitation. Some women were forced into sterilization and raped during the work terms, showing the discrimination and more intensive exploitation of more vulnerable labor forces.

## 4. Conclusion and Relevant Policy Suggestions

In conclusion, forced labor is a geographically widespread labor exploitation form that exists in almost every industry. It is the product of intersectional forces of labor's economic and (or) social vulnerability, employers' discrimination and profit-maximization goals, and governments' low efficiency in labor protection policy-making. Through the forms of debt bondage, no or few wages, identification confiscation, etc., forced labor can result in poor physical and mental health, low work motivation and performance, and further economic and opportunity inequality. Thus, several policies should take place to strike forced labor. First

and foremost, governments should strengthen labor laws (e.g., minimum wage laws, limits on working hours, migration protection laws, etc.) to protect workers from exploitation.

Meanwhile, they should conduct rigorous inspections of forced labor practices and disincentivize companies from forced labor by fines, penalties, and denouncing their irresponsibility. Moreover, companies should undertake social responsibility by adopting ethical and humanistic practices to ensure their supply chains are free from forced labor. Last but not least, governments should expand education and healthcare to more vulnerable groups and provide them with social support (e.g., counseling services) to address the roots of poverty and discrimination. Concurrently, they should promote social inclusion among the general public to decrease stereotypes and discrimination. Only through these means can forced labor be eliminated in a compelling and comprehensive way.

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