

More Than a Bargain

Monique Villa (www.trust.org)

It's Saturday afternoon in London. A black dress is on display at the main window of a store in Oxford Street. The price? £5. Across the road, a fashionable cosmetic brand is launching its latest glittery lipstick. It's made of mica. At the supermarket next door there's a good offer on tea. It comes from the North Eastern Indian region of Assam.

Appealing deals? Absolutely. But what if I told you that all these products may have been produced by people, sometimes children, forced to work against their will, living in misery, and trapped into a deadly cycle of exploitation? What if I told you that these products were probably made for you by slaves?

You don't have to take my word for it. The U.S. Federal government compiles an official list of products believed to be the result of child and forced labour. It's extensive, and includes 134 products from 73 countries, from coconuts hand-picked in the Philippines to diamonds mined in Angola. If you add to that list the evidence collected by anti-slavery NGOs around the world, the product range extends significantly to cosmetics, fish, tea and many other categories. Almost nothing is untainted.

Slavery is far from over. According to *Walk Free* there are currently more than 30 million people enslaved around the world, the highest number in history and roughly equivalent to the population of Australia and Denmark combined. It is a fast-growing industry worth US\$ 150 billion a year, three times *Apple's* annual profit.

Cheap labour, slavery, debt bondage and human trafficking are all intertwined. The common denominator is vulnerability. The victims don't know their rights and may think they have nothing to lose. Little do they know that their own freedom is the ultimate price to pay.

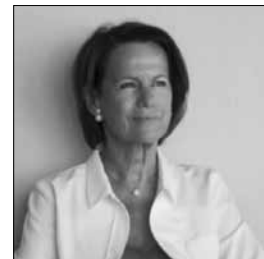
Take India, home to almost half of the world's slaves, 14 million, according to *Walk Free*. The hills of Jharkhand host the world's largest mica mine. Mica is a shiny mineral increasingly in demand for its use in cosmetics and paint. It's also used as an insulator for electric microchips. A recent report has exposed how mica from the Jharkhand hills is mostly sourced by children as young as 11 years old. They work barefoot, at risk of snake and scorpion bites, and are prone to contract respiratory illnesses. Some die trapped in collapsed caves. These children earn 5 rupees (0.08 dollars) per each kilogram of mica they mine.

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In 2013, the collapse of a factory complex at Rana Plaza in Bangladesh killed almost 1,200 workers producing garments for some of the most popular brands in the Western World. The accident highlighted how slave labour is fuelling 'fast-fashion', an industry worth 3 trillion dollars a year. It was the world's worst industrial accident in 30 years.

Slavery is a global issue, one that goes well beyond the fashion industry.

Recent reports have highlighted the plight of Burmese immigrants in Thailand who are trafficked and enslaved to fish the prawns that end up on our plates. They travel to Bangkok with the promise of a good job, but instead end up being sold for as little as



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£200 to merciless captains of 'ghost ships'. They spend their lives at high sea, sometimes without touching land for some 18 months. They are beaten, raped and executed if their 'productivity' falls below the captain's standards.

Thailand is the world's largest prawn exporter. It ships 500,000 tons of shrimp per year in an industry worth some \$7.3 billion annually. International supermarket chains have recently been named as recipients of Thai shrimps sourced with slave labour. It's not surprising. In Thailand, slavery is so intertwined with the fishing industry that leading anti-slavery NGOs believe the entire country's seafood export industry would probably collapse without slave labour.

There should be real incentives for companies that decide to tackle slavery in the supply chain. It's unrealistic to expect that they will spend money to map their supply chains if competitors who choose to do nothing can easily get away with it and rank in more profit.

In the past few years, the construction binge linked to some of the world's major sporting events has also brought the building industry under the spotlight. I have personally met a Nepalese man who contracted a huge debt with a labour broker in order to get a job in an office in Qatar. At his arrival in the Gulf State, the man had his passport taken away, wasn't paid regularly, lived in appalling conditions, and worked fifteen hours a day under the excruciating sun. He had been enslaved, his freedom linked to a debt he would never be able to pay back.

This is not an issue exclusive to the Gulf States. Overall, the global construction industry is one of the world's biggest employers, with a huge migrant labour force. According to a report by *Oxford Economics*, the global construction output will continue to grow, reaching a turnover of \$15 trillion worldwide by 2025, a 70% rise from present levels.

Despite the different nature of each of these industries, the dynamic behind the exploitation mechanism is strikingly similar. It has its roots in poverty, negligence, and most of all, corruption. But the ultimate question remains: who is fuelling the modern-day slave trade?

Supply chains are where it all begins. They are becoming increasingly long and complex, and companies are outsourcing their responsibility to third party certification schemes that in reality do not



guarantee much at all. And then there's corruption. Many of the factories in Bangladesh where workers lost their lives, as well as hundreds of Indian factories where young girls are enslaved, have been 'ethically audited'. These audits can often be lucrative corrupted shams run by local companies, outsourced by big multinationals.

Even when audits are properly enforced, they tend to miss the point. The reality is that they tend to be built around products, not people. Therefore they miss addressing the issues within the areas of the supply chains which are most at risk. We could achieve more by auditing the process by which migrant workers enter a company or its supplier's operations: have they paid thousands of dollars of debt to a labour broker to get those jobs overseas? If so, they are generally enduring working conditions that are often deeply exploitative.

There are good stories of success, but they are mostly local, such as the *Transparency in Supply Chain Act*, introduced just over a year ago in California. Similar measures have been successfully implemented in Brazil.

However, an increasingly global economy calls for international standards and regulations. We have them across other industries, why shouldn't we have them to keep slavery out of the the supply chains?

Global regulation is not the only answer. If we use the market as a force for good, we could see change at a much faster pace. Governments can take years to pass laws and then never enforce them, while a major corporation has the capacity to switch suppliers in a day, making a huge impact in the market, and changing the lives of millions of individuals by virtue of how they decide to source. There should be real incentives for companies that decide to tackle slavery in the supply chain. It's unrealistic to expect that they will spend money to map their supply chains if competitors who choose to do nothing can easily get away with it

and rank in more profit. If we want multinationals to prevent slaves from entering their supply chains, we need to speak brand reputation and risk.

Today, if you compare state GDP to net profits, global corporations are bigger and more powerful than many nation states. Big business is a key player in the fight against slavery: 30 million is indeed a big number, but not one that global corporations cannot tackle.

Some CEOs have already taken bold steps. A leading British cosmetic company has recently dropped mica from its entire product line after findings that sourcing of the mineral in India – where 60% of the world's mica is produced – often involves child labour and child slavery.

Other companies are taking different approaches. Some, operating in the food industry, are re-assessing their supply chains, and where issues are detected, they are working with local communities – such as in Cote D'Ivoire - to make sure children stay in school instead of being exploited in cocoa plantations. The same is beginning to happen in the Assam region of India, where a lot of the world's tea comes from.

But in the end, it is simply up to the consumer to be informed, pay attention and to ask the right questions when buying. Each time I see a pack of prawns at my local supermarket I cannot help but wondering who's behind that perfectly packed box. As a result of what I know, I have ditched prawns altogether, but I am aware that in the long-term this is not a viable answer, simply because all the goods that we buy come from a global supply chain which is increasingly difficult to track down.

The global economic system is delivering cheap products and spreading jobs worldwide, but it is out of sync with the human rights agenda. My hope is that global corporations will start playing a leading role in the fight against slavery. They have a moral obligation, but also a commercial opportunity.

There has been a substantial increase in awareness around slavery. More investigative reports have been published, more money has been committed to the fight against human trafficking, world leaders such as Pope Francis have publicly taken a strong stand, and heroes such as Kailash Satyarthi have been recognised with prestigious Awards. The issue is certainly in the public domain and it will continue to be so. It's only a matter of time until consumers will demand a real solution.

My dream would be that in a few years we can implement a 'slave free' certification to goods to give consumers reassurance they are not funding modern-day slavery. That certification would have to be global and force corporations to look carefully in their supply chain. All this could happen if the big players are on board. I am committed to try to make this happen.

Monique Villa is a journalist, a business leader, and a passionate advocate for women's empowerment. She was appointed CEO of Thomson Reuters Foundation in 2008. She has since transformed the organisation into a global corporate foundation, leveraging the skills, expertise, and values of Thomson Reuters to run groundbreaking programs which trigger change and empower people across the world.

With the strong belief that philanthropy and business must go together, Monique accelerated the Foundation's expansion by launching several new initiatives around the world.

In July 2010 she created TrustLaw Connect, a groundbreaking market place to connect prestigious law firms willing to work at no cost with NGOs and social enterprises in need of legal assistance. Under the leadership of Monique Villa, the Thomson Reuters Foundation created Aswat Masriya, an independent and unbiased Arabic news website set up to ensure fair and unbiased reporting of the Egyptian elections which followed the Arab Spring. Today, Aswat Masriya is an authoritative mainstream source of information across Egypt and has expanded its coverage into business news.

In 2012 Monique launched the Trust Women Conference. The event gathered in London over 350 delegates from all over the world to tackle issues such as human trafficking, slavery, child and forced marriage, FGM (female genital mutilation) and the Arab Spring. The conference generated concrete commitments to put the rule of law behind women's rights.

Leveraging the journalism skills of Thomson Reuters, Monique and her team developed and launched a number of innovative polls, which put human rights at the heart of the news agenda. The Foundation's latest poll, The Best and the Worst G20 Countries to be a Woman, reached over 3 million people through Twitter. Through its media development service, TrustMedia, the Thomson Reuters Foundation trained over 11,000 journalists worldwide, enhancing professional standards across more than 170 countries.

Under Villa, the fast growing Foundation's editorial team made front-page headlines by covering the world's underreported stories, putting the emphasis on humanitarian relief, climate change, corruption, women's rights and social innovation. AlertNet was rewarded with the Voice of Courage Award from the Women's Refugee Commission as well as the prestigious EPPY Awards from Editor and Publisher in 2011.

In 2011 Monique Villa was ranked 43 of the world's 100 most influential people in Business Ethics by the think tank Ethisphere. Prior to joining the Foundation, Monique was Managing Director of Reuters Media and Chairman of Action Images.

A French national, Monique spent the first part of her career at Agence France-Presse (AFP) where she held a number of senior journalistic and management positions. She reported for a number of years from Paris, Rome and London where she was bureau chief from 1991 to 1996. She then became Director of Strategy and Business Development at AFP headquarters in Paris, with responsibility for the agency's major partnerships worldwide.

Monique has two sons. She studied Law and Political Science and has a Diploma from the Paris Centre de Formation Des Journalistes. She lives in London.