

# *Sustainable Consumption and Social Justice: Should Countries Take Action to Ban the Sale of Products Made under Sweatshop Conditions?*

Ni Zeng<sup>1,a,\*</sup>

<sup>1</sup>*Business School, Durham University, Durham, DH1,3LE, UK*

*a. 476022659@qq.com*

*\*corresponding author*

**Abstract:** This paper investigates the subject of sweatshop labour and the debate over whether countries should prohibit the sale of products produced under such conditions. The introduction emphasises the importance of better working conditions and minimal standards in sweatshop factories, while also admitting that customers may be ready to pay slightly higher costs to support better working circumstances for sweatshop workers. However, economists say that sweatshop labour is preferable than not working or working for extremely low wages, and that a blanket ban on sweatshop products could result in job losses and other negative repercussions. The literature study explores a range of viewpoints on sweatshop labour, including moral and financial grounds. Additionally, it highlights how consumer movements and market pressure influence businesses to improve working conditions. The paper also emphasises the issue's complexity and the need for a fair policy that considers employees' rights and practical factors. To improve the working circumstances of sweatshop workers, a multi-pronged strategy is recommended. This method includes consumer pressure, government regulation, and voluntary codes of conduct. The importance of striking a compromise that takes into account differing points of view and deals with the complexities of the sweatshop labour issue is emphasised in the conclusion. Overall, the study provides a thorough assessment of the subject, emphasising the necessity for ethical manufacturing processes and improved working conditions while taking into account economic ramifications and unexpected consequences.

**Keywords:** Sweatshop labor, Improved working conditions, Ethical considerations, Economic justifications

## 1. Introduction

Some experts worry that a boycott of sweatshop work could cause people to lose their jobs and make things even worse. However, an improved campaign should exert pressure on corporations to engage in responsible production practices and ensure minimum standards within the facilities where their products are manufactured. When confronted with reports of working conditions in certain "sweatshop factories," which encompass inadequate remuneration, severe and perilous environments, as well as stringent disciplinary measures resembling military protocols, it is inherent in human beings to aspire for improved conditions for the laborers responsible for manufacturing the items we

consume. When queried about the possibility of customers paying a modest additional cost to facilitate improved working conditions for the producers of goods, a significant majority express their willingness to do so. According to the research, it was determined that a mere 1.8 percent increase in retail pricing for apparel in the United States would be sufficient to offset the costs associated with a 100 percent salary hike for sweatshop employees employed in Mexican garment factories [1]. However, economists such as Nicholas Kristof, Paul Krugman, and Jeffrey Sachs argue that sweatshop labor is preferable to the alternatives, which include having no employment or working for pennies per day by rummaging through trash heaps. The danger is that a blanket ban on sweatshop products could result in low-wage workers in developing economies returning to agriculture or worse-paying occupations. To conclude, the exclusive implementation of a comprehensive boycott on goods may potentially yield counterproductive outcomes, since multinational corporations could potentially relocate their manufacturing to other countries, resulting in detrimental consequences such as job losses. Nevertheless, the threat of boycotts or harm to brand image can have significant influence on global corporations, compelling them to enhance labor conditions in emerging economies. When international corporations prioritize the implementation of basic standards, they can effectively balance profitability and foster enduring relationships.

## 2. Main Body

As the global economy becomes more integrated, companies are able to relocate production wherever wages are lowest and labour unions are weakest. In an era of mobile capital, how can employees defend their rights? As governments around the world cut back on worker safeguards to woo foreign investors, activists for fair trade are rallying consumers to put pressure on corporations to treat their employees fairly. An inherent challenge associated with independent workplace monitoring is the lack of differentiation made by consumers between various monitoring schemes and labels [2]. This allows companies to selectively choose monitoring organisations that have lower standards for working conditions and less rigorous inspection practises. According to Seidman, transnational consumer movements have the potential to enhance the bargaining power of the global workforce. However, it is important to note that these movements are not a replacement for the role of national governments or local initiatives in expanding the concept of citizenship. With the increasing volume and velocity of trade and capital crossing international borders, there is a corresponding rise in the global reach and influence of civil society and human rights movements.

Contemporary discussions around globalisation are centred around the contentious issues pertaining to labour practises on a worldwide scale. Critics have charged multinational firms with unfairly exploiting labour in underdeveloped countries. Several classical liberals and economists have countered that these arguments stem from a simplistic understanding of the global economy. They contend, on the other hand, that sweatshops are an essential and unavoidable aspect of economic development. On the contrary, debunking the claims made by sweatshop supporters is supported by strong theoretical and empirical evidence [3]. the concept of respecting workers encompasses the responsibility of multinational businesses (MNCs) to comply with labour regulations in the respective localities. They further illustrate the practicality of MNCs in offering satisfactory working conditions and equitable remuneration to its employees. The primary argument put out in their study posits that multinational corporations (MNCs) have strong ethical and strategic incentives to adopt voluntary codes of conduct. Exploitation can be bad even if the exploited person enjoys the benefits and chooses them over other options [4]. This concept of positive exploitation could be used to other forms of "driving a hard bargain" with desperate people, such as price gouging, etc. This prospect of unjustly benefiting another appears to be easily overlooked. Furthermore, Meyers acknowledges that the occupations may benefit the workers and that they would be worse off without them; yet, they are being unfairly exploited [4]. Exploiters have a moral obligation to quit exploiting even if the

exploitation is mutually advantageous and does no harm [5]. Manufacturers of clothing, for instance, have a responsibility to guarantee that the businesses they contract with provide a decent income and safe working conditions for its employees. Meyers contends that a sustainable business model calls for a minimum acceptable profit rather than an attempt to maximise profits at the expense of workers or the environment. When it comes to compensation, shareholders and top executives have an obligation to settle for less so that the labour from whom they extract profits is paid a living wage. The best way to improve employees' rights is to make knowledge about their rights at work publicly available [6]. Despite the efforts made by watchdog agencies to oversee working conditions and urge corporations to comply with international standards, the authors of this study illustrate that these organisations alone are inadequate. They argue that it is only through consumer action and the potential decline in profits that corporate owners will be compelled to prioritise the well-being of their employees. Sweatshop labour is often emphasised as a prime illustration of the most pervasive and egregious form of exploitation in contemporary society. However, scholars in the field of philosophy have encountered considerable challenges when attempting to elucidate the precise meaning behind this accusation. Snyder develops an account of "Needs Exploitation" based on a definition of the responsibility of beneficence [7]. Regarding the matter of sweatshop labour, it is argued that employers bear a responsibility to remunerate their workers with a salary that adequately covers their basic needs. The employees' responsibility is limited by their dependence on the employer for essential needs and a standard of reasonableness, wherein the employer must maintain a level of well-being that falls within a spectrum ranging from inadequacy to opulence. According to Preiss, it can be inferred that individuals possess a strong rationale to support the enhancement of wages and working conditions for labourers in sweatshops, as well as to opt for relationships that are less exploitative or coercive [8]. This stance remains valid despite the fact that the economic basis for sweatshops is firmly grounded in empirical evidence. Sweatshop labour undermines both Kantian and republican ideas of freedom and the bonds formed by persons who take part in free markets.

Zwolinski posits that a noteworthy criticism frequently directed towards sweatshop labour by both activists and scholars is its perceived unfair exploitative nature [9]. The conventional retort from economists to this accusation is to highlight the significant advantages that sweatshop labour offers to workers. This is substantiated by both empirical evidence on sweatshop wages and the voluntary nature of workers' choices, which frequently demonstrate their enthusiasm for accepting such employment opportunities. This statement does not completely refute the accusation of exploitation, as it is possible for an exchange to be mutually advantageous while still being exploitative. But it seems to make the charge less important. Even though sweatshops take advantage of people, they do help people who are in desperate need. Some critics of sweatshops say that this approach tries to defend the morality of sweatshop work by ignoring the same things that make it unethical. Opponents of this viewpoint contend that it is erroneous to narrow our focus solely on the dynamics of the transaction occurring between a particular sweatshop and an individual worker. They argue that emphasising the benefits of this exchange for the worker in comparison to their previous circumstances is a flawed approach. In recent years, there has been a noticeable advancement in the scholarly analysis of sweatshops. In their study, Powell and Zwolinski undertake an analysis and critique of the contemporary moral and economic foundations underlying these concerns [10]. The authors propose that upon considering the criticisms of sweatshops put forth by activists in the 1990s, more nuanced arguments do not effectively challenge the core economic and ethical justification of sweatshops. This conclusion is reached through a meticulous analysis of the arguments presented in a collection of literature that critiques the existence of sweatshops. There is currently a lack of defined economic mechanisms that would allow for the legal enforcement of increased salaries or enhanced working conditions without potentially detrimental consequences for workers. In the context of sweatshops, the primary means of exerting control over workers is through the utilisation of physical

violence as a deterrent against job refusal or escape attempts. This form of compulsion is relatively infrequent, and it is disapproved by both proponents and critics of sweatshops. Although it is feasible to argue that sweatshop workers often experience significant injustice, it is challenging to maintain the assertion that sweatshops or the multinational firms they collaborate with are directly responsible for this injustice through unjust exploitation. Powell provides a comprehensive and robust argument in support of third-world sweatshops [11]. The author examines the ways in which sweatshops provide workers optimal chances and contribute significantly to the process of economic development, ultimately resulting in enhanced wages and improved labour conditions. Drawing upon economic theory, the author posits that a significant portion of the objectives promoted by the anti-sweatshop movement may inadvertently have adverse effects on the very workers they seek to assist. This is mostly due to the potential creation of less desirable alternatives and the undermining of the overall process of economic progress. Numerous studies have indicated that multinational firms tend to offer higher compensation packages compared to their domestic counterparts in developing nations. Critics of sweatshops argue that compensation data provided by multinational corporations does not effectively address the question of whether sweatshop employment offer wages that are higher than the norm, as a significant number of these jobs are outsourced to domestic subcontractors. This study aims to analyse the correlation between earnings in the apparel sector and wages at individual sweatshops, in relation to indices of living conditions in Third World economies. A significant proportion of sweatshop workers receive wages that are higher than the average [12]. In a research done by Clark and Powell, an examination was undertaken on the workforce of two enterprises that had been charged by the National Labour Committee of operating as sweatshops [13]. It has been discovered that the remuneration and working circumstances offered to the workers are superior in comparison to their former employment. The composition of compensation, encompassing both pay and working conditions, serves as an indicator of employee preferences. It was observed that when a firm yielded to activist demands, employees expressed lower levels of satisfaction with their working conditions.

Based on the review of the literature and the various perspectives presented in the documents, it is possible to conclude that an improved campaign should indeed put pressure on corporations to engage in responsible production practises and ensure minimum standards within the facilities where their products are manufactured. However, when constructing an evaluation, the complexity of sweatshop labour and the arguments given by various stakeholders should be considered. One major factor is the economic argument advanced by academics such as Nicholas Kristof, Paul Krugman, and Jeffrey Sachs, who believe that sweatshop labour is superior to the options of not working or working for extremely low salaries. They argue that by prohibiting the sale of products created in sweatshops, low-wage workers in emerging economies will be forced into lower-paying jobs or even return to agriculture. This case illustrates the unforeseen consequences of a broad ban on sweatshop items. On the other side, there is a compelling ethical case to be made against sweatshop labour. Sweatshop labour, according to critics, exploits people and diminishes their freedom and dignity. The concept of respecting workers encompasses international corporations' responsibilities to comply with labour legislation in their individual locales, as well as to provide their employees with good working conditions and appropriate remuneration. They argue that sweatshop labour undermines both Kantian and republican notions of freedom, as well as the bonds formed by those who participate in free markets. The literature review suggests that a more effective campaign would put pressure on businesses to use ethical production methods and maintain safe working conditions in the factories where their goods are made. While there are economic arguments in favour of sweatshop labour, it is critical to prioritise ethical considerations as well as the workers' rights and well-being. Consumer movements and market pressure can both play an important influence in driving firms to improve their labour practises. However, it is critical to evaluate the nuances of the issue and carefully weigh

the potential unintended implications of a blanket ban on sweatshop items. To solve the issue of sweatshop labour, it is vital to work towards a holistic solution that combines profitability and worker wellbeing. The literature study also emphasises the impact of consumer movements and market pressure on the employment policies of firms. In particular, transnational consumer movements may have a considerable effect on the bargaining power of the world's workforce, putting pressure on multinational firms to enhance working conditions. This indicates that a well-executed campaign can persuade businesses to switch to ethical production methods. Sweatshop salaries, working conditions, and ethical consequences are all topics explored in the literature reviewed for this study. These articles add to the discussion about sweatshop labour and shed light on the intricacies of the subject. Consumers are prepared to spend more to help better working conditions for sweatshop workers, as evidenced by studies like the one conducted by Pollin et al. [1]. Consumers are eager to back ethical production methods, and this conclusion shows there is a market for such products.

The sale of sweatshop products is a global justice issue, not just a domestic one. Market liberalisation and globalisation have created a link between global customers and undeveloped countries, allowing enterprises in poor countries to sell sweatshop items in Western markets. It is critical to consider the numerous consequences and challenges of prohibiting the sale of these products. Consider the fact that many wealthy nations have themselves had a period of sweatshop development, utilising cheap labour and negotiating advantages to strengthen their economy and support the growth of other nations. This demonstrates how employing sweatshop labour has been a typical tactic for economic growth. Total prohibitions and the abrupt halt of sales of goods produced in sweatshops could have unfavourable effects, including job losses and economic setbacks for developing nations. Furthermore, the cessation of sweatshop goods sales has the potential to impede endeavours aimed at alleviating poverty. Sweatshop labour frequently offers employment prospects for persons lacking alternative income sources or facing the prospect of even lower earnings in other occupations. From a certain perspective, the utilisation of sweatshop labour can be regarded as a transitional mechanism that facilitates economic advancement and alleviation of poverty. Nevertheless, it is imperative to carefully consider these economic justifications in light of the ethical ramifications associated with sweatshop labour. Critics contend that the utilisation of sweatshop labour results in the exploitation of workers, hence leading to a reduction in their autonomy and inherent worth. The presence of unfavourable working conditions and inadequate remuneration commonly observed in sweatshops is widely regarded as a breach of employees' rights and a violation of human dignity. A morally principled framework necessitates the cessation of such exploitation, irrespective of potential economic ramifications. Adopting a well-rounded perspective entails acknowledging the intricacies surrounding the matter of sweatshop labour and devising alternative approaches that effectively tackle the economic constraints while safeguarding the rights of employees. Instead of implementing a comprehensive prohibition on products manufactured in sweatshops, a multifaceted approach should be adopted. This approach may involve the implementation of voluntary codes of conduct for enterprises, heightened consumer advocacy for ethical production practises, and governmental legislation aimed at enforcing minimum standards. Through the implementation of these measures, there is a potential for a shift in attention towards the enhancement of working conditions, the guarantee of equitable remuneration, and the preservation of workers' rights. Comprehensively assessing the topic shows that sweatshop sales are a global justice issue. Banning these products may have unexpected repercussions, but multinational corporations' economic realities and worker ethics must be balanced. A well-planned strategy that balances profitability and worker well-being can enhance sweatshop employees' conditions while promoting economic growth and poverty reduction.

### 3. Conclusion

In conclusion, the debate over whether or not to outlaw products created in sweatshops is a complicated and multifaceted problem at the intersection of sustainable consumerism and social justice. The introduction stresses the importance of enforcing minimum standards and better working conditions in sweatshop factories, arguing that customers are prepared to pay more to help make these changes. Economists, however, offer a different point of view, arguing that the employment prospects provided by sweatshops are preferable to other possibilities. This literature study delves into the effects of consumer movements on workers' rights, as well as the global economy and the function of multinational firms. From corporate accountability and the definition of exploitation to the power of consumer boycotts, the ethical and economic arguments for and against sweatshop labour are dissected. These debates show how multifaceted and multifaceted the issue of sweatshop labour is.

It is important to find a middle ground between the ethical treatment of workers and the economic realities faced by multinational firms, taking into account the various views provided. A complete prohibition on sweatshop items could result in the loss of jobs and the relocation of workers, but the fear of boycotts and damage to brand image could encourage businesses to improve working conditions. Therefore, a multi-pronged strategy that includes voluntary codes of conduct, consumer pressure, and government regulation may help to improve sweatshop workers' living and working conditions.

### References

- [1] Pollin, R., Burns, J.C. and Heintz, J., 2003. *Global Apparel Production and Sweatshop Labor: Can Raising Retail Prices Finance Living Wages?*.
- [2] Seidman, G.W., 2007. *Beyond the boycott: Labor rights, human rights, and transnational activism*. Russell Sage Foundation.
- [3] Arnold, D.G. and Hartman, L.P., 2006. *Worker rights and low wage industrialization: How to avoid sweatshops*. *Human Rights Quarterly*, pp.676-700.
- [4] Meyers, C., 2004. *Wrongful beneficence: Exploitation and third world sweatshops*. *Journal of Social Philosophy*, 35(3), pp.319-333.
- [5] Mayer R. *Sweatshops, exploitation, and moral responsibility*. *Journal of Social Philosophy*. 2007 Dec;38(4):605-19.
- [6] Fung, A., O'Rourke, D. and Sabel, C.F., 2001. *Can we put an end to sweatshops?*. Beacon Press.
- [7] Snyder, J.C., 2008. *Needs exploitation*. *Ethical theory and moral practice*, 11, pp.389-405.
- [8] Preiss, J., 2014. *Global labor justice and the limits of economic analysis*. *Business ethics quarterly*, 24(1), pp.55-83.
- [9] Zwolinski, M., 2012. *Structural exploitation*. *Social Philosophy and Policy*, 29(1), pp.154-179.
- [10] Powell, B. and Zwolinski, M., 2012. *The ethical and economic case against sweatshop labor: A critical assessment*. *Journal of business ethics*, 107, pp.449-472.
- [11] Powell, B., 2014. *Out of poverty: Sweatshops in the global economy*. Cambridge University Press.
- [12] Powell, B. and Skarbek, D., 2006. *Sweatshops and third world living standards: Are the jobs worth the sweat?*. *Journal of Labor Research*, 27(2), pp.263-274.
- [13] Clark, J.R. and Powell, B., 2013. *Sweatshop working conditions and employee welfare: Say it ain't sew*. *Comparative Economic Studies*, 55, pp.343-357.