

Georgia State University

ScholarWorks @ Georgia State University

Political Science Theses

Department of Political Science

Spring 4-24-2021

Does Economic Development Have an Influence on Human Labor Trafficking?

Ashley Smith

Follow this and additional works at: https://scholarworks.gsu.edu/political_science_theses

Recommended Citation

Smith, Ashley, "Does Economic Development Have an Influence on Human Labor Trafficking?." Thesis, Georgia State University, 2021.

https://scholarworks.gsu.edu/political_science_theses/83

This Thesis is brought to you for free and open access by the Department of Political Science at ScholarWorks @ Georgia State University. It has been accepted for inclusion in Political Science Theses by an authorized administrator of ScholarWorks @ Georgia State University. For more information, please contact scholarworks@gsu.edu.

Does Economic Development Have an Influence on Human Labor Trafficking?

by

Ashley Smith

Under the Direction of Charles Hankla, Ph.D.

A Thesis Submitted in Partial Fulfillment of the Requirements for the Degree of

Master of Arts

in the College of Arts and Sciences

Georgia State University

2021

ABSTRACT

India and China are the top two countries in the world that have the highest number of victims of labor trafficking out of every country in the world. Using these countries that have the highest number of victims of labor trafficking, I will conduct a cross sectional analysis analyzing the rate of victims compared to the HDI. The cases of India and China show how HDI influences the number of victims of labor trafficking and this can be generalized to other countries. Generalizing this information to apply to other countries could change how policy is created to address labor trafficking. Policy that incorporates economic development and quality of life will lessen human labor trafficking by addressing the systematic issues that cause it. I hypothesize that the lower the Human Development Index Score the higher the number of victims that are in labor trafficking.

INDEX WORDS: Labor trafficking, Forced Labor, Bonded labor

Copyright by
Ashley Dawn Smith
2021

Does Economic Development Have an Influence on Human Labor Trafficking/Forced Labor?

by

Ashley Smith

Committee Chair: Charles Hankla

Committee: Jelena Subotic

Sarah Gershon

Electronic Version Approved:

Office of Graduate Services

College of Arts and Sciences

Georgia State University

May 2021

DEDICATION

I would like to dedicate this thesis paper to my son Ace. While I was five months pregnant, we walked together across the stage to accept my diploma for my bachelor's degree of Political Science from Georgia State University. I am now preparing to graduate with my master's degree and you are two and you have been on the journey with me studying to finals to staying up all night typing in hopes of making a better life and future for us. This research on human labor trafficking effects the lives of many mothers, children, and fathers across the globe. Addressing the systematic issues that lead to human labor trafficking is key to developing policy that can make a change. I have hopes of using my work to improve the lives of others and the life of my son.

ACKNOWLEDGEMENTS

I would like to acknowledge the chair of the committee Dr. Hankla who has been an instrumental instructor in my graduate career because he was one of my first instructors in my first semester and as learning shifted to virtual, we evolved to online class meetings. Maintaining engagement and creating a hospitable learning environment is a strong suit of Dr. Hankla who was able to continue through the pandemic. Dr. Subotic has been key in helping me to expand and improve my writing by giving feedback that is helpful and straightforward. While all our classes have been online, I still feel a sense of been in the classroom because her choice of readings is interesting and helps to explain the topic. Dr. Gershon has been a great assistance in my graduate career. Dr. Gershon pushes me to do my best work by giving constructive feedback that is helpful while forcing me to think outside of the box. I tremendously appreciate the assistance and support that I have received from Dr. Hankla, Dr. Subotic and Dr. Gershon. I have an insurmountable amount of admiration and respect for these instructors who have been able to assist me while adjusting to virtual learning.

TABLE OF CONTENTS

ACKNOWLEDGEMENTS	V
LIST OF TABLES	VII
LIST OF FIGURES	VIII
PREFACE.....	IX
1 INTRODUCTION.....	1
1.1 History: Economics of Labor Trafficking	3
1.2 Previous Literature	5
2 THEORY	7
2.1 Method	10
2.2 Empirical.....	12
3 CASE SELECTION.....	15
3.1 India.....	15
3.2 China	18
4 CONCLUSION	20
APPENDICES	22
Appendix A	22
WORKS CITED.....	23

LIST OF TABLES

Table 1.1 Forced Labor Generates \$150 billion in Annual Profit Worldwide	4
---	---

LIST OF FIGURES

Figure 2.1 The Influence of HDI on the Number of Victims of Labor Trafficking 8

PREFACE

Labor trafficking is an issue that effects the universal human rights of millions of people who are being coerced, forced, and frauded into performing work. It is imperative that there is an alternative approach to policy on labor trafficking to address the structural issues that aren't being addressed in the current policy that focuses on prosecution rather than improving economic development. Improving economic development is the cornerstone of decreasing labor trafficking because the root of the problem lies in poverty and the socioeconomic issues that are associated with it such as low life expectancy and poor education. China and India are two of the most populated countries in the world and they also have the highest number of victims of labor trafficking. I show here that China has less victims of human labor trafficking and better economic conditions while India has more victims of human labor trafficking and worse economic conditions. My evidence suggests that this relationship exists because a higher economic development and quality of life decreases labor trafficking because the population is less vulnerable. A low HDI or poor quality of life can make a population more vulnerable to labor trafficking because there is poor education and healthcare and a lack of employment opportunities.

1 INTRODUCTION

I am analyzing labor trafficking, which was defined as the recruitment, harboring, provision, transportation or obtaining a person for the purpose of labor or services as by The Trafficking Victims Protection Act of 2000 (US Dept of HHS, 2021). Labor trafficking is a form of human trafficking in which people are forced to perform a task through force, fraud, or coercion. Labor trafficking is different from sex trafficking where the task is sexual in nature. Only labor trafficking is being analyzed opposed to sex trafficking to shine a light on a form of trafficking that has a direct effect on the production of goods in the economy. Labor trafficking occurs in various sectors of the economy from agriculture to factories in addition to domestic work. Labor is a commodity that is essential to the production of goods and services in the economy.

The purpose of this research is to show that economic development has an influence on the number of victims of human labor trafficking. I argue that economic development is a determinant of levels labor trafficking because the cause of labor trafficking is rooted in poverty and the issues that are associated with it. The causal process that is being tested is if economic development which is represented by the HDI score has an influence on the number of victims of labor trafficking. The existing knowledge on labor trafficking will be expanded with this research because there is a hole in existing literature on human labor trafficking and its intersection with economic development. There is a relationship between human economic development and labor trafficking and the policy surrounding it. Human economic development would be enhanced if there was a stronger relationship between policies that fight human trafficking and the policies that promote development (Danailova-Trainor, Laczko, 2010). There is a framework that is centered around protection, prevention, and prosecution but this leads to short term solution that don't address the structural issues that exist. There needs to be a focus on

policy that improves the quality of life to reduce the number of victims of labor trafficking.

Policies that promote development usually don't incorporate human trafficking because these are usually viewed as separate topics but there should be policy that incorporates trafficking and development to address the systematic issues with trafficking.

Labor trafficking is a form of modern slavery and is a fundamental violation of human rights (US Dept of HHS, 2021). Bonded labor, forced labor, and child labor are the three forms of labor trafficking. Bonded labor also referred to as debt bondage occurs when labor is used as a form of repayment for a loan in which the terms aren't defined and it becomes difficult or impossible to repay the loan through labor. Bonded labor is the primary form of labor trafficking in India through Sumangali schemes. Human labor trafficking occurs when victims are forced to work against their will under the threat of violence or death. In human labor trafficking freedom is restricted and it can include domestic servitude, agricultural labor, sweatshop factory labor, janitorial.

Labor trafficking has the most victims in the countries India and China. These countries have the highest number of victims to human labor trafficking because there is low economic development coupled with a high population. This poor economic development creates political instability, high unemployment, and weak government. These developing nations have a need for cheap labor to drive the economy coupled with a large population that is unemployed but rather than paying the employees there is prison camps which force labor, and indentured servitude that requires the paying off of large debts. There will be an intersection to show how economic development, culture, and regimes can influence labor trafficking. Labor trafficking is a distinct form of human trafficking where people are sold for their manual labor. Countries that have poor human development but have growing economies and factories are susceptible to

labor trafficking because there is an immense desire for cheap labor combined with a large portion of the population that is unemployed or impoverished.

There has been legislation to ban slavery and ensure universal human rights such as when in 1948 the General Assembly of the United Nations created The Universal Declaration of Human Rights, which establishes that “All human beings are born free” and “No one shall be held in slavery or servitude” (Belser, 2008). This principle is also established in the International Covenant on Civil and Political Rights adopted at the United Nations in 1966 but labor trafficking continues despite policy efforts. The significance of this research on how economic development influences human trafficking is that there should be a focus on helping the victims of labor trafficking in those countries that often have oppressive governments and have low economic development.

1.1 History: Economics of Labor Trafficking

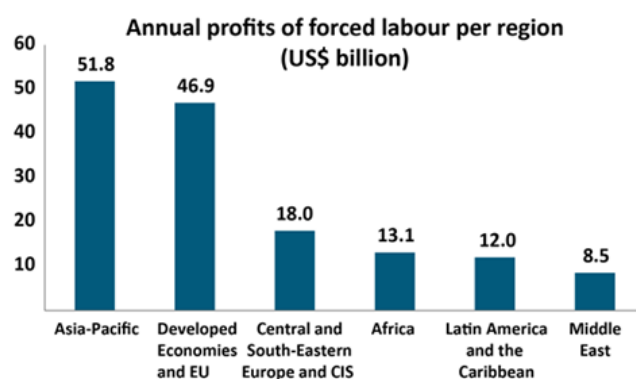
Classic economists such as Adam Smith believed that making someone work with no pay was not profitable because men who aren't paid have no will to work which decreases productivity. 250 years ago, Adam Smith wrote that the work done by men who are free is cheaper than work done by slaves because it is easier to rely on the free market than subsidizing slavery (Smith, 1776). Slavery negatively influences the social structure and economic development. Controlling where a person works and how they spend their money lessens productivity and lowers wages for all workers (Cockayne, 2021). There was a spread of abolition in the 19th and 18th centuries because there was it was found that it is more effective to pay workers to boost productivity. I hypothesize that increasing economic development will decrease human labor trafficking and conversely ending labor trafficking will increase economic development. To support this claim there were findings from United Nations University have

shown that ending modern slavery will increase economic development (Cockayne, 2021). The end of labor trafficking will create more stable economic development. Labor trafficking persists although it isn't particularly profitable as mentioned by Adam Smith because labor trafficking is an extractive political institution in which there is profit that is still generated (Faure, 2015).

Figure 1.1 illustrates the annual profits of forced labor which are over 150 billion dollars, and the majority of this profit lies in the Asia-Pacific area where India and China reside.

Table 1.1 Forced Labor Generates \$150 billion in Annual Profit Worldwide

Forced labour generates annual profits of US\$ 150 billion



In 1970, Evsey Domar formulated an alternative hypothesis to Smith which states that slave owners get an economic benefit due to lower unit labor costs. Domar states that although productivity may be low the savings accumulate and slavery is more rational in places where there is abundant land and scarce labor (Domar, 1970). These characteristics of abundant land and scarce labor are true of the top countries that have the most victims of human labor trafficking. Smith makes the strongest point in that slavery is not profitable but Domar makes valid points about the characteristics of a nation that can facilitate slavery.

1.2 Previous Literature

There is an economic view that illustrates the economic factors that lead to labor trafficking such as wealth disparities. There are human rights violations that are occurring through human trafficking because of globalization. Human trafficking has grown in the twenty first century because of economic inequalities (Shelley, 2010). Mercantilism created a wealth inequality in the way that Capitalism is propelling the economic disparities in the world. Economic inequalities and political conflict play a major role in human trafficking. There is a differentiation from existing literature because there will be a focus on HDI rather than GDP per capita to highlight how quality of life is a more effective indicator of the rate of labor trafficking than GDP because there is a consideration of the income inequalities. A country can have a high GDP but a high-income inequality that leaves much of the population in poverty making them susceptible to labor trafficking. It is possible to have a low GDP but a higher quality of life and this is significant and new because if there is a focus on policy to improve the quality of life rather than just focusing on boosting the economy it would lessen labor trafficking. There are also cultural influences for example debt bondage and human labor trafficking which are prevalent in India have been a staple in society and it is difficult to break tradition although it has been outlawed. Discrimination and corruption are also a factor in human trafficking such as in China and India where marginalized are most vulnerable. India and China play a role in the global economy therefore the effects of globalization are more intense here and these intense effects of globalization have an influence on human labor trafficking.

There is a social view of labor trafficking that explains the social factors such as discrimination that can contribute to labor trafficking. In India Dalit communities and other tribes are discriminated against while in China the Uyghurs and other religions are being

marginalized and targeted for labor trafficking. Societal inequalities work to ostracize certain groups so they can be exploited. Groups that are economically disadvantaged tend to be minorities and this is caused by the systematic racism which discriminates against certain groups making them more vulnerable to labor trafficking.

There is a structuralist view surrounding labor trafficking that focuses on how there is a system that supports labor trafficking. The regime type of a country the structure for which the government and the nation is based upon. Regime type has an influence on the number of victims of labor trafficking in a country because autocratic regimes tend to have more victims of labor trafficking due to weak institutions and an oppressed population. Oppressive autocratic regimes play a role in human labor trafficking because in China there are people forced to work in poor conditions with little being done by the government. The oppressive government is benefiting from the exploitation of its people. An oppressive government, developing economy, and high population are the leading factors that can lead to human labor trafficking in a nation. China has an autocratic regime while India has a history of autocracy but have become democratic within the last 100 years. India is struggling with maintaining democracy. There is a structure in India and China that facilitates labor trafficking because the oppressive government tends to struggle with the economy creating weak institutions and poor law enforcement. The lack of enforcement coupled with a lack of job opportunities creates an environment where labor trafficking can take place.

The issue of human economic development has largely been ignored in previous literature. The economic view doesn't account for quality of life which is considered in the HDI. The quality of life of a population is a greater indicator of levels of labor trafficking than the economic view because there is a consideration of income inequalities, education, and life

expectancy. Analyzing how human development influences labor trafficking can change how labor trafficking is viewed. It is important to view the spectrum of issues that are leading to labor trafficking to more effectively handle how policy is created around it. Creating a good quality of life with access to healthcare which extends life expectancy and increasing education which decreases unemployment is critical to decreasing labor trafficking. A country can have a high GDP but high inequality which would still make it vulnerable to labor trafficking. Countries that have a low GDP could focus on improving human development through education and healthcare making the population less vulnerable to labor trafficking.

2 THEORY

The theory behind the argument that a country that has a low HDI score will have a higher number of victims of human labor trafficking is a lack of human economic development increases labor trafficking. A country that has poor human development has low life expectancy and poor education creating a population that is vulnerable to labor trafficking. I hypothesize that the lower the Human Development Index Score the higher the rate of victims of human labor trafficking. The dependent variable is labor trafficking, which was defined as the recruitment, harboring, provision, transportation or obtaining a person for the purpose of labor or services as by The Trafficking Victims Protection Act of 2000 (US Dept of HHS, 2021). Labor trafficking is a distinct form of human trafficking in which people are forced to perform a task through force, fraud, or coercion. Only labor trafficking is being analyzed opposed to sex trafficking to shine a light on a form of trafficking that has a direct effect on the production of goods in the economy. Labor trafficking is a form of modern slavery and is a fundamental violation of human rights (US Dept of HHS, 2021). Bonded labor, forced labor, and child labor are the three forms of labor

trafficking. I am focusing on labor trafficking because there is as a whole because bonded labor is most prevalent in India while forced labor is most prevalent in China and there is child labor used in both India and China.

China has less victims of human labor trafficking and better economic conditions while India has more victims of human labor trafficking and worse economic conditions. The HDI score for China is 0.719 which is 76th worst compared to the fourteen million victims in India which has a HDI Score of 0.586 which is 46th worst (Hess, Frolich, 2014). China has less victims of modern slavery than India and China has a higher HDI score and higher GDP per capita which supports my hypothesis that a country with more victims of forced slavery will have poor economic development that is shown by the HDI score.

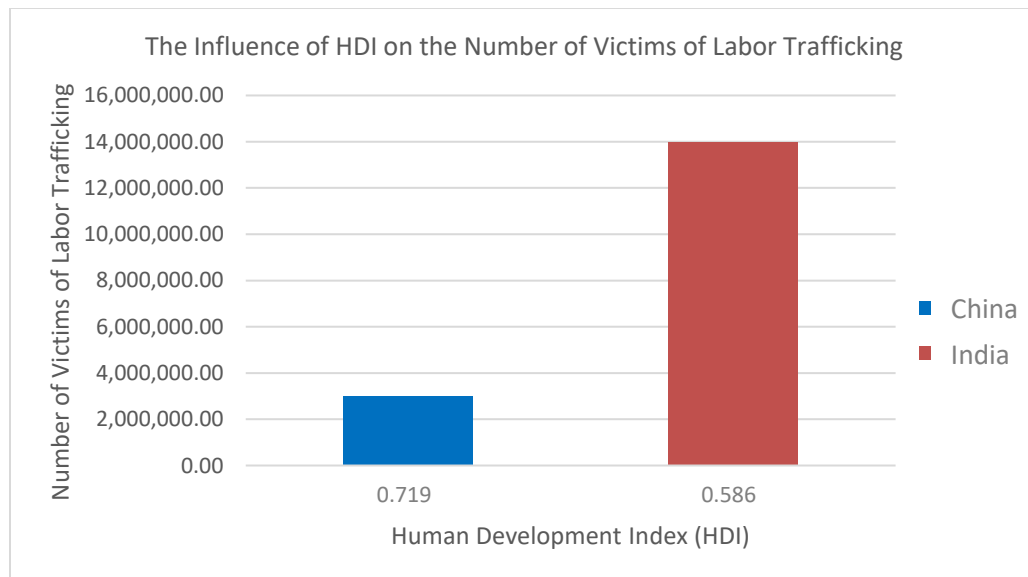


Figure 2.1 The Influence of HDI on the Number of Victims of Labor Trafficking

There is an association between HDI and trafficking and the policy around trafficking. The HDI score would increase if there was a stronger relationship between policies that fight human trafficking and the policies that promote development (Danailova-Trainor, Laczko, 2010). There are short term solutions that don't address the structural issues that exist, so it is

important to incorporate human development and trafficking in policies together to address the structural issues that exist. Poor economic human development creates many victims and eliminating labor trafficking will increase HDI. Ending human labor trafficking will improve economic conditions because as explained by Adam Smith there is higher levels of productivity when people are paid fairly.

There are systematic issues that result in higher number of victims of labor trafficking. Poverty is the root of the cause of labor trafficking and there is issues that stem from it such as unemployment and poor economic development. From the perspective of the victim there is a lack of employment opportunities and a lack of resources to meet basic needs that results in people in conditions of human labor trafficking. There are people looking for legitimate work but end up in human labor trafficking schemes or in the case of China there are people who are placed in detention centers for being unemployed a short amount of time. China and India are two of the most populated countries in the world which also have the highest number of victims of modern slavery. India and China are overpopulated, and this is straining the resources in the country limiting accessibility to housing, transportation, and employment. From the perspective of the perpetrators there is systematic issues such as corruption and oppressive regimes that facilitate an environment where human labor trafficking occurs. In India human labor trafficking schemes are orchestrated by business owners who are also powerful politicians that can form a corrupted system that works to exploit workers through debt bondage. Although debt bondage has been outlawed there are poor villagers who do not know their rights. In China labor trafficking is being largely ignored by the Chinese Communist Party which is allowing it to continue. Human labor trafficking is being directly facilitated by the Communist government in China so there must be an outside organization to hold those responsible accountable. Human

labor trafficking is typically facilitated by traffickers who kidnap and coerce victims but, in the cases, if India and China where those responsible for the human labor trafficking conditions are officials it is extremely difficult to prosecute unless there is international intervention.

Corruption and political instability go hand in hand with the poor human development therefore human development is key to strengthening the government's institutions and the economy so there can be an increase in education and healthcare making the population less vulnerable to labor trafficking.

2.1 Method

The estimates on the number of victims that are in modern slavery were calculated using individual and country level risk factors of labor trafficking. The analysis used data from nationally representative surveys that were conducted by the Gallup World Poll which includes a module on labor trafficking in 48 countries, and data from the Global Slavery Index Vulnerability Model (Walk Free Foundation, 2018). The final set of risk factors were selected from an exhaustive list of variables to optimally predict confirmed cases of human labor trafficking.

The International Labor Organization has led survey methodologies to estimate how prevalent human labor trafficking is in a targeted population in countries where probalistic sampling wasn't used. Quantative surveys were conducted by using a non-probalistic sample which provide relevant results for a target population (International Labour Organization, 2015). These pilot surveys were conducted in fourteen countries with China being one of the countries while India was not. These surveys must be conducted in India in the way that it was implemented in China so there can be a generalized method for obtaining data that is

representative of the population showing the prevalence of human labor trafficking. The results from the surveys can be used to make evidenced based policy on human labor trafficking.

The HDI score for China is 0.719 which is 76th worst compared to the fourteen million victims in India which has a HDI Score of 0.586 which is 46th worst (Hess, Frolich, 2014). India and China are the top two countries in the world that have the highest number of people that are in modern day slavery out of every country in the world. Using these countries that have the highest number of victims of labor trafficking, I will conduct a study analyzing the rate of victims compared to the HDI. Economic and social development can influence a nation's vulnerability to labor trafficking because when there is poor economic conditions and a need for cheap labor an environment that facilitates slavery can occur. The Human Development Index provides a score for a nations development and most countries that had a low HDI score had higher rates of people who are living in slavery. I hypothesize that the lower the Human Development Index the higher the victims of labor trafficking. The number of the victims is the dependent variable, and the Human Development Index score is the independent variable. Economic development has an influence on the quality of life of the people. Healthcare, education, infrastructure, and transportation are affected by the economic development. India and China are also the two top per capita cases of human labor trafficking in the world. Looking at the top two cases of human labor trafficking is important because it is on such a large scale it can be generalized to other cases. Other countries can use this information on the effect of human development on labor trafficking to their countries to make policy that focuses on improving human development and not solely the economy.

2.2 Empirical

Human development can influence a nation's vulnerability to labor trafficking because when there is poor development with a lack of healthcare and education the country can become vulnerable human labor trafficking. This association between human development and labor trafficking is shown empirically by using the Human Development Index which provides a score for human economic development and most countries that had a low HDI score had higher number of victims of labor trafficking. I hypothesize that the lower the Human Development Index Score the higher number of victims of labor trafficking because low human development creates a vulnerable population that has low access education, little access healthcare, and low life expectancy which makes them more susceptible to labor trafficking. I will conduct a study to estimate the number of victims of labor trafficking in a targeted area then compare the number of victims compared to the HDI score. The number of the victims in the country is the dependent variable and the Human Development Index score is the independent variable because when the HDI increases the number of victims decreases and when the HDI decreases the number of victims increases. The HDI score has an influence on the number of victims of labor trafficking because poor human development creates a strained environment where labor trafficking can occur.

China has about three million people who are victims of labor trafficking and there is a HDI Score in China that is 0.719 which is 76th worst compared to the fourteen million victims in India which has a HDI Score of 0.586 which is 46th worst (Hess, Frolich, 2014). China has less victims of labor trafficking than India and has a higher HDI score and higher GDP per capita. China has less victims of human labor trafficking and better economic conditions while India has more victims of human labor trafficking and worse economic conditions. I hypothesized that the

lower the Human Development Index the higher the rate of victims of human labor trafficking and the data supports my hypothesis that a country with a lower HDI score will have more victims of labor trafficking because that low HDI score translates to poor economic conditions making that country more vulnerable. Economic development which is measured by the Human Development Index score created by the United Nations Development Program has an influence on the number of victims of human labor trafficking and that data was compiled by the Global Slavery Index. The Human Development Index score is calculated by using the mean of life expectancy, education, and GDP per capita. The HDI score was developed to take into consideration quality of life. There will be a focus on HDI rather than GDP per capita to highlight how quality of life is more accurate indicator of the rate of labor trafficking than GDP because there is a consideration of the income disparities. It is possible to have a low GDP but a higher quality of life and this is significant because if there is a focus on improving the quality of life rather than just focusing on boosting the economy it would lessen labor trafficking. Domestic labor trafficking is being analyzed because there is an analysis of how domestic economic development influences the number of victims in each country.

The previous literature on labor trafficking data discusses the influence of economic conditions on labor trafficking rather than the influence of human development on labor trafficking. Deafferenting the data from the economic impacts from the influence of human development is key to changing the way labor trafficking is addressed by seeing which is most impactful on trafficking. There is also discussion that there should be a focus on analyzing the past victims opposed to analyzing the current number of victims (Tyldum ,2010). There are limitations on the research on human trafficking because most victims can't identify themselves and do not want to be labeled as being trafficked. Previous attempts to empirically address

worldwide trafficking have proved successful and it is better to do smaller scale case studies.

There is a point made that it is difficult to gather data from current victims because there must be rescue efforts made from qualified law enforcement rather than researchers before there can be data collection. There must be estimates made for the people that are current victims to fill the voids in the data that may be missing from unreported cases while monitoring changes and the quality of the data. The poor human development in India and China creates a higher number of victims of labor trafficking because the lack of development is creating an environment where labor trafficking can flourish. Labor trafficking is rooted in poverty and poor development so statically there will be a higher number of victims in countries that have a lack of development because there are conditions associated with poverty that are facilitating the trafficking.

3 CASE SELECTION

The Global Slavery Index provided data for the estimated population living in slavery in each country. It was found that China and India had the most victims of labor trafficking. There was also data reviewed from the United Nations Development Programme's Human Development Index (HDI) (Hess, Frolich, 2014). The data on economic factors such as GDP came from the International Monetary Fund. Transparency International put together the data on corruption from the Corruption Perceptions Index. China has less victims of labor trafficking and better economic conditions. India has more victims of human labor trafficking and worse economic conditions. The HDI score for China is 0.719 which is 76th worst compared to the fourteen million victims in India which has a HDI Score of 0.586 which is 46th worst (Hess, Frolich, 2014). India and China are the top two countries in the world that have the highest number of victims of labor trafficking out of every country in the world. These countries have the highest number of victims to human labor trafficking because there is low economic development coupled with a high population. Economic and social development can influence a nation's vulnerability to labor trafficking because when there is poor economic conditions and a need for cheap labor an environment that facilitates labor trafficking

3.1 India

India is one of the most populated countries in the world and it has one of the highest rates of victims of labor trafficking. India's large population of people that are poor and unemployed makes population vulnerable for labor trafficking because there are structural issues that are associated with low economic development such as a lack of housing, clean water, food, and transportation. The Global Slavery Index estimates that there are thirty-five million enslaved in modern slavery worldwide and fourteen million of those reside in India (Gahlot,

2020). India's Human Development Index Score is 0.586 which is 46th worst (Hess, Frolich, 2014). The low score on the Human Development Index is correlated to the high number of victims of labor trafficking. I hypothesize that the lower the score on the Human Development Index the higher the number of victims there will be. The GDP per capita in the year 2013 was \$5,450 which is the 50th lowest. The GDP per capita is an indicator of economic development and could be used to further substantiate the claim that the lower the HDI score the higher the number of victims because if the HDI score is low then the GDP per capita will be low as well. The state of Maharashtra had the highest number of human trafficking cases in the country with over 220 cases. Maharashtra has a low HDI of 0.695 which supports the theory that a low HDI influences the high rate of labor trafficking. Conversely the cities with the lowest number of victims is Chennai and Kolkata (India, 2020). Kerala had the highest HDI with and a lower rate of labor trafficking with one hundred eighty cases and two hundred eighteen victims trafficked which is less than Maharashtra. Maharashtra has a lower HDI than Kerala and more cases of labor trafficking. There is more victims of labor trafficking in Maharashtra where there is slums beside skyscrapers in a great wealth inequality while Kerala has less inequality and a higher quality of life with less victims of labor trafficking.

The bonded labor system is abolished, and criminalized but bonded labor still exists. It was reported that 351 out of 743 spinning mills use bonded labor schemes or Sumangali schemes in which fraudulent recruiters go to economically disadvantaged neighborhoods to get unsuspecting families to turn over their daughters in hopes of a lump sum at the end of the three year contract which would go towards a dowry (Global Slavery Index, 2018). In the spinning mills there are harsh working conditions and overtime cannot be refused. Workers are bound to their employers because if there was a change in employment, they can lose their lump sum and

many never receive the money because of leaving early or illness. In granite quarries workers are bonded to the quarry through wage advance loans that have interest rates ranging from twenty-four to thirty six percent. These loans leave many working with little or no pay and the debt can become intergenerational. There are instances when a worker becomes too old or ill and the next of kin is their replacement. Domestic workers that are in private homes are especially vulnerable because their employer is also responsible for food and shelter.

There is an element of discrimination in labor trafficking because marginalized groups are targeted and most susceptible. The Dalit communities were ostracized by society and this entire portion of the population that was labeled as “untouchable” making them a target for labor trafficking. Those who have careers that involve ritually polluting such as fisherman who kill or those who encounter emissions of the human body such as laundry workers are considered untouchable and they are discriminated against in the society that is undergoing globalization. As trade occurs globalization increases interconnectedness while magnifying income inequalities that work to separate populations marginalizing certain populations such as the Dalit community and other tribes. These socioeconomic inequalities create an environment with a lack of job opportunities and poverty where marginalized people can become susceptible to labor trafficking. The HDI is composed of education, GDP, and life expectancy so there will be an indication of quality of life and there will be a consideration of the inequalities that exist. Poor economic development is creating systematic issues such as a low life expectancy and a lack of education which is causing higher levels of labor trafficking because poor education leads to high levels of unemployment. Poverty is the driving force behind labor trafficking but there are issues associated with poverty such as high unemployment, low education, and poor infrastructure which are compounded with the issue of overpopulation that puts a strain on

housing and food. Overpopulation is leading to a lack of transportation, housing, poor living conditions, and a lack of resources. Overpopulation and discrimination are factors in addition to the regime type because India has been introduced to democracy within the last hundred years making the nation more vulnerable to labor trafficking. Countries that are autocratic tend to have higher rates of labor trafficking, so India's autocratic past has an influence on the number of victims of labor trafficking because oppressed populations are more vulnerable to trafficking but HDI is the focus. It is key for the basic needs of the population to be met to take away this vulnerability to labor trafficking. Once there is food, water, and shelter readily available it will improve the quality of life therefore reducing trafficking. It is important that there is policy enacted that is aimed at improving the quality of life by increasing life expectancy through healthcare and increasing education because it will work to empower the population making them less vulnerable.

3.2 China

China is the most populated country in the world with 1.3 billion people and there is about three million people who are victims of labor trafficking. China has a growing economy but there is a significant wealth disparity. The issues with overpopulation and poverty create additional issues such as high unemployment and poor education and low life expectancy. The Human Development Index Score in China is 0.719 which is 76th worst (Hess, Frolich, 2014). The GDP per capita in 2013 was \$11,868 which was the 77th lowest. China has less victims of labor trafficking than India and has a higher HDI score and higher GDP per capita. Internally, China's labor trafficking victims were higher in less economically developed provinces such as Yunnan, Guizhou, Sichuan, and Xinjiang. More economically developed provinces in the East like Zhejiang Fujian, Jiangsu, and Shandong had less victims of labor trafficking (Global Slavery

Index, 2018). In 2016 six disabled people who were forced to work with no pay were rescued by police from a brick factory in Yunnan. In socioeconomically disadvantaged areas that have a low HDI there is a lack of job opportunities and poor education so the population can become vulnerable to labor trafficking. Often people are looking for legitimate employment and become coerced or forced into trafficking and are made to work in developed areas to work in various industries from agriculture and manufacturing to domestic work.

Victims are exploited and abused while being subjected long working hours in dangerous conditions with withheld or nonpayment. China has a growing economy and is using capitalism to expand although it is Communist. China's oppressive communist government has an influence on the labor trafficking in the country because there is a culture of oppression that makes the people vulnerable. Regime type can have an influence on the economy because typically the less the government interferes with the invisible hand the better. There are autocratic governments such as China that are holding on to their ties to Communism while using capitalism to increase their economy.

Trade deals and sanctions are a way of punishing the human rights violations that are happening. The Uyghur Human labor trafficking Prevention Act is focused on keeping products made from human labor trafficking out of the US by making companies prove that their supply chains aren't tainted with products made from human labor trafficking but companies such as Nike and Coca-Cola are lobbying against it (Allen-Ebrahimian, 2021). Apple, Nike, BMW, and Volkswagen are a few of the companies that are being reported on having used human labor trafficking in their supply chains (Kelly, 2020). It is important that companies are looking within their supply chain to eliminate any use of human labor trafficking and if they don't comply there needs to be ramifications. The Communist party in China is openly embracing human labor

trafficking and it will make western countries choose between appeasing business leaders or enforcing universal human rights. It is important that people can choose their form of work and leave their employment at their own will. The government did not provide any data on law enforcement data, and there were no known prosecutions or investigations of traffickers. The data shows that China's higher HDI caused it to have a lower rate of labor trafficking than India. China has more human development which includes access to education and healthcare than India making its population less susceptible to labor trafficking. China has a higher GDP and a higher HDI making it more economically capable with a higher level of human development than India.

4 CONCLUSION

In conclusion The Human Development Index score has an influence on the number of victims of labor trafficking and this is shown by India which has a lower Human Development Index Score and a higher number of victims of labor trafficking than China which has a higher HDI and a lower number of victims of labor trafficking. The cases of India and China show how HDI influences the number of victims of labor trafficking and this can be generalized to other countries. Generalizing this information to apply to other countries could change how policy is created to address labor trafficking. Policy that incorporates economic development and quality of life will lessen human labor trafficking by addressing the systematic issues that cause it. In the past there has not been a focus on the intersection of economic development and labor trafficking in policy. Improving education, life expectancy, and GDP will influence the number of victims of trafficking because the population will be less vulnerable. Poor quality of life and low HDI creates a high number of victims of human labor trafficking because there are many people who are unemployed and uneducated who become vulnerable. Eliminating labor trafficking will

increase economic development by strengthening institutions. Poor economic development creates political instability, a low life expectancy, and high unemployment, which makes the population susceptible to human labor trafficking.

There has been legislation passed to prohibit and abolish labor trafficking, but it continues because there are structural issues such as poor healthcare, a lack of job opportunities, systematic discrimination and poor education that leads to labor trafficking. There are universal human rights violations occurring in the supply chain of goods that are coming to western countries and it is important for other countries to come together to impose sanctions and trade agreements to punish those at fault. There is a need for policy that requires companies to address any human labor trafficking that occurs in their supply chain to help end labor trafficking. There is legislation that prohibits labor trafficking but there needs to be assistance with enforcement on the local levels from an outside entity to prevent corruption and to ensure oversight of factories and workers. Ending human labor trafficking will increase productivity and increase wages boosting the economy which will improve economic development. Human labor trafficking is more about control rather than profitability.

APPENDICES

Appendix A

Definitions:

Human labor trafficking: work that is performed involuntarily and under coercion; s defined in the International Labour Organization (ILO) Convention No. 29, one of the most ratified ILO Conventions.

Human Trafficking: the recruitment, transportation, transfer, harboring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation as defined by The United Nations Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children (“Palermo Protocol”), adopted in 2000.

Slavery: the status or condition of a person over whom any or all of the powers attaching to the right of ownership are exercised which was defined in the UN 1926 Slavery Convention.

Modern Slavery: used to encompass all those practices.

WORKS CITED

- Allen-Ebrahimian, B. (2021, January 5). The scope of China's use of forced labor in Xinjiang is bigger than we knew.
- Belser, P. (2008). The economics of slavery, forced labor and human trafficking. *Labor and Employment Law and Economics*.
- Cockayne, J. (2021, February 6). Opinion: Development must tackle an age-old scourge — slavery.
- Cho, S. (2013). Integrating equality: Globalization, women's rights, and human trafficking. *International Studies Quarterly*, 57(4), 683-697.
- Danailova-Trainor, G., & Laczko, F. (2010). Trafficking in persons and development: Towards greater policy coherence. *International Migration*, 48(4), 38-83.
- Domar, E. (1970). The causes of slavery or serfdom: A hypothesis. *Capitalism, Socialism, and Serfdom*, 225-238.
- Elbagir, N., Razek, R., Platt, A., & Jones, B. (2017, November 15). People for sale: Where lives are auctioned for \$400.
- Faure, J. (2015). Forced Labour: Does it Make Economic Sense.
- Forced labor. (2021).
- Gahlot, M. (2021). There are more modern-day slaves living in India than anywhere else on earth.
- Global Slavery Index. (2018).
- Hess, A., & Frohlich, T. (2014, November 23). Countries with the most enslaved people.
- India: Number of reported human trafficking victims by major city. (2020, September 30).
- International Labour Organization. (2015, April). ILO Data Initiative on Modern Slavery.

'It was as if we Weren't human.' inside the modern slave trade trapping African migrants. (2019, March 14).

Jazeera, A. (2019, October 21). Bonded labour : Spiraling debt trapping Pakistan's brick kiln workers.

Jillani, S. (2019). Life of slavery — the perpetuation of bonded labor in Pakistan.

Kelly, J. (2020). China Moves Uyghur Muslims Into 'Forced Labor' Factories.

Learn about forced labor in China. (2021).

Lewis, T. (2021). Transatlantic slave trade | History & facts.

Lillie, M. (2018, December 12). The dirty economics of human trafficking.

North Korea. (2020, December 1).

Pakistan. (2020, December 1).

Schauer, E., Wheaton, E., & Galli, T. (2010). Economics of Human Trafficking.

Shelley, L. (2010). Human trafficking.

Tyldum, G. (2010). Limitations in research on human trafficking*. *International Migration*, 48(5), 1-13.

Underwood, A. (2018). Which countries have the highest rates of modern slavery and most victims? - World.

U.S. Department of Health & Human Services. (2021). Fact sheet: Labor trafficking (English).

Walk Free Foundation. (2018). MODERN SLAVERY: A HIDDEN, EVERYDAY PROBLEM. The Global Slavery Index.

Zenz, A. (2019, December 11). Xinjiang's new slavery.