

# Report finds majority of Fortune 100 companies have forced labor policies

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Corporate America has seen its fair share of criticism, but an ASU professor and two teams of students have found evidence that the majority of Fortune 100 companies are increasingly concerned with potential human rights violations associated with their global business practices.

Today, the School of Politics and Global Studies, the American Bar Association and the McCain Institute jointly released a study that found that more than half of all Fortune 100 companies have publicly available policies to address human trafficking in their supply chains, and that nearly two-thirds have policies on forced labor.

Daniel Rothenberg, a professor of practice in the School of Politics and Global Studies and the Lincoln Fellow for Ethics and International Human Rights Law, led students through a research process that yielded unexpected results. "I was surprised by how many companies had adopted policies," said Rothenberg. "While some of these actions are driven by legislation, there appears to be an emerging norm among businesses that these issues are a key element of [corporate social responsibility](#)."

The research reveals that 54 percent of all Fortune 100 companies have publicly available policies addressing human trafficking, and that 66 percent have policies on forced labor. In addition, when the researchers removed companies without supply chains, the remaining 79 companies – termed the "Target Group" in the study – displayed even greater

coverage, with nearly two-thirds (66 percent) having policies on human trafficking, and more than three-quarters (76 percent) having policies on forced labor. Also more than one third (37 percent) of all Fortune 100 companies had publicly available policies addressing conflict minerals, and more than four in ten (43 percent) of the Target Group had such policies.

"What was really surprising was the diversity of approaches used by companies to address these issues," says Adam Silow, a junior double majoring in global studies and economics who worked on the project. "Whether through tiered-systems of sub-contractor policies, public-private partnerships or combinations of internal and external monitors, just to name a few, major U.S. companies have come up with a host of creative and different ways to handle these issues."

The report, titled "How Do Fortune 100 Corporations Address Potential Links to Human Rights Violations in a Globally Integrated Economy?" is the first of its kind, presenting an analysis of major companies' publicly available policies on human trafficking, forced labor and the trade in conflict minerals. Companies whose policies are reviewed in the report include Wal-Mart Stores, Exxon Mobil, AT&T, Ford Motor and Apple.

"The most important discovery, in my opinion, is that while the majority of companies have policies on human trafficking, these policies don't always have a lot of 'teeth,'" said Hailey Alcaraz, a member of the project's research team who graduated in 2013 with dual degrees in political science and global studies. "These companies present high-minded claims, and may well be very well-intentioned, but many of the policies we reviewed still lack the oversight required to ensure that they are really effective in addressing [human rights violations](#)."

The first team, who helped create the project, were students in the McCain Institute Policy Design Studio, taught by Rothenberg. Alcaraz

described how students located the companies' policies, archived them and then analyzed them in relation to monitoring systems, training of employees and sub-contractors and remediation, among other issues. "It was really wonderful to have an academic class connected to such a fascinating project," Alcaraz said. The next semester, a group of students from the Sandra Day O'Connor College of Law repeated the research process to review, adjust and verify the first group's findings.

The student researchers searched [company](#) websites and used a set of keywords to identify company policies. The project methodology was based on the premise that policies on these issues should be publicly accessible.

"This project is an exciting example of how one can link students with research that has a direct, real-world impact," said Rothenberg. "This embodies ASU's commitment to the values and vision of the New American University."

The research project began with the creation of the American Bar Association Task Force on Human Trafficking by past president Laurel G. Bellows to mobilize the legal profession to combat human trafficking through public awareness, advocacy, training and education. As part of this initiative, Bellows asked Rothenberg to conduct research on corporate policies dealing with human trafficking. He then integrated the project into the McCain Institute course taught in the School of Politics and Global Studies. Rothenberg came to ASU as founding executive director of the Center for Law and Global Affairs at the Sandra Day O'Connor College of Law, and has worked for a decade and a half on issues of international [human rights](#) and the rule of law.

The report states, "We hope that our research will encourage those companies that currently do not have policies on forced labor, [human trafficking](#), and the trade in conflict minerals to adopt them. We also

hope to encourage those companies with policies to strengthen their commitment to preventing violations within global supply chains in a comprehensive and effective manner. Overall, we intend our research to contribute to a more just world in which vulnerable populations are provided with the greatest possible protections from abuse."

The report is part of an ongoing research commitment on the part of the School of Politics and Global Studies, the McCain Institute and the American Bar Association.

"I am excited that this project will continue and hope that it expands to cover more companies and to provide an in-depth review of how these policies operate to protect vulnerable workers around the world," Silow said.

**More information:** The report titled "How Do Fortune 100 Corporations Address Potential Links to Human Rights Violations in a Globally Integrated Economy?" is available online:

[www.americanbar.org/content/dam/.../ing.authcheckdam.pdf](http://www.americanbar.org/content/dam/.../ing.authcheckdam.pdf)

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