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## **HUMAN RIGHTS AND INTERNATIONAL TRADE**

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### **ABSTRACT**

This research paper explores the complex relationship between human rights and international trade. The paper begins by examining how unfair trade practices and price controlling can lead to violations of human rights, particularly in smaller countries where small manufacturers may not have the resources to compete with larger corporations. The paper then discusses how trade can also promote economic growth and provide access to goods and services, and examines the potential benefits of trade for human rights. The paper concludes by highlighting the importance of promoting fair and equitable trade practices that respect human rights, and calls on governments and international organizations to work together to ensure that international trade is conducted in a manner that benefits all individuals, regardless of their size or economic power.

## **Introduction**

Two intricate, connected issues that have received a lot of attention recently are international trade and human rights. All people are entitled to certain fundamental freedoms and rights as a result of their shared humanity. These rights, which are safeguarded by international human rights legislation, encompass civil, political, economic, social, and cultural rights.

On the other hand, international trade describes the transfer of products and services across nations. In recent decades, trade has gotten more and more globalized as more nations open their markets to foreign investment and trade. International trade can benefit economies, but it can also have a negative effect on people's rights, especially for weaker groups.

International trade and human rights have a complicated and nuanced relationship. One way that commerce can improve human rights results is through fostering economic growth and development, which can lead to greater access to basic necessities like healthcare, education, and food. On the other hand, commerce can also result in the exploitation of employees, the destruction of the environment, and other violations of human rights.

In recent years, there has been a rising understanding of the necessity of addressing the effects of global trade on human rights. A framework established by international human rights legislation ensures that trade policies and practices adhere to human rights norms. This covers the responsibility of enterprises to uphold human rights in their activities as well as the obligation of nations to respect, safeguard, and fulfil human rights in the context of trade. The convergence between international trade and human rights raises a number of significant challenges that merit further investigation. These cover issues like labour rights, environmental regulations, intellectual property rights, and how trade affects weaker demographics like women and children. To ensure that trade policies and practices are in line with human rights norms and to advance inclusive and sustainable economic development, it is crucial to comprehend these concerns and their ramifications.

### **Statement of the Problem:**

Focusing on creating international trade laws that preserve the dignity of humans, protect people around the globe from lacking access to food, ensure that trade does not lead to prejudice against others, and safeguard the rule of law on a global level is the problem facing by leaders

around the world. It's not just the agricultural industry; other facets of liberalization, such the liberalization of products and services, additionally contribute towards the infringement of human rights. These liberalized services have the effect of preventing some individuals from gaining these essential rights, including accessibility to hygienic water along with other socially and economically vital amenities.

### **Research Question:**

Does international trade leads to violations of human rights due to unfair trade practices or price controlling leading loss to small manufacturers in small countries?

### **Objective of the Research:**

The goal is to demonstrate the beneficial contribution that a human rights perspective can make to establishing a fair and democratic international trading system, as well as the most efficient means to ensure respect for human rights in international trade policy.

## **The Relationship Between Human Rights and International Trade**

### **Definition of Human Rights**

Human rights are the fundamental liberties and rights to which every individual is entitled by virtue of their being a person. These rights cannot be restricted or waived by anybody because they are inherent, universal, and unalienable. The purpose of human rights is to shield people from mistreatment and discrimination. They are frequently inscribed in national and international laws, agreements, and declarations. Human rights include, among other things, the right to education, healthcare, and a fair trial. They also include the freedom of expression, of religion, and of assembly.<sup>1</sup>

### **Overview of International Trade<sup>2</sup>**

The exchange of products and services between several nations or areas is referred to as international trade. It is a fundamental component of the world economy and is essential for fostering integration, development, and progress. The import and export of products and

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<sup>1</sup> <https://plato.stanford.edu/entries/rights-human/>

<sup>2</sup> [https://www.wto.org/english/thewto\\_e/thewto\\_e.htm](https://www.wto.org/english/thewto_e/thewto_e.htm)

services constitute international trade, which is fueled by variables including comparative advantage, economies of scale, and the accessibility of resources.

Trade in goods, trade in services, foreign direct investment, and portfolio investment are just a few of the many various ways that the world is traded. The exchange of tangible items like raw materials, completed goods, and commodities is referred to as trade in goods. Contrarily, trade in services refers to the exchange of non-material goods including advisory, financial, and travel services. Portfolio investment refers to the purchase of stocks, bonds, and other financial assets abroad while foreign direct investment refers to businesses investing in other nations to start up activities.

International trade is facilitated by various international institutions, agreements, and regulations, such as the World Trade Organization (WTO), regional trade agreements, and trade policies. While international trade has many benefits, such as increasing access to goods and services and promoting economic growth, it can also have negative impacts on human rights and the environment, which require attention and action.

### **Relation of Human Rights and International Trade**

International commerce and human rights are intertwined in a variety of ways because trade practices and regulations can have a big impact on human rights. Human rights and international trade are intertwined in a number of ways, including:

- Employment opportunities and economic growth can be boosted by international trade, but it can also result in violations of labour laws like exploitation, discrimination, and child labour. By demanding that workers be treated fairly, paid a livable wage, and given safe working conditions, trade rules and agreements can aid in the protection of labour rights.
- Environmental rights: Trade between nations can have a large negative influence on the environment, including deforestation, pollution, and climate change. Sustainable practices can be encouraged and the damaging effects of commerce on the environment can be lessened with the aid of trade agreements and laws.
- Access to medicines: Trade agreements and rules governing intellectual property can restrict people's ability to obtain affordable prescriptions, which can have an impact on

access to important medicines. Advocates for human rights contend that having access to necessary medications is a fundamental human right, and that trade agreements and policies should reflect this.

- **Right to development:** Since certain countries may profit more from trade than others, it is possible that it will have an impact on the right to development. Fair and equitable trade is essential for promoting sustainable development and reducing poverty; hence it should be considered in trade agreements and regulations.

In general, the interplay between human rights and commerce emphasizes the necessity of trade agreements and policies that support sustainable development, safeguard labour rights and the environment, and guarantee access to vital medical care and other fundamental human needs.

### **Impacts of International Trade on Human Rights<sup>3</sup>**

#### **Positive impacts of International Trade on Human Rights**

Human rights can benefit from international trade in a variety of methods. Here are a few illustrations:

- **Economic development:** Trade can help to promote economic growth, which can improve people's quality of life and increase access to resources. Better housing, healthcare, and education can all of those are essential for preserving human rights as a result.
- **The creation of new jobs through international trade, particularly in developing nations,** can aid in the altercation against poverty and the advancement of social inclusion. International commerce can support economic empowerment by presenting chances for respectable employment.
- **Access to products and services:** Global trade may improve access to products and services, including technology, food, and medicine, they are all essential for preserving

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<sup>3</sup> Waibel, Michael, *International Trade Law and Human Rights* (May 5, 2021). *Elgar Encyclopedia of Human Rights* (Christina Binder et al. eds), Available at SSRN: <https://ssrn.com/abstract=3887495>

human rights. The potential benefits of global trade raise social inclusion and improve people's quality of life by facilitating access to these fundamental goods and services.

- **Cultural interaction:** Promoting variety and cultural interchange through international trade are crucial steps in safeguarding human rights. International trade may promote tolerance and understanding by enabling individuals to exchange their ideas, traditions, and beliefs.
- **Peace and stability:** By fostering economic interdependence between nations, international commerce can help maintain peace and stability. This may reduce the risk of confrontation and encourage international cooperation, which are both essential for sustaining human rights.

The promotion of economic growth, the creation of job opportunities, the expansion of consumer access to goods and services, the facilitation of cultural interchange, and the promotion of peace and stability are all ways that international trade can benefit human rights. However, it is crucial to make sure that trade policies and practices do not violate human rights and that the advantages of trade are distributed fairly.

### **Negative impacts of international trade on human rights**

Human rights can suffer from international trade in a number of ways. Here are a few examples:

- **Abuse of labour rights:** International trade can result in violations of labour rights such as exploitation, discrimination, and child labour. This can occur when businesses relocate production to nations with laxer labour laws in an effort to reduce costs.
- **Deforestation, pollution, and climate change** are a few examples of the environmental damage that can result from international trade. This may occur when businesses use unsustainable practices in an effort to increase revenues.
- **Access to vital drugs:** Trade restrictions and intellectual property rules may make it difficult to produce and distribute cost-effective medicines, which may restrict access to necessary medicines. This may violate people's right to health by denying them access to treatments that could save their lives.

Benefits may not be distributed equally; as a result, inequality may be exacerbated. International commerce may benefit some nations and groups more than others. This can occur when trade practices and policies favor some nations or industries over others, or when the advantages of trade are not evenly dispersed among nations.

### **Case Studies of Human Rights abuses related to International Trade**

There are many instances of human rights violations connected to global trade. Some of the most well-known examples are as follows:

- I. More than 1,100 people were murdered and more than 2,500 were injured when the Rana Plaza textile factory in Bangladesh collapsed in 2013. The tragedy raised attention to the dangerous and cruel working conditions experienced by garment workers in numerous developing countries, which produced clothing for well-known Western brands.<sup>4</sup>
- II. Child labour in the manufacture of cocoa: The manufacture of cocoa, a vital component of chocolate, is frequently linked to child labour. Children as young as six are compelled to work in dangerous conditions on cocoa farms in nations like Ghana and the Ivory Coast, frequently for very little money.<sup>5</sup>
- III. Forced labour in the fishing sector: The fishing sector has been connected to forced labour and human trafficking in Thailand and other Southeast Asian nations. With promises of decent salary and living conditions, migrant workers are frequently persuaded to accept jobs only to be subjected to physical abuse, excessively long hours, and extremely poor compensation.<sup>6</sup>

### **International Legal Framework for Protecting Human Rights in the Context of International Trade**

#### **Overview of relevant international agreements and mechanisms and analysis of the effectiveness of these agreements and mechanisms**

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<sup>4</sup> <https://www.ilo.org/infostories/en-GB/Stories/Country-Focus/rana-plaza#intro>

<sup>5</sup> <https://www.dol.gov/agencies/ilab/our-work/child-forced-labor-trafficking/child-labor-cocoa>

<sup>6</sup> <https://www.ilo.org/global/topics/forced-labour/policy-areas/fisheries/lang--en/index.htm>

The main treaties, accords, and guidelines that aim to ensure that trade operations do not undermine or violate human rights norms make up the international legal framework for preserving human rights in the context of international trade. These tools seek to achieve a balance between securing fundamental human rights and advancing economic development through trade.

The following are some essential components of the global legal system for safeguarding human rights in the context of global trade:

- **Human Rights Universal Declaration (UDHR):** The UDHR outlines the fundamental rights and liberties that each and every person is entitled to, although not being legally obligatory. It serves as a blueprint for the defense of human rights and has impacted other treaties.
- **A legally binding agreement known as the International Covenant on Civil and Political Rights (ICCPR)** protects civil and political rights, such as the right to life, the freedom of speech, and the right to a fair trial. The ICCPR requires that these rights be upheld by all states that have ratified it.
- **Global Economic, Social, and Cultural Rights Covenant (ICESCR):** Economic, social, and cultural rights like the right to work, the right to an education, and the right to a living wage are recognized by this treaty. It lays out requirements for states to gradually realize these rights.
- **Agreements of the International Labour Organization (ILO):** The ILO has created a thorough series of agreements that deal with labour standards and employees' rights. These conventions address issues like collective bargaining, child labour, forced labour, and employment discrimination.
- **Principles for Business and Human Rights Adopted by the United Nations (UNGPs):** The UNGPs offer a framework for governments and corporations to prevent, address, and redress violations of human rights associated with business operations. They place emphasis on the obligation of governments to defend human rights and the responsibility of corporations to uphold human rights.



- World Trade Organization (WTO): The WTO acknowledges the connection between trade and human rights, despite being primarily concerned with economic liberalization. As long as they are not implemented discriminatorily or used as covert trade obstacles, the WTO accords permit nations to adopt the measures required to protect public morals, human, animal, or plant life, and health.
- PTAs (Preferential Trade Agreements): A lot of PTAs have clauses relating to labour and human rights. As a prerequisite for receiving trade benefits, these accords frequently demand that signatory nations uphold specific labour standards and uphold human rights ideals.
- Initiatives for corporate social responsibility (CSR): Several voluntary CSR programmes, including the United Nations Global Compact, offer recommendations for companies to voluntarily integrate human rights issues into their operations and supply networks.

It is crucial to remember that while these mechanisms serve as a framework for the protection of human rights in the context of international trade, their efficacy depends on how willingly governments and corporations choose to put them into practice.

### **Challenges to Protecting Human Rights in the Context of International Trade**

Due to a number of issues, safeguarding human rights in the context of global trade can be difficult. Lack of enforceability of certain agreements, Inadequate implementation and monitoring mechanisms, Political will and power imbalances are some significant obstacles:

- International trade frequently involves nations with varying labour standards, which results in labour rights breaches. There may be places where there are lax labour regulations, terrible working conditions, and rights breaches. This may involve problems including child labour, forced labour, low pay, and lax safety laws.<sup>7</sup>
- Degradation of the environment: Trade can have a negative impact on the rights

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<sup>7</sup> <https://www.ilo.org/global/lang--en/index.htm>

of communities dependent on natural resources, contribute to environmental degradation such as pollution and deforestation, and deplete natural resources.

It can also have an impact on climate change and its effects on human rights.<sup>8</sup>

- Inadequate regulation and enforcement: In the context of commerce, weak or ineffective regulations and enforcement mechanisms can make it more difficult to defend human rights. It's possible that some nations' legal systems are deficient, their monitoring systems are ineffective, or their ability to enforce legislation is constrained.<sup>9</sup>
- Economic disparity: Trade between and among nations can exacerbate economic disparity. It may result in an unfair distribution of advantages, with vulnerable individuals and marginalized groups possibly not reaping the full benefits of trade-related economic growth.<sup>10</sup>
- Lack of accountability: Trade negotiations and agreements are frequently carried out behind closed doors, without public input. This may impede accountability and the capacity of impacted communities and civil society organizations to monitor and contest trade policies that can have an adverse effect on human rights.<sup>11</sup>
- Provisions for resolving investor-state disputes: Some trade agreements have ISDS provisions, which let foreign investors take governments to court over decisions that could harm their investments. By restricting governments' ability to regulate in the public good, these processes have the potential to erode human rights.<sup>12</sup>

Both national and international initiatives are needed to address these issues. boosting regulatory frameworks, boosting openness and public participation in trade processes, supporting labour rights and environmental standards, and ensuring affected people and communities have access to remedies are all part of this. The protection of human rights in the

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<sup>8</sup> <https://www.unep.org/>

<sup>9</sup> <https://unctad.org/>

<sup>10</sup> <https://www.undp.org/>

<sup>11</sup> <https://www.citizen.org/topic/globalization-trade/>

<sup>12</sup> <https://ips-dc.org/>

context of international trade can also be aided by including human rights considerations into trade agreements and putting in place procedures for oversight and accountability.

### **Opportunities and Strategies for Protecting Human Rights in the Context of International Trade**

The challenge of defending human rights in the context of global trade is intricate and multifaceted. While commerce can improve the economy and advance development, it can also harm human rights by contributing to social injustice, environmental deterioration, and labour exploitation. However, there are opportunities and approaches to advance and safeguard human rights in global trade. Here are some crucial strategies:

- **Integrating Human Rights into Trade Agreements:** Trade agreements may explicitly include clauses addressing human rights, labour rights, and environmental standards. The promotion and observance of human rights are ensured by this integration.
- **International human rights treaties and standards,** such as the Universal Declaration of Human Rights and International Labour Organization (ILO) norms, should be abided by and put into practice by governments. These guidelines offer a structure for defending human rights in trade.
- **Corporate Social Responsibility (CSR):** It's critical to push companies to adopt robust CSR practices and policies. Companies should make sure that their supplier chains, operations, and labour practices all adhere to labour and environmental norms.
- **Due Diligence and Transparency in the supplier Chain:** Businesses should exercise due diligence to identify and resolve human rights issues in their supplier chains. Consumers, stakeholders, and civil society organizations can hold businesses accountable for violations of human rights thanks to the transparency of supply chains.
- **Developing and enforcing laws that safeguard human rights in the context of trade** is a responsibility of the government. Laws governing corporate

accountability, environmental protection, and labour rights may fall under this category.

- **Engagement and Advocacy of Civil Society:** Civil society organizations are essential to monitoring and promoting the protection of human rights in commerce. To guarantee that these organizations' problems and suggestions are taken into consideration, governments should interact with and support them.
- **Building Capacity and Providing Technical help:** Helping developing nations strengthen their capacity and provide technical help can improve their capacity to safeguard human rights in commerce. This includes access to resources, information exchange, and training programmes for efficient execution.

Together, these tactics advance an international trade system based on respect for human rights, balancing economic growth with social and environmental concerns.

## **Conclusion**

International trade can potentially lead to violations of human rights, particularly in cases where there are unfair trade practices or price controlling that result in losses to small manufacturers in smaller countries. Unfair trade practices, such as dumping (selling goods below their cost of production) or the imposition of tariffs or quotas, can create significant difficulties for small manufacturers in smaller countries who may not have the resources to compete with larger companies. This can lead to job losses and economic hardship, which can in turn impact the basic human rights of individuals, such as the right to work, the right to a standard of living adequate for health and well-being, and the right to education. In addition, price controlling can result in price distortions that prevent small manufacturers from competing fairly in international markets. This can lead to a concentration of economic power in the hands of a few large corporations, potentially leading to human rights abuses such as forced labour or unsafe working conditions. It is important to note, however, that international trade can also have significant benefits for human rights, particularly when it is conducted in a fair and equitable manner. Trade can promote economic growth, create jobs, and provide access to goods and services that might otherwise be unavailable. Therefore, it is important for governments and international organizations to work to promote fair and equitable trade

practices that respect human rights, while also recognizing the potential benefits of international trade.