

## **Sweatshops, Structural Injustice, and the Wrong of Exploitation: Why Multinational Corporations Have Positive Duties to the Global Poor**

### **Abstract**

It is widely thought that firms that employ workers in “sweatshop” conditions wrongfully exploit those workers. This claim has been challenged by those who argue that because companies are not obligated to hire their workers in the first place, employing them cannot be wrong so long as they voluntarily accept their jobs and genuinely benefit from them. In this article, I argue that we can maintain that at least many sweatshop employees are wrongfully exploited, while accepting the plausible claim at the core of many defenses of sweatshops, namely that engaging in a voluntary and mutually beneficial transaction with a person in need cannot constitute morally worse treatment of that person than doing nothing at all to benefit her. We can do this, I claim, by accepting that wealthy multinational corporations have positive duties to employ or otherwise benefit the global poor. I argue that these duties can be plausibly grounded in the fact that potential sweatshop workers are victims of global structural injustice, from which multinational corporations typically benefit.

**Keywords** Sweatshops · Exploitation · Structural injustice

### **1. Introduction**

Sweatshop labor in impoverished countries is widely regarded as a paradigm case of wrongful exploitation. The most common accounts of what makes sweatshop labor wrongfully exploitative hold that the terms of sweatshop workers’ employment are either unfair or disrespectful/degrading.<sup>1</sup> On views of both kinds, the employers of sweatshop workers are held

to be guilty of wrongfully exploiting them because they take advantage of the workers' at least fairly desperate economic circumstances in order to get them to agree to conditions of employment that involve, for example, very low wages, long hours, and unpleasant and at least relatively unsafe working conditions.<sup>2</sup> To the extent that these employers could provide higher wages, shorter working hours, and better and safer working conditions for those whom they employ,<sup>3</sup> it is argued that they wrongfully claim an unfairly large share of the benefits produced by the employment relationship, or that their failure to provide more favorable conditions of employment to their workers amounts to degrading or disrespectful treatment of them.

The intuition that sweatshop workers are wrongfully exploited by their employers is widespread and powerful, and both fairness-based and respect-based accounts of the wrong of exploitation offer plausible approaches to defending it. Additional support for the intuition might be thought to derive from the fact that the availability to firms of so many individuals who are willing to work in sweatshop conditions is at least in part the result of unjust institutional arrangements at the domestic and/or global level. It is highly plausible that if both developing and developed countries' national governments, along with international institutions such as the World Trade Organization and the International Monetary Fund, were to adopt just (or even merely less unjust) policies in areas that affect the conditions of and opportunities available to the global poor, the supply of workers willing to accept jobs in sweatshop conditions would be dramatically reduced, with the effect that firms that currently employ workers in sweatshop conditions would be led to offer better terms of employment, including higher wages, shorter working hours, and safer working conditions. Current sweatshop workers, then, are plausibly regarded as unjustly disadvantaged by some combination of domestic and/or global institutional arrangements – they are victims of structural injustice (Sample 2003; Young 2004; Snyder 2010,

pp. 191-192; Preiss 2014, pp. 61-62; Ronzoni 2016). Relatedly, firms that employ sweatshop workers are plausibly regarded as beneficiaries of the same structural injustice, and as taking advantage of that structural injustice in ways that further advantage them and reinforce the disadvantages of its victims. To the extent that these characterizations are correct,<sup>4</sup> they can make the claim that firms that take advantage of people in desperate circumstances by employing them in sweatshop conditions wrongfully exploit them seem all the more compelling.<sup>5</sup>

Nevertheless, the claim that firms that operate sweatshops are guilty of wrongful exploitation is more difficult to defend than it may initially appear to be, even if it is granted that sweatshop workers are, at least typically, victims of structural injustice. The most powerful challenge to this claim appeals to a version of what Alan Wertheimer has called the “Nonworseness Claim” (1996, p. 289), in combination with two claims that are generally accepted by both defenders and critics of firms that operate sweatshops. The Nonworseness Claim says, roughly, that a person A cannot wrongfully exploit another person B via a transaction that is voluntary and beneficial to B, so long as it is permissible for A to refrain from transacting with B at all.<sup>6</sup> The two generally accepted claims that provide grounds for a defense of the permissibility of employing workers in sweatshop conditions that appeals to the Nonworseness Claim are: (1) that firms have no obligation to employ or otherwise benefit impoverished people in poor countries;<sup>7</sup> and (2) that sweatshop employment is voluntary and beneficial to the workers that they do employ.<sup>8</sup> Because these two claims, in combination with the Nonworseness Claim, straightforwardly entail the permissibility of employing workers in sweatshop conditions, those who hold that employing workers in sweatshop conditions is wrongfully exploitative typically reject the Nonworseness Claim (e.g. Meyers 2004; Snyder 2008, pp. 402-403 and 2013, p. 358; Preiss 2014; Kates 2019).

I have three central aims in the remainder of this article. The first, which I will pursue in section 2, is to argue that even if some versions of the Nonworseness Claim that have been discussed previously should be rejected, there is a variant of the Claim that is correct. According to this variant, if it is permissible for a person A to refrain from transacting with another person B, then A's engaging in a consensual and mutually beneficial transaction with B cannot wrong *B and only B*.<sup>9</sup> My second aim, which I will take up in section 3, is to argue that endorsing this variant of the Nonworseness Claim should not lead us to conclude, as all other defenders of the Claim in the debates about the ethics of sweatshop employment have (e.g. Zwolinski 2007, pp. 699-700, 707-708, 712 and 2012, pp. 154-155, 167-169; Powell and Zwolinski 2012, pp. 469-470), that it is necessarily permissible for firms to employ impoverished workers in sweatshop conditions. Instead, I will argue, we should reject the claim that firms that could do so have no obligation to employ or otherwise benefit impoverished people in poor countries. This can allow us to maintain the intuitive claim that firms that employ workers in sweatshop conditions are guilty of wrongful exploitation. Finally, in section 4, I will consider what role facts about structural injustice, and in particular the status of (potential) sweatshop workers as victims and of wealthy multinational corporations (MNCs) as beneficiaries of such injustice, should play in our assessments of when firms are guilty of wrongful exploitation, and of their obligations to impoverished people in poor countries more generally. I will argue that while some facts about structural injustice ground substantial limits to firms' obligations to the global poor, others provide grounds for thinking that, within those limits, their obligations are at least close to maximally demanding.

Before moving on to consider the Nonworseness Claim and its application to the case of sweatshop employment, it is important to note four key parameters within which I will develop

my argument. First, I will use the term “sweatshop” to refer to facilities in which jobs are characterized by low wages, long hours, and relatively unpleasant and unsafe working conditions, but which are free of business practices and conditions that are generally acknowledged, even by defenders of the permissibility of sweatshop employment, to be clearly wrong, such as forced labor, abuse (e.g. physical, psychological, or sexual) of employees by managers, deceiving employees about relevant features of their working conditions, and non-payment of wages.<sup>10</sup> While this use of the term is, of course, artificially narrow, and excludes a large class of real-world cases that ought to be of great moral concern, it is necessary in order to focus my discussion on the cases that are, morally speaking, controversial.<sup>11</sup>

Second, and relatedly, I will assume that sweatshop workers voluntarily accept the terms of their employment, and that they genuinely benefit as a result of taking their jobs. In other words, my argument is directed only at economic transactions that are both consensual and mutually beneficial.<sup>12</sup>

Third, in order to keep the discussion as straightforward as possible, my central example will involve an MNC that is considering opening a sweatshop that it will operate itself, despite the fact that most actual sweatshops are operated by local firms that contract with MNCs to produce goods for them.<sup>13</sup> While there may be some important differences in how we should assess the conduct of MNCs that operate sweatshops themselves and those that contract with local firms that employ workers in sweatshop conditions, it is useful to focus, at least initially, on the first type of case.<sup>14</sup>

Finally, while I will formulate my central question in terms of whether firms that employ sweatshop labor are guilty of wrongful exploitation, I wish to remain neutral on the issue of whether firms can themselves be agents that are the bearers of moral obligations.<sup>15</sup> I intend my

argument, therefore, to be at least compatible with views according to which claims about firms' obligations are properly understood as reducible to claims about the obligations of their individual members.

## **2. The Nonworseness Claim and the Wrong of Exploitation**

The most general version of Nonworseness Claim states that it cannot be worse, morally speaking, to engage in a voluntary and mutually beneficial transaction, than to refrain from transacting altogether.<sup>16</sup> The underlying thought that makes the Claim plausible is simple: when both parties would benefit from a consensual transaction, it seems unacceptable for an account of morality to prefer, all things considered, that the transaction not take place. This seems true even if the transaction in question would be less generous to the party in the weaker bargaining position than it could be – if it appears, for example, unfair or disrespectful to some extent. A moral view that is inconsistent with the Nonworseness Claim would, as Richard Arneson puts it, “dictate that one should act in a way that would leave all affected parties worse off compared to an alternative course of action one could instead take. A candidate morality that has this implication is perverse” (2013, pp. 393-394).

Although the general formulation of the Nonworseness Claim is itself plausible, for my purposes it is important to consider two more specific versions of the Claim. These versions are explicitly formulated in terms of wrongful exploitation (WE) and wronging (W), respectively, and so are better suited to my aim of considering the permissibility (and not just the relative moral betterness or worseness) of allegedly exploitative terms of employment. Consider, first:

*Nonworseness Claim (WE)*: If it is permissible for A to refrain from transacting with B, then transacting with B in a way that is both consensual and mutually beneficial cannot constitute wrongful exploitation.

This version of the Claim implies that if it is permissible for an MNC to refrain from hiring or otherwise benefiting a group of impoverished people in a poor country, then employing them in sweatshop conditions cannot constitute wrongful exploitation.<sup>17</sup>

Next, consider:

*Nonworseness Claim (W)*: If it is permissible for A to refrain from transacting with B, then transacting with B in a way that is both consensual and mutually beneficial cannot wrong *B and only B*.

This version of the Claim implies that if it is permissible for an MNC to refrain from hiring or otherwise benefiting a group of impoverished people in a poor country, then employing them in sweatshop conditions cannot constitute a wronging of them and only them. In other words, *if* the MNC's decision to employ them in sweatshop conditions wrongs them, it must also wrong others as well (for example, it might also wrong those who attempted to get hired but were refused).

Notice that, in principle, Nonworseness Claim (W) could be true even if Nonworseness Claim (WE) is false. This is because A's transacting with B could constitute wrongful exploitation, even if B is not the only person wronged by A's conduct. Whatever complaint B might have on her own behalf about what A has done may be no stronger than the complaints that many others could make on their own behalf (indeed B's complaint may be weaker).

In the remainder of this section, I will defend Nonworseness Claim (W) and, thereby, its implications for the case of sweatshop employment. If Nonworseness Claim (W) is correct, then we must accept that firms that employ workers in sweatshop conditions do not wrong only those workers. This is important because both the fairness-based and the respect-based accounts of the wrong of sweatshop employment typically imply that it is only those who are actually employed that are wronged.

Note, first, that while some wrongfully exploitative transactions do wrong only the exploited party, others intuitively wrong other people as well (and wrong them at least as seriously). As an example of the first type of case, consider:

*Exploitative Provision of Treatment 1:* B has a particular medical condition that is fatal unless treated with drug D. A has one dose of D, for which he paid the market price of \$10. There are no other sources of D to which B can gain access in time to save her life. A offers to give the dose to B in exchange for ninety percent of the income that she will earn for the remainder of her life. B accepts A's offer.<sup>18</sup>

In this case, it is clear that A not only acts wrongly, but also wrongs B and only B. A owes it to B to provide the dose to her for at most a reasonable price (perhaps the \$10 that he paid for it). His failure to do so gives B a complaint on her own behalf against A's conduct that others do not have. In addition, the wrong that A commits against B appears to be a wrong of exploitation. A takes advantage of B's desperate circumstances in order to get B to agree to a transaction that is, although better for B than no transaction at all, by any reasonable standards profoundly unfair. In



addition, it seems plausible that he wrongfully disrespects her by treating her peril primarily as an opportunity to enrich himself.

A slightly altered version of this case, however, highlights that not all wrongfully exploitative transactions wrong only the exploited party. Consider:

*Exploitative Provision of Treatment 2:* Ten people have a particular medical condition that is fatal unless treated with drug D. A has one dose of D (to which none of the ten has a particular entitlement), and there are no other sources of D to which any of the ten can gain access in time to save their lives. A offers to give the dose to any one of the ten in exchange for ninety percent of the income that she will earn for the remainder of her life. All ten say that they are willing to accept this offer, and indeed each begs A to choose her. A gives the dose to B, with the result that the remaining nine die.

It seems clear that A is guilty of wrongful exploitation in this case for the very same reasons that he is guilty of wrongful exploitation in the previous case. He disrespects B in precisely the same way, and the terms of the transaction that he insists upon are equally unfair. Nonetheless, it seems equally clear that A does not wrong *B and only B* in this case. A did not owe it to B in particular to give her the dose for at most a reasonable price – it would have been equally permissible for him to give it to any of the other nine. In comparison with a range of permissible alternatives, then, A's conduct was *much better for B*, and much worse for each of the other nine. Because of this, if B has a complaint on her own behalf against A's conduct, it seems that each of the other nine must have one as well. B's complaint, of course, has a different content than the complaints of the others (for example, she is the only one of the ten who can complain that she

was *exploited*), but, importantly, it seems implausible to think that her complaint is stronger than theirs.<sup>19</sup>

Exploitative Provision of Treatment 2 shows that Nonworseness Claim (WE) is false. It would have been permissible for A to refrain from transacting with B (for example, he could permissibly have given the dose to C for a reasonable price); nonetheless, his transaction with B is clearly wrongfully exploitative. The case does not, however, cast doubt on Nonworseness Claim (W). Indeed, it provides some intuitive support for the claim that if A is under no obligation to transact with B, then transacting with B in a way that is both consensual and mutually beneficial cannot wrong B and only B (even if transacting on at least some terms would be wrong, and would wrong B and also others).

As should be clear, no version of the Nonworseness Claim can be appealed to in order to defend the permissibility of A's conduct in either Exploitative Provision of Treatment case. The reason for this, of course, is that there is no permissible non-transaction baseline in comparison with which a consensual and mutually beneficial transaction is better for both parties to the transaction (and worse for no one). In both cases A has a positive duty to use the dose of D in his possession to save someone's life, and to ask at most for reasonable payment in return.

This feature of the cases, along with the plausibility of the claim that it cannot be morally worse to engage in a consensual, mutually beneficial transaction than to refrain from transacting, together suggest more general grounds for accepting Nonworseness Claim (W). They also point the way toward an account of the wrong of exploitation that can vindicate the intuition that at least much sweatshop employment is wrongfully exploitative without committing us to accepting that consensual, mutually beneficial transactions can be morally worse than their absence. Nonworseness Claim (W) should, on reflection, seem compelling because, on the one hand, in

many cases the intuition that an agent is guilty of wrongful exploitation despite benefiting his willing transaction partner(s) is not inconsistent with it, even if it is inconsistent with other versions of the Claim (such as Nonworseness Claim (WE)); and, more importantly, on the other hand, in cases in which it is not plausible that anyone other than an intuitively exploited party is wronged by an agent's conduct (for example, there are no others in need who would have accepted the relevant transaction on similar terms), the plausibility of the claim that a consensual, mutually beneficial transaction cannot be morally worse than its absence requires that if we accept that the agent did not owe it to the intuitively exploited party to transact on more favorable terms, then he is not guilty of wrongfully exploiting her.

The strength of the case for Nonworseness Claim (W), along with the grounds for rejecting Nonworseness Claim (WE) provided by Exploitative Provision of Treatment 2, together suggest that we might plausibly understand the wrong of consensual, mutually beneficial exploitation as consisting in certain ways of failing to comply with positive duties to benefit others. For example, in Exploitative Provision of Treatment 2, it seems as though the wrong that A commits consists in providing, on net (due to his extraction of a much higher payment from B than it is permissible to demand), only a portion of the benefit that he is obligated to provide to a member (though not to any particular member) of the group of ten in need.

### **3. Why Multinational Corporations Have Positive Duties to the Global Poor**

If we accept a view of this kind about the wrong of exploitation, however, then we face a challenge if we hope to capture the intuition that employing impoverished workers in sweatshop conditions is wrongfully exploitative. The challenge derives from the fact that it is widely accepted, even by critics of sweatshop employment, that firms have no obligation to employ or

otherwise benefit impoverished people in poor countries (Meyers 2004; Kates 2019, pp. 27, 34; Preiss forthcoming, pp. 5-6, 10). The structure of the challenge can be seen by considering the following case:

*New Production Site:* Company M, a successful US-based MNC that manufactures clothing, is deciding where to locate a new production site that will employ one thousand people. Although there are thousands of locations around the world that would work well, the company has narrowed the options to: (1) town X, in the US; (2) town Y, in China; and (3) town Z, in Bangladesh. In all three of these locations, there would be more than enough people who would be eager to take the jobs, and all of them would genuinely benefit from being hired and paid locally prevailing wages to work in locally prevailing conditions (e.g. hours, safety). These would be sweatshop conditions in Z, as well as in Y, although the conditions in Y, including wages, would be somewhat better.

To clarify roughly what is at stake for each group of potential workers, assume that the residents of X are currently at well-being level 50, the residents of Y are currently at level 15, and the residents of Z are currently at 13. These well-being levels will remain unchanged for those in the towns not chosen for the new site. If hired at locally prevailing conditions, those in X would see their well-being rise to level 55, those in Y would see theirs rise to 22, and those in Z would see theirs rise to 16.

On views according to which firms that operate sweatshops wrong their sweatshop workers in particular, if M chose to locate the new site in Z and hire workers at locally prevailing (sweatshop) conditions, it would wrong those workers, but would not wrong, for example, those

who would have been hired if the site were located in Y. This, however, seems implausible, since not only would their employment make those in Z better off than they were previously, it would also make them better off than those in Y, who would not be benefited by M at all.<sup>20</sup> This case, then, provides further support for Nonworseness Claim (W).

It also highlights a challenge to the claim that employing workers in sweatshop conditions is wrongfully exploitative that does not apply to the claim that A's conduct in Exploitative Provision of Treatment 2 is wrongfully exploitative. In Exploitative Provision of Treatment 2, virtually everyone will agree that A is obligated to give the dose of D to one of the ten people in need, and to demand at most a reasonable payment. The fact that A has this obligation can explain why his conduct is wrongfully exploitative in a way that is consistent with Nonworseness Claim (W). In New Production Site, however, most people, including most defenders of the view that locating the site in Y or Z and employing workers at locally prevailing conditions would be wrongfully exploitative, will think that it is at least permissible for M to locate the site in X.<sup>21</sup> But if locating the site in X is permissible, then the explanation of why A's conduct in Exploitative Provision of Treatment 2 is wrongfully exploitative is unavailable in New Production Site, since M would have no positive duty to benefit at least a subset of the group of people in need consisting of all of the sufficiently badly off potential workers that it could hire or otherwise benefit, such as those in Y and Z.

In the absence of an explanation of this kind, proponents of the view that locating the site in Y or Z and employing workers at locally prevailing conditions would be wrongfully exploitative require an alternative explanation. It is, however, unclear what a plausible alternative explanation might look like. It is important to keep in mind that, in order to be plausible, opposition to sweatshop employment must be grounded in a concern for those people

who might be employed in sweatshops – for their well-being, their autonomy, or some other morally relevant interest of theirs. Any moral view according to which M has decisive moral reasons to locate the new site in X in order to avoid being implicated in wrongful exploitation, and has no obligation to benefit impoverished potential sweatshop workers at all, however, cannot plausibly claim a concern for those potential workers among its grounds.<sup>22</sup>

The fact that there seem to be no plausible grounds apart from a positive duty to benefit at least a subset of a group of people for thinking that consensual and mutually beneficial transactions with some members of that group can be wrongfully exploitative suggests that we should accept the following variant of Nonworseness Claim (WE):

*Nonworseness Claim (WE\*)*: If it is permissible for A to refrain from transacting with all members of an appropriately specified group, then transacting with any subset of that group in a way that is both consensual and mutually beneficial cannot constitute wrongful exploitation.<sup>23</sup>

It is difficult to say precisely what makes a group appropriately specified for the purposes of the Claim, but one clear constraint, and the only one that is necessary for my purposes in this article, is that its scope cannot be arbitrarily narrow. For example, an MNC cannot argue that because it is not obligated to transact with any impoverished Bangladeshis (since, for example, it would be equally permissible for it to transact with equally impoverished Vietnamese), the Claim implies that its employing some impoverished Bangladeshis in sweatshop conditions cannot constitute wrongful exploitation. The appropriately specified group, for the purposes of assessing the permissibility of employing sweatshop labor in developing countries, is, at least roughly, all of

the individuals in the world who are badly off enough that it is reasonable to expect that they would be willing to work in sweatshop conditions.<sup>24</sup> Nonworseness Claim (WE\*), then, implies that if it is permissible for an MNC to refrain from hiring or otherwise benefiting all impoverished people in poor countries, then employing some of them in sweatshop conditions cannot constitute wrongful exploitation.

I cannot see any plausible grounds for rejecting Nonworseness Claim (WE\*). If it is permissible for M to locate the new site in X, then there are no plausible moral grounds based in a concern for the potential workers in Y and Z for thinking that locating it in Y or Z and employing workers at locally prevailing conditions could constitute wrongful exploitation.<sup>25</sup>

Rather than simply concluding that we should accept that employing workers in sweatshop conditions is not wrongfully exploitative, however, in my view we should question the widely accepted claim that it is permissible for M to locate the new site in X. More generally, we should question the claim that MNCs have no positive duties to the global poor that can, and perhaps should, be discharged, at least to some extent, by employing them (for wages and in conditions that are, intuitively, non-exploitative). If MNCs do have potentially extensive positive duties to the global poor, then New Production Site is, in the relevant sense, analogous to Exploitative Provision of Treatment 2. And if this is the case, then M's employing residents of Y or Z in sweatshop conditions can count as wrongfully exploitative, for the same reasons that A's conduct in Exploitative Provision of Treatment 2 is wrongfully exploitative.

Perhaps the most controversial implication of the view that I am suggesting is that M's locating the new site in X would be, at least roughly, analogous to A's giving the dose of D not to one of the ten people who need it to live, but instead to a different person who would, for example, gain relief from some moderate back pain. Relieving a person's moderate back pain

(perhaps for a reasonable price) is, in itself, a good thing to do with a dose of D that one possesses. But if the moral opportunity cost of relieving the back pain is that one fails to save a person's life, then relieving the back pain is wrong. One has a positive duty to use the dose for the much more morally important purpose of saving someone's life. This duty is not owed to any particular person, since it would be permissible for A to give it to any of the ten. That is why A's exploitative behavior in Exploitative Provision of Treatment 2 does not wrong B in particular (since it also wrongs those who are not given the dose). Instead, the duty can be thought to be owed, in some sense, to the group of people who need the drug in order to live.

Similarly, providing jobs to people in the developed world (perhaps in a struggling American town) is, in itself, a good thing to do. But, if we want to both maintain the highly plausible Nonworseness Claim (WE\*) and hold that at least some firms that employ impoverished workers in sweatshop conditions are guilty of wrongful exploitation, we must accept that firms ought not locate jobs in the developed world when the moral opportunity cost of doing so is that they fail to provide needed employment opportunities to people who are much worse off in the developing world.<sup>26</sup> That is, they have a positive duty, owed, in some sense, to the global poor, to use the resources and capabilities at their disposal to provide impoverished people with benefits such as employment opportunities, at least when doing so would not come at a significant cost (in terms of, for example, competitiveness). And if they use their superior bargaining position in order to get potential employees to agree to work in sweatshop conditions, and do nothing else to benefit the global poor, then they are behaving in a way that is, at least roughly, analogous to A's behavior in Exploitative Provision of Treatment 2, and are for that reason guilty of wrongful exploitation.<sup>27</sup>



One reason for taking the view that MNCs have positive duties to the global poor seriously is simply that the intuition that at least some sweatshop employment is wrongfully exploitative is, it seems to me, more powerful than the intuition that it is permissible for MNCs to refrain from employing or otherwise benefiting all of the global poor. Since accepting the claim that MNCs have positive duties to the global poor can allow us to maintain the intuition that at least some sweatshop employment is wrongfully exploitative, we have a strong reason to accept it. I recognize, however, that the strength of people's intuitions differs, and that for many people the intuition that it is permissible for M to locate the new site in X will be quite powerful indeed. As Michael Kates points out, many people think not only that it is *permissible* for MNCs to locate jobs in developed countries rather than in developing countries, but that it is *especially praiseworthy* for them to do so (2019, p. 27).

There are, however, a number of further reasons that can be offered in support of accepting that MNCs have positive duties to the global poor. First, MNCs control vast resources and can have a large impact on the opportunities available to millions of badly off people around the world. Indeed, it seems likely that many wealthy MNCs, in addition to having greater capacity than even quite wealthy individuals to benefit impoverished people in poor countries, also have greater capacity than some poor country governments. As a general matter, ability to help is often treated as an important determinant of which agents are obligated to benefit those in need.<sup>28</sup> There is no obvious reason why this should not be true in the case of MNCs (Dunfee 2006).

Second, choices like that faced by M in New Production Site are, at least in part, choices about whom among multiple groups of potential workers to benefit. And conceived of in this broadly distributive way, all of the morally relevant factors suggest that M's locating the site in

X is not the best option. Indeed, on at least many plausible views it will count as the *worst* option, morally speaking. The potential workers in X are, after all, already much better off than the potential workers in Y or Z would be even after receiving the benefits that they would obtain if the site were located in their town. In addition, the potential workers in Y stand to benefit by more than the potential workers in X, even in absolute terms. Furthermore, plausible views according to which we should prioritize benefiting those who are worse off (Parfit, 2002) suggest that there are particularly strong reasons to locate the site in Z, since the potential workers in Z are the worst off among those whom the company might hire.

Third, in addition to the more general fact that companies like M are in a position to choose whom among multiple groups of potential workers to benefit, they are in a position to determine whom among these groups will gain new *employment opportunities* in particular. Given the long-term value that employment often produces for impoverished individuals and their families, as well as for the communities in which new employment opportunities are located, we might think that the fact that MNCs are in a unique position to provide employment opportunities gives them an especially strong reason, and perhaps an obligation, to prioritize providing those opportunities, when they can, to the people who need them most.<sup>29</sup>

Finally, and perhaps most powerfully, there are strong reasons to think that impoverished potential sweatshop workers are victims of both domestic and global structural injustice, from which MNCs typically benefit. In light of this fact, it seems plausible that MNCs, as beneficiaries of such injustice, ought to take steps to improve the conditions of its victims, at least when doing so will not be extremely costly.<sup>30</sup> MNCs typically locate production sites in poor countries, or contract with local firms in such countries to produce products for them, because doing so will increase their profits. Because of this, it seems clear that at least in cases in

which keeping production in the developed world is a viable option, MNCs could accept lower than maximal profits and use the additional income made available by producing in the developing world to, for example, increase the wages of sweatshop workers above the locally prevailing level, or improve workplace safety conditions.

#### **4. The Significance of Structural Injustice**

The fact that potential sweatshop workers are victims of structural injustice, and MNCs are at least often beneficiaries, provides some reason to think that MNCs have potentially extensive duties to benefit the global poor, which can in turn explain why they are guilty of wrongful exploitation if they employ workers in sweatshop conditions and do nothing else to benefit the global poor. There are, however, a number of complexities that warrant further reflection. In particular, it is important to recognize that structural injustice often constrains not only the opportunities of those who are, all things considered, its victims, but also what it is possible for any agent, including even wealthy beneficiaries of injustice, to do on their own to mitigate its morally troubling effects.

This fact is widely recognized in discussions of the ethics of sweatshop employment, both by defenders of firms that operate sweatshops and by critics (Young 2004, pp. 369-370, 375, 383; Meyers 2004, p. 329; Mayer 2007b; Snyder 2008, pp. 390, 398, 400-401; Kates 2019, p. 46). One important way in which structural injustice can constrain what it is possible for beneficiaries, such as MNCs or (perhaps) local firms that operate sweatshops, to do to benefit victims, such as potential sweatshop workers, can be explained roughly as follows. Unjust policies enacted and enforced by national governments, both in developed and developing countries, along with the policies of important international institutions such as the World Trade

Organization and the International Monetary Fund, together play a substantial role in determining the background conditions within which firms operate. These background conditions make it the case that only firms that are able to compete successfully enough in the market as it actually exists – that is, are able to generate sufficient profits to, for example, maintain ongoing operations, fund research and development necessary to develop new products, and attract sufficient investment – will be able to survive. If a company does not survive, it cannot employ anyone, and the benefits that it could have provided to employees had it been able to continue operating will not be generated at all. In order to remain competitive, however, firms must keep costs, including labor costs, low enough that they are not undersold by competitors. Since there will always be firms that keep these costs as low as possible in order to keep prices for their goods and services as low as possible, any particular firm will be substantially constrained with regard to how much more it can spend on, for example, employee wages and workplace safety than competitors, while still remaining competitive (Young 2004, p. 369). The tendency of the constraints that arise due to these structural features of the competitive environment, furthermore, will be to force all firms into a choice between either keeping labor costs as low as possible or accepting a significant risk of being undersold by competitors to an extent that will threaten their ability to continue to operate.

If prevailing structural injustice does in fact constrain what firms are capable of doing in this way, then even if I am correct that we should accept Nonworseness Claim (WE\*) and hold that, in principle, firms can have positive duties to the global poor such that, for example, M ought to locate its new site in Y or Z, we will not be able to accept that very many, if any firms that employ workers in sweatshop conditions are guilty of wrongful exploitation. In other words, if the constraints generated by prevailing structural injustice are as limiting as the description that

I have offered suggests, then virtually no firms will be in a position that is analogous to that of A in Exploitative Provision of Treatment 2, since, in effect, no firm will be in a position to provide the benefit of better wages and/or working conditions for sweatshop employees at a reasonable cost to themselves. Even proponents of the account of wrongful exploitation that I have defended would, then, be forced to conclude that virtually no actual sweatshop workers are wrongfully exploited.

This is a difficult position to accept, especially given the status of (potential) sweatshop workers as victims of structural injustice. The fact that they are victims of structural injustice would seem, if anything, to suggest that they have especially strong claims to be benefited as much as possible when beneficiaries of that injustice are deciding how to employ the resources at their disposal (including, in the case of firms, employment opportunities). The nature of global structural injustice, then, seems to provide reasons to think both that the claims of (potential) sweatshop workers are especially strong, and that the obligations of firms that employ or benefit from sweatshop labor are relatively limited.

One reason to doubt that the constraints on firms generated by the (structurally unjust) nature of the global competitive environment are as universally limiting as some have suggested is that many of the firms that purchase products made in sweatshops are very wealthy, highly profitable MNCs. In at least many of these cases, it is simply not plausible that *any* measures that the firms might adopt that would entail accepting some costs in order to provide increased benefits to sweatshop workers, for example in the form of higher wages or better working conditions, would significantly affect the firms' ability to remain competitive. To the extent that highly profitable MNCs can do more to benefit the global poor, including sweatshop workers in their supply chains, without seriously compromising their competitiveness, my argument

suggests that they are obligated to do so. In particular, the fact that these MNCs' high profits are likely at least to some extent the result of the same forms of structural injustice that disadvantage sweatshop workers suggests that MNCs are obligated to do *as much as possible*, within the constraints of remaining competitive, to benefit the global poor.<sup>31</sup> This is because it is plausible to think that agents that benefit from injustice are obligated, to the extent that they can, to redirect the benefits that they receive to those who are the victims of the injustice. Of course, if the constraints on MNCs generated by the nature of the global competitive environment are severe enough, the requirement to do as much as possible may not require very substantial changes from many MNCs' current policies. But it would nonetheless remain important that, in principle, MNCs would be failing to comply with duties that they have, and in particular would be guilty of wrongful exploitation, if they employ workers in sweatshop conditions despite the fact that they could be doing more to benefit the global poor.

It is more plausible that the local firms that typically operate sweatshops that supply products to MNCs are generally unable to do much more to benefit the global poor, including their sweatshop employees, due to the constraints generated by the nature of the global competitive environment. Nonetheless, if my argument is correct, then at least when such firms both benefit (on net) from structural injustice and can do more to benefit the global poor than they are currently doing, they are obligated to accept some costs in order to do so, and are guilty of wrongful exploitation if they do not.

Iris Marion Young (2004) has developed an influential account of the normative significance of global structural injustice, focusing in particular on the case of sweatshop employment. She argues that recognizing the nature of global structural injustice, and the constraints on various actors generated by that injustice, should lead us to accept that a range of

actors have a “political responsibility” to contribute to efforts to change the unjust structures within which they find themselves, but are not blameworthy for the disadvantages faced by those who are the victims of the injustice, and do not have obligations to contribute directly to alleviating their plight. With regard to sweatshops that are not operated by MNCs, she claims that only local owners and managers are directly responsible for the conditions in which employees work (2004, pp. 367, 374), and so only they are directly obligated to ensure, to the extent that they can, that working conditions are acceptable (see also Mayer 2007b, pp. 605, 613-614).<sup>32</sup> But because these local firms are subject to the same structural pressures that constrain other agents’ capacity to directly contribute to improving working conditions in sweatshops (Young 2004, p. 375), there are significant limits to what they can do, and so significant limits on what they can be obligated to do. In many cases their primary obligation will be political as well – they are required to contribute to efforts to collectively reshape unjust aspects of prevailing social and institutional conditions (Young 2004, p. 377).

There is much that is appealing about Young’s approach. She acknowledges that agents operating within current global market conditions are subject to structural pressures that limit what they can do to directly improve conditions for sweatshop workers – a local firm in an impoverished country that adopted a policy of paying its sweatshop workers five times the prevailing wage in the region would almost certainly be driven out of business. And the primary responsibility of agents that are subject to these structural pressures is to work to change the relevant structural conditions. If these efforts were to succeed, then not only would it be *possible* for firms to offer better conditions to workers, but in fact they would be *under substantial pressure* to do so (or perhaps even legally required to do so). There are, however, at least two reasons to think that Young’s view is problematic.

The first is that it is unclear why she thinks that only local owners and managers are directly responsible for the conditions in which sweatshop workers labor. They are, of course, the agents that most directly interact with sweatshop workers, and make day-to-day decisions that affect their working conditions. But, as Young herself acknowledges, they are often in circumstances in which their options are extremely limited by structural features of the competitive environment, and so are not in a position to, for example, improve conditions in any significant way. Many of the highly profitable MNCs that contract with these local firms, on the other hand, are in a much better position to improve the conditions in which sweatshop employees labor. They could, for example, offer to pay more for the goods produced, on the condition that wages for the lowest paid workers are increased proportionately, or that the increased revenue is used by the local firms to improve workplace safety conditions. It is unclear why the fact that in most cases MNCs are not the direct employers of sweatshop workers should make so much of a difference with regard to our assessments of direct responsibility, given that they are typically the agents best positioned to have an impact on their conditions.<sup>33</sup>

The second reason to think that Young's view is problematic is that it is not clear why attributing political responsibilities to agents, as opposed to responsibilities to work to directly improve conditions for sweatshop workers, is supposed to help agents avoid the constraints imposed by prevailing structural injustice. If a firm (local or MNC) is not obligated to contribute to directly improving the conditions of sweatshop workers because doing so would undermine its competitiveness, then it would seem that it would be exempt from at least many potential obligations to contribute to efforts to reform the structurally unjust conditions within which it operates, for the same reason. Contributing to efforts to reform structural conditions will, at least often, require resources, including time and money. If a firm is not obligated to, for example,



increase sweatshop employees' wages significantly prior to the reform of structurally unjust conditions because doing so would risk its competitiveness, then it seems that it must also not be obligated to dedicate the resources that would be necessary to provide the wage increase to efforts to bring about structural reform. After all, the risk to its competitiveness would seem to be the same in both cases. Young, and others who endorse similar views (e.g. Mayer 2007b), seem to assume that contributing to efforts to reform structural injustice will be either costless or at most minimally costly, regardless of whether other agents are contributing or not. But this assumption seems clearly mistaken.

These reasons for concern about Young's view suggest that we should instead think that whichever beneficiaries of structural injustice are capable of contributing to improving the conditions of victims of such injustice can be obligated to do so, to an extent that is consistent with their capabilities. And whether they should focus on contributing to improving the conditions of the global poor directly, or to reforming structural conditions, depends on where their efforts would do the most good (Singer 2015; MacAskill 2015; Berkey 2018).<sup>34</sup>

How much any particular agent is capable of doing is an empirical question, and the complexities highlighted by Young and others that derive from the structure of the global competitive environment make it difficult to answer it very precisely. It seems fairly clear, however, that highly profitable MNCs are in the best position to contribute, and it seems to me at least quite plausible, though I cannot defend this claim in detail here, that they can do quite a lot more than they are actually doing to improve the conditions of the global poor (Arnold & Bowie 2003; Meyers 2004 and 2007; Arnold & Hartman 2005). They could, for example, reduce executive pay, and accept somewhat lower profit margins.

It is important to note, however, that on the kind of view that I have defended, neither MNCs that operate sweatshops or purchase sweatshop-produced goods, nor local firms that operate sweatshops, have *special obligations* to contribute to benefiting the global poor that are not possessed by other agents with similar capacities (Zwolinski 2012, pp. 171-175). On reflection, this should seem plausible, since, as defenders of the permissibility of operating sweatshops rightly point out, firms that operate or purchase goods from sweatshops are already doing at least something to benefit the global poor, whereas other agents (e.g. MNCs that locate all of their production sites in developed countries) might do nothing at all to benefit them. It should seem implausible that those agents already doing something to benefit the global poor have special obligations to do more that are not possessed by other agents, especially if the grounds for thinking that they are obligated to do more consist, in effect, in the fact that they are already doing something.<sup>35</sup> Nonetheless, because it is plausible that highly profitable MNCs are at least among the agents best positioned to benefit the global poor, in particular by providing much needed employment opportunities, there are reasons to think that their obligations will tend to be among the most extensive.

## **5. Conclusion**

In this article, I have argued that we can make sense of the intuition that at least many firms (especially highly profitable MNCs) that either employ sweatshop workers or purchase sweatshop-produced goods are guilty of wrongful exploitation, despite the fact that Nonworseness Claim (W) gives us reason to reject the view that sweatshop workers in particular are wronged by the conduct of those firms. This requires accepting, contrary to widely held positions in debates about the ethics of sweatshop labor, that firms have potentially extensive positive duties to the global poor. This claim seems quite plausible once we recognize that

potential sweatshop workers are disadvantaged by structural injustices from which many firms, and in particular highly profitable MNCs, benefit.

Perhaps the most striking implication of the view that I have defended is that our reaction to MNCs that keep production sites in the developed world despite the fact that moving them to the developing world (either by relocating their own production, or by outsourcing production to local firms in poorer countries) would be beneficial (or at least not significantly harmful) to their own bottom lines, should be critical rather than admiring. It seems to me, however, that once we recognize all of the features of firms' decisions in these cases that are structurally similar to A's choice in the variant of Exploitative Provision of Treatment 2 in which A must choose whether to use the dose of D in his possession to save someone's life or to relieve someone else's moderate back pain, this implication should seem not merely plausible, but correct. In a globalized economy in which many highly profitable MNCs exercise a great deal of control over who gains valuable employment opportunities, along with a range of other benefits, we should accept that these agents have strong reasons, and in many cases obligations, to direct them where they are needed most.

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<sup>1</sup> For views according to which exploitative transactions are wrong because they are unfair, see Wertheimer (1996, Ch. 7); Meyers (2004, pp. 320-321, 324); Kates (2019, pp. 33-34, 44-45); Mayer (2007a, pp. 137-138, 141-142) and (2007b, p. 608); Barnes (2013, p. 31); Dänzer (2014); Ferguson (2016, pp. 953, 955, 966-967); Sollars & Englander (2018, pp. 23-27). For the view that exploitative transactions are wrong because they are disrespectful or degrading, see Wood (1995); Sample (2003). For a respect-based account of the wrong of employing workers in sweatshop conditions that is not framed in terms of exploitation, see Arnold & Bowie (2003) and (2007).

<sup>2</sup> For the claim that taking advantage of a person is an essential feature of exploitation on virtually all plausible views, see Zwolinski (2012, p. 156); Barnes (2013, p. 28); Vrousalis (2018, p. 2).

<sup>3</sup> At least most critics of sweatshops hold that employers are guilty of wrongful exploitation of workers only if they could employ them under more favorable conditions (e.g. by paying higher wages or improving workplace safety). See, for example, Meyers (2004, p. 329); Mayer (2007b); Snyder (2008, pp. 390, 398, 400-401, 404); Ferguson (2016); Kates (2019, p. 44). Those who believe that at least much sweatshop employment is not wrongfully exploitative sometimes appeal to the claim that firms simply could not employ their sweatshop workers in conditions that their opponents would regard as non-exploitative. See, for example, Sollars & Englander (2018, p. 20).

<sup>4</sup> I assume, for the purposes of this article, that they are at least roughly correct. I cannot, however, offer a defense of them here.

<sup>5</sup> For the claim that the fact that sweatshop workers are disadvantaged by background or structural injustice is relevant to their status as wrongfully exploited by their employers, see Meyers (2004, p. 328); Snyder (2008, p. 392); Kates (2019, pp. 36-37).

<sup>6</sup> The qualifier “wrongful” is important here because, as I understand it, the Nonworseness Claim does not present any particular threat to the claim that a transaction is exploitative, since there are plausible accounts of what exploitation is on which it is at least possible for an action or transaction to be both exploitative and permissible. Rather, the Claim presents a challenge only to the view that a transaction that is consensual and mutually beneficial could be impermissible, despite the fact that refraining from transacting is permissible. I am grateful to an anonymous reviewer for encouraging me to clarify this.

<sup>7</sup> For endorsement of this claim, see Meyers (2004); Zwolinski (2007, p. 699) and (2012, p. 169); Barnes (2013, p. 38); Kates (2019, pp. 27, 34); Preiss (forthcoming, pp. 5-6, 10).

<sup>8</sup> The claim that sweatshop employment is at least often voluntary and beneficial to workers is defended by Zwolinski (2007, pp. 691-695). For acceptance of both components of this claim by

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sweatshop critics, see Arnold & Bowie (2003, pp. 229, 231); Meyers (2004); Mayer (2007a, pp. 141-142) and (2007b, p. 605); Snyder (2008, p. 390); Kates (2019); Miklós (forthcoming, p. 3).

<sup>9</sup> When a person is wronged by another agent, she has a complaint on her own behalf against that agent's wrongful conduct that others who were not wronged do not have, and, at least typically, she is entitled to make claims on the wrongdoer that others are not entitled to make (e.g. for compensation, or for an apology). My argument in this article requires only this widely accepted claim about what follows from the fact that one agent has wronged another. I take no particular position on what makes it the case that a person is wronged by particular forms of wrongful conduct, or, to put it in the terms in which it is often discussed, what makes it the case that agents' duties are *directed* toward particular others, such that those others would be wronged if the duties are not complied with. For a general discussion of these issues, see May (2015). For competing views, see Thompson (2004); Darwall (2006); Sreenivasan (2010); May (2012); Cruft (2013); Hedahl (2013); Steiner (2015).

<sup>10</sup> Practices such as these are characterized as uncontroversially morally unacceptable in Meyers (2004, p. 319); Zwolinski (2007, pp. 710-712); Snyder (2008, p. 389).

<sup>11</sup> Although this narrow focus on cases that do not involve practices that are uncontroversially wrong is common in the philosophical literature on the ethics of sweatshop employment, and is necessary for my philosophical purposes in this article, it is important that we do not lose sight of the fact that at least many actual sweatshop employees do face harassment of various kinds, nonpayment of wages, deception about working conditions, and other widely acknowledged types of morally unacceptable treatment. This fact is plausibly relevant to whether and under what conditions we ought to support the introduction of facilities that might turn out to be sweatshops (in either the narrow sense that I adopt for the purposes of the paper or the broader, more colloquial sense) into communities in the developing world. Nonetheless, focusing, at least initially, on cases that do not involve abuse, deception, or other uncontroversial wrongs is an essential starting point for developing a comprehensive view of the conditions that are relevant to an overall assessment of the ethical status of a range of different

employment arrangements and conditions that are found in the actual world. I am grateful to an anonymous referee for encouraging me to consider this issue.

<sup>12</sup> This is consistent with the focus of nearly all discussions of the permissibility of sweatshop employment. This should be unsurprising, since it is only in cases involving terms of employment that are voluntarily accepted and genuinely beneficial to employees that plausible defenses of the permissibility of the terms of employment are possible.

<sup>13</sup> The fact that most sweatshops are not operated directly by MNCs is widely noted in the literature on the ethics of sweatshop employment. See, for example, Arnold & Bowie (2003, pp. 225-226); Meyers (2004, p. 329); Young (2004, pp. 366-367); Sollars & Englander (2007, p. 116); Snyder (2008, p. 399); Zwolinski (2012, p. 162).

<sup>14</sup> Some ways in which the distinction between the two types of case, and the ways in which both MNCs and local firms that operate sweatshops are embedded in prevailing forms of structural injustice, might affect our assessments of responsibility for the exploitation of sweatshop workers will be discussed in section 4.

<sup>15</sup> The view that firms are agents that can themselves be the bearers of obligations has, in recent years, become the mainstream view. For an influential early defense, see French (1979). More recent defenses include Silver (2005); Arnold (2006); Pettit (2007); List & Pettit (2011). For an early argument against the possibility of corporate moral agency, see Velasquez (1983). More recent arguments include Velasquez (2003); Rönnegard (2013) and (2015).

<sup>16</sup> Both Wertheimer (1996, p. 289) and Jeremy Snyder (2008, p. 390) formulate the Claim in roughly this way, but do not explicitly limit it to voluntary transactions; see also Bailey (2011, p. 238); Barnes (2013, p. 28). Although those who formulate it in this way appear to assume that proponents of the Claim would not necessarily take it to justify non-voluntary yet mutually beneficial transactions, it is, in my view, important to include the restriction to voluntary transactions in the formulation of the Claim itself. Common formulations of the Claim also do not explicitly state that the relevant transactions must not have any harmful effects on third parties, although this restriction is implicitly acknowledged in

discussions of its implications. Since the restriction is widely understood and less important for the purposes of my argument, I do not explicitly include it in my formulation of the Claim. For formulations that are otherwise similar to those of Wertheimer, Snyder, and Bailey that both restrict the Claim to voluntary transactions and build in the requirement that no third parties are harmed, see Ferguson (2016, p. 956); Malmqvist (2017, p. 478).

<sup>17</sup> For this line of argument, see Zwolinski (2007, pp. 699-700, 707-708) and (2012, pp. 167-169); Sollars & Englander (2007, p. 119); Powell and Zwolinski (2012, p. 460-470).

<sup>18</sup> For similar cases, see Zwolinski (2012, p. 156); Vrousalis (2018, p. 2).

<sup>19</sup> To say that it is implausible that B's complaint is stronger than those of the others is not necessarily to say that it must be weaker either (though I think that it is plausible that it is). We might think that some complaints cannot be evaluated as simply stronger or weaker than others, given the plurality of morally important considerations that might ground different complaints and the plausibility that these considerations cannot all be aggregated and weighed against each other within a single metric. It is enough for the purposes of my argument that the complaints of those exploited are, at least in some cases, clearly not stronger than the complaints of others. I am grateful to an anonymous reviewer for helpful comments on this issue.

<sup>20</sup> Further details could be added to the case to make the implausibility of holding that those hired are wronged, while those not hired are not wronged, even clearer. Imagine, for example, that potential workers in each of the towns find out that their town is being considered for the site, and organize a campaign to send letters to M's CEO pleading for their town to be chosen. Moved by the accurate descriptions of how they would benefit provided by the residents of Z, the CEO chooses to locate the site there.

<sup>21</sup> As Michael Kates puts it, "firms are *not* morally required to off-shore production, even when workers in developing countries would considerably benefit from these jobs. In fact, not only does virtually no one defend the view the multinational corporations have an obligation to off-shore

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production, but many believe that keeping production in the developed world is something to be praised” (2019, p. 27).

<sup>22</sup> For a similar claim, made in the context of a discussion of whether sweatshop regulation is justified, see Sollars & Englander (2018, pp. 21-22). They are responding primarily to the argument in defense of regulation made in Preiss (2014). For Preiss’s response, see his (forthcoming).

<sup>23</sup> Many who reject the Nonworseness Claim (in all of its versions) claim that sweatshop employment is wrongfully exploitative because companies acquire potentially extensive obligations to their employees in virtue of employing them, including, for example, obligations to pay wages and ensure workplace safety conditions that meet certain standards. In other words, they hold that the employment relationship, once in place, generates new obligations that are owed by employers to those whom they in fact employ, even in cases in which they had no independent obligation to employ or otherwise benefit a subset of people from an appropriately specified group. While I cannot here argue directly against all views of this type that have been defended, the arguments that I offer in defense of Nonworseness Claim (W), along with the case that I make for thinking that MNCs have potentially extensive positive duties to the global poor, provide reasons to be skeptical of them. I will, however, briefly note two additional reasons for skepticism here. The general concern that lies behind these reasons for skepticism is that it is difficult to see how any view with this structure could be thought to be grounded in the right kind of concern for the interests of the global poor. First, in order to avoid acting wrongly, these views imply that MNCs can *either* hire some of the global poor and provide sufficiently good wages, working conditions, etc., *or* simply refrain from hiring any of the global poor at all. This means that whenever hiring from among the global poor *and* meeting the necessary conditions for avoiding wrongful exploitation would be even slightly more costly than, for example, employing only people in developed countries, a company is able to avoid wrongdoing by avoiding incurring the slight extra cost, even if this comes at a very large opportunity cost for the badly off people who could have been hired. My view, on the other hand, will at least often imply that a company in these circumstances is simply obligated accept the slightly greater costs in order to benefit the global poor. The second reason that we should be skeptical of views on which



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entering an employment relationship generates new duties with respect to wages, working conditions, etc. that are owed specifically to those employed is that there does not seem to be a way of combining this type of view with any plausible view about the ethics of ending employment relationships that does not generate implausible implications. For example, if we accept a view on which one of the duties generated by an employment relationship is a duty to continue to employ those who have been hired in the absence of, for example, unacceptable job performance or financial exigency, then it will often be impermissible for employers to let reasonably well off and adequately performing workers go and replace them with badly off workers who would perform even better. But this result seems quite implausible – again, no view that is grounded in the right kind of concern for the interests of the global poor could imply this. On the other hand, if we accept a view on which entering an employment relationship does not generate a duty to continue to employ those who have been hired, then companies would do nothing wrong by responding to charges that they are wrongfully exploiting their sweatshop employees by, for example, letting all of them go and replacing them with much better off workers in the developed world. Once again, a view with this implication cannot be grounded in the right kind of concern for the interests of the global poor. My view, on the other hand, will at least often imply that companies are obligated to shift to employing worse off people, or to continue to employ badly off people *and* improve their wages, working conditions, etc. I am grateful to an anonymous reviewer for encouraging me to discuss views on which entering employment relationships generates new duties.

<sup>24</sup> Alternatively, it might be suggested that, in light of the argument that I go on to make in section 4, the relevant group should be understood to include all of those who are victims of structural (economic) injustice. And it might also be suggested that this group plausibly includes potential garment workers in the U.S., in addition to those in less wealthy countries, so that MNCs should be understood as potentially fulfilling the duties that they have as beneficiaries of structural injustice by employing or otherwise benefiting potential workers in the U.S. While I cannot discuss this possibility in detail here, I want to offer two initial reasons to think that we should be skeptical of the claim that at least most potential workers in the U.S. are among the group that MNCs have positive duties to benefit. First, it seems clear

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that the relevant criterion for membership in this group must be that one is, *on net*, disadvantaged by structural injustice. And while it is no doubt true that many Americans are disadvantaged by certain structural injustices considered in isolation, it is less clear that very many are disadvantaged on net (though certainly at least some are). Second, even if some Americans are, on net, disadvantaged by structural injustice, there are plausibly reasons to limit the group among whom MNCs are obligated to employ or otherwise benefit to those who are *most disadvantaged*, since there are general moral reasons to prioritize addressing the most serious needs and deepest injustices before attending to less morally urgent matters. I am grateful to an anonymous reviewer for encouraging me to consider this issue.

<sup>25</sup> For a similar claim, see Powell & Zwolinski (2012, p. 470).

<sup>26</sup> The obligation to prioritize providing employment opportunities to those who are worse off is limited, of course, by considerations of feasibility. Firms are not, for example, obligated to hire candidates for jobs who are incapable of performing the job functions, or to offshore jobs to impoverished countries when doing so would involve taking on a significant risk of undermining the firm's competitiveness. But when considerations of competitiveness either support offshoring, or at least do not advise against it, moving jobs to places where they will benefit worse off people can, on the view that I am defending, be morally required.

<sup>27</sup> It is an empirical question whether this accurately describes the behavior of most actual companies that operate or contract with sweatshops, and I cannot discuss the issue in detail here. My suspicion is that it does accurately describe the behavior of at least many companies, and that because of this the view that I defend implies that these companies are obligated to do significantly more than they are actually doing to benefit the global poor. A potentially useful way of beginning to assess whether any particular company is obligated to do more than it is in fact doing is to look at its profit margins, as well as salaries of high-level employees, and consider whether redirecting at least some resources in ways that would benefit sweatshop workers in its supply chain would be feasible. In many cases I suspect the answer will be that such redirection of resources would be possible. On the other hand, at least some evidence that a company is satisfying its obligations would be provided by a combination of lower than

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average profit margins and a practice of ensuring that even the lowest-level workers in its supply chain are paid a living wage. I am grateful to anonymous reviewer for encouraging me to consider how we might attempt to assess whether companies are complying with the obligations that I defend.

<sup>28</sup> See, for example, Singer (1972); Unger (1996); Murphy (2000). Even those who think that factors in addition to capacity to help play a significant role in determining which agents are obligated to contribute to benefiting those in need, and how extensive their obligations are, tend to think that capacity to help is among the relevant factors. See, for example, Miller (2001).

<sup>29</sup> Defenders of the view that it is permissible for firms to employ workers in sweatshop conditions often appeal to the long-term benefits to both sweatshop workers and the communities in which sweatshops are located in order to support their view; see, for example, Maitland (2008). As Chris Meyers points out, however, the evidence that introducing sweatshops into a country or community will have substantially beneficial long-term effects is mixed at best (2004, p. 322). However, since I am arguing that MNCs can be obligated to locate new employment opportunities in impoverished countries *and provide benefits that exceed those provided by sweatshop jobs alone*, by, for example, offering conditions of employment that are intuitively non-exploitative, there is, it seems to me, significantly less reason to be concerned that the new employment opportunities that would be provided if companies like M followed my recommendations would not significantly benefit both the workers and the broader communities in which they live.

<sup>30</sup> For a powerful defense of the view that beneficiaries of global structural injustice have potentially extensive obligations to benefit those who are disadvantaged by such injustice, see Ashford (2018). Other sympathetic discussions include Woodruff (2018); McMahan (2018); Hill (2018). I defend a version of the view, with particular application to duties to contribute to addressing the threat of climate change, in Berkey (2017)

<sup>31</sup> In particular, it is plausible that they ought to aim to ensure, as much as possible, that workers in their supply chains are paid living wages, that safety-related risks are kept reasonably limited, and that (mandatory) work hours are at least not unreasonably long.

<sup>32</sup> It is important to note that here Young has in mind responsibility in what she calls the “liability” sense, which involves backward-looking assessments of fault made in order to assign blame and compensatory obligations (2004, p. 368). She argues that an adequate overall account of responsibility for global labor justice, including the issue of sweatshop employment, requires an additional, “political” sense of responsibility to supplement the liability sense. And, as I have noted, she holds that a wide range of agents have political responsibilities to contribute to addressing the structural injustices that make employing people in sweatshop conditions both possible and potentially difficult to avoid. I am grateful to an anonymous reviewer for encouraging me to clarify this aspect of Young’s claim about the responsibility of local owners and managers.

<sup>33</sup> This is especially true if we think that agents that have direct responsibility for an objectionable state of affairs have, all else equal, stronger obligations to contribute to remedying them. It is not obvious, however, that Young is herself committed to such a view.

<sup>34</sup> Despite the fact that I have emphasized some key points of departure between my view and Young’s, it is worth noting that there is at least some overlap in our views as well. For example, Young’s account of political responsibility assigns duties to agents at least in part on the basis of capacity to contribute to addressing injustice. Indeed, as an anonymous reviewer suggests, her account of political responsibility can plausibly be interpreted as implying positive duties to the global poor of at least roughly the same kind that I defend. One of the most important features of my view, however, is that the content of these positive duties is to do whatever will best contribute to improving the conditions of the global poor, whether that involves attempting to reform structural conditions, providing higher wages and better working conditions, some combination of these things, or, in principle, anything else that would benefit those to whom the duties are owed. Young’s view, on the other hand, is that the content of the duties is limited to promoting structural reform. I see no principled reason for accepting this limitation. I am grateful to an anonymous reviewer for encouraging me to clarify these aspects of the relationship between my view and Young’s.

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<sup>35</sup> This is the case on any view on which firms have a conditional obligation to, for example, pay workers a living wage, or provide workplace safety conditions that meet a standard of adequacy (e.g. Arnold & Bowie, 2003; Meyers, 2004; Snyder, 2008 and 2013; Kates, 2019). On views with this structure, firms are under no obligation to hire or otherwise benefit impoverished people in developing countries; but if they do hire them, they are obligated to provide either a living wage (if possible), or a fair wage, where the standards for fairness are determined by an independent account that might be maximally favorable to workers (Kates, 2019).

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### **Compliance with Ethical Standards**

**Conflict of Interest** The author declares that he has no conflict of interest.

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