

HRC26: Statement on Transnational Companies and their Impact on Women's Human Rights

11 June 2014

The Women's International League for Peace and Freedom calls for the special consideration of women's issues when utilizing a human rights approach to assessing the accountability of Transnational Corporations (TNCs).

Foreign debt

Transnational Corporations profit from the impoverished environments where they house their businesses. In addition to the cheap and minimally regulated labor, tax breaks, lax environmental regulations, little-to-no cost use of public lands or property, TNCs are paid by these developing economies through credit systems. Transnational capital finances a majority of debt-repayment policies, such as the developmental loans offered to developing countries by the International Monetary Fund and the World Bank. Government funding for social, medical, and public services are diverted towards repaying these loans, which counterintuitively hinders the development of the communities these loans were meant to assist. Reproductive and child healthcare, education, and sanitary programs cost four times less than the interest owed in debt repayment. The overwhelming external debt of developing nations per citizen is estimated to cost four hundred times more than what an individual would earn working for a TNC in their country. To help families meet daily needs as basic as diet, children are forced to enter the workforce at early ages with no training, little pay, and no medical insurance or assistance.

Employment rights

Though both men and women play the roles of employees and consumers of TNCs and multinationals, women's subjugation to impoverished wages, negative ecological consequences, lack of opportunity, and exploitation by TNCs flourish globally. Though women's employment by TNCs in developing areas of Asia, Africa, and Latin America is insignificant in comparison to women's employment in the global economy, it constitutes the fastest growing proportion of women's paid labor in developing countries. These positions, however, do not allow for upward mobility towards higher wages or greater opportunities such as positions of leadership vastly held by (usually foreign) males. TNCs producing electronics and textiles have begun to recruit women in Latin America and Southeast Asia for manufacturing jobs. These female employees are typically single, childless, uneducated, unskilled, minimally trained when hired, and disproportionately susceptible to layoffs and firings. They are paid far less than men (especially married men), perceived as easier to control and, thus, less likely to unionize. Latin American maquiladoras – free trade zone factories mostly located on the U.S. and Mexico border - have a 10% rate of union enrollment by female employees, similar to telemarketing industries in Asia. Labor-intensive factories of similar TNCs or producing similar products in the U.S. do not fare much better.

Labor trafficking

The social and economic challenges in developing countries that drive international immigration and internal displacement of men seeking employment create both a profitable environment for TNCs while increasing the risks of women and children left to fend for themselves. With social vulnerabilities and minimal labor protection, women and children's risk of labor trafficking is increased. The constant demand for cheap labor or services and the environment of lax labor regulations combined with a debt-bound and impoverished society drive the \$9 billion human trafficking industry. Developed countries are not immune to these issues, especially as immigrant and minority women face similar injustices and lack of opportunities regardless of the regulated labor practices of industrialized economies.

Corporate social responsibility efforts have not given enough consideration to these needs and challenges faced by the affected women. As employees or consumers of TNCs and multinationals, or as aware citizens, activists, and sisters, WILPF stands with the women affected by unfair policies enacted by TNCs worldwide, regardless of living standards or socioeconomic status of the community.

The example of Nigeria

The Transnational Corporations in Nigeria, driven by their desire to make money and increase market share, have ended up degrading the country's resources. The Nigeria Niger Delta regions, though endowed by immense human and natural resources have been socially and ecologically exploited by these corporations. The perpetrations of these organisations have led to severe violations of women's human rights, the Niger Delta's cultural violations of women's rights to own and inherit properties, and has engendered chronic poverty amongst the community women which has compelled most of them to resort to sex work, human trafficking amongst others.

Land grabbing and land degradation are the major provoking keys which these TNCs have used that has led to destitution, thereby provoking the resort of the landless rural women to the hands of human traffickers. This is because it invariably leads to eviction of peasants from their ancestral lands, depriving them of their source of livelihoods as most of the women depend on their farmland as their major source of income. These women, under the pressure of their own survival and that of their children, end up giving in to the ploys of the working staff within these corporations and the military personnel in the region to give sex in exchange for money. Women in the region have restricted capacity to participate in agricultural practices, economic life, access to quality healthcare, and the right to safe, portable water.

According to the human rights framework, individuals have rights to food, adequate housing, acceptable standards of living, access to environmental resources (such as land), and access to employment. These have been grossly violated in the Niger Delta region, which led to the struggle for resource control by women and men alike. The flagrant abuse and wagon degradation of the environment is very alarming. If no action is being taken towards the violation of the rights of these women, then the future of Niger Deltans is at great risk.

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