A Literature Review on the Human Rights Implications of the Global Supply Chain

Alfonso Renato Vargas-Murillo¹*, Ilda Nadia Monica de la Asuncion Pari-Bedoya², Vania Marcela Callacondo-Alanoca³, Delia Yolanda Mamani-Huanca⁴

¹ Facultad de Derecho y Ciencias Políticas, Universidad Privada del Norte, Lima-Perú.
² Facultad de Derecho, Universidad Tecnológica del Perú, Lima-Perú
³ Escuela de Postgrado, Universidad Cesar Vallejo, Trujillo-Perú.
⁴ Escuela de Postgrado, Universidad Privada de Tacna, Tacna-Perú.

*alfonso.vargas@upn.edu.pe (Corresponding author)

Abstract. This study aimed to investigate the human rights implications of the global supply chain. The research was conducted with the purpose of enhancing the understanding of the topic and addressing existing knowledge gaps. A Literature Review methodology was employed, utilizing Scopus, ScienceDirect, and Wiley databases to systematically analyze prior research. The study yielded significant findings regarding the detrimental effects of the global supply chain on human rights, highlighting the urgent need for improved integration of environmental and human rights standards. The practical implications of this study underscore the importance of heightened control mechanisms, corporate responsibility, and government regulations. Theoretical implications encompass the significance of adopting multi-stakeholder approaches and community-based solutions. This study contributes to the existing body of literature by providing a comprehensive review, thus guiding future research endeavors, informing policy formulation, and shaping practices within the global supply chain context.

Keywords: Global supply chain, human rights, literature review
1. Introduction

A global supply chain refers to a complex interconnected system of organizations that spans across both international and national borders. Nevertheless, the inherent risks associated with a global supply chain surpass those of a national supply chain due to various factors such as seismic activities, unforeseen incidents, fluctuations in macroeconomic and political landscapes, as well as occurrences of natural calamities (Manuj & Mentzer, 2008). The cadence of production is comprised of various stages, wherein transitions from one stage to another act as gateways. These stages encompass the movement of goods from the production point to the consumption point (Meixell et al., 2005). Suppliers from diverse geographical locations, as well as a range of internal and external stakeholders, can be considered (Chu et al., 2020). According to Buckley et al. (2019), the implementation of global supply chain management can enable companies to enhance their competitive advantages, improve manufacturing flexibility, and achieve cost savings. Chu et al. (2020) argue that the development of a risk management framework can effectively mitigate the risks associated with international supply chains. Enhanced management of the worldwide supply chain has also been proposed through the implementation of integration practices and advanced planning systems. The replication of an integrated and globally coordinated supply chain presents significant challenges, thereby establishing it as a crucial element of a company's competitive strategy (Meixell et al., 2005). The globalization of supply chains has been found to have a beneficial impact on various aspects of business operations, including innovation strategy, product quality, and profitability. The objective of this endeavor is to establish a scenario that yields advantages for all entities participating, and it is widely acknowledged as a mutually beneficial advantage within the industry (Chu et al., 2020).

Multinational corporations strategically enhance the efficiency and effectiveness of their value chain operations by considering various factors, including decision-making control and geographical positioning. The location decisions of a company pertain to the direct production costs it incurs, while its management choices pertain to the indirect costs associated with its global production operations. The duration for which a specific control and location configuration remains effective is a vital factor in effectively managing the global value chain (Buckley et al., 2019). The phenomenon of modern subcontracting and delocalization can be comprehensively analyzed by examining global value chains (GVCs) and global production networks (GPNs). The fragmentation and dispersion of these processes can be attributed to the coordination or dominance exerted by major corporations (Buckley et al., 2019; Antrás & Chor, 2013). The concept of time provides a valuable perspective for analyzing the dynamic and temporal characteristics of global value chains. The duration of assignments is closely connected to the types of activities involved, and discrepancies in durations can have detrimental effects on the success of global value chain initiatives. Two novel metrics for determining the average position of an industry within the value chain have been devised based on input-output tables from the United States. Furthermore, the optimal allocation of property rights along the value chain can be inferred from the company's property rights model. The model in question is substantiated by empirical evidence, which provides strong support for its core predictions. This model revolves around a series of sequential stages in production that occur continuously. In addition, the utilization of international trade statistics enables the application of the model to empirical data. Moreover, the model takes into consideration the various sources of asymmetry that may exist between producers of final goods and suppliers within a specific production line, as highlighted by Antras and Chor (2013). Ultimately, developing a comprehension of the dynamic interactions among the different entities involved in the value chain can assist managers and policymakers in effectively integrating the changes and disturbances that influence business strategies within the governance of global value chains (Pananond et al., 2020).

Global value chains have emerged as a captivating and novel field of investigation within the realm of international trade, owing to their significant role in organizing production (Amador & Cabral, 2016). Internationally recognized classification systems can be employed to ascertain the extent of specific industries. Global value chains (GVCs) encompass a network of enterprises, commodities, operations,
and geographical sites. Furthermore, the utilization of existing research and fieldwork can be employed to develop a more profound understanding of the fundamental components of global value chains. The analysis of the production of goods and services that are distributed across multiple countries is facilitated by the utilization of a value chain map (Frederick, 2019). This represents a crucial stage in comprehending the structural components of global value chains. In addition, there exist additional factors that contribute to the establishment of global value chains, such as the advent of novel technologies, the liberalization of trade and investment policies, and the emergence of new global production centers. Understanding the distinctions among different approaches is of utmost importance due to the varying scopes and data sets associated with the principal metrics of global value chains (Amador & Cabral, 2016). The implications of this study have extensive scope in terms of comprehending the role of global value chains in international production and trade networks.

The comprehension of the complex interplay between human rights and the global supply chain is of utmost significance in ensuring the protection of the well-being of individuals and communities affected by this interdependent system. The objective of this research endeavor was to examine the implications of the global supply chain on human rights. Our study focuses on key aspects related to human rights and environmental justice, including the examination of due diligence in human rights, corporate accountability, forced labor and child labor, government regulations, and the influence of consumers in promoting the protection of human rights.

The dimension pertaining to human rights and environmental justice recognizes the significant impact of the global supply chain on both human rights and the environment, as discussed by Healy et al. (2019). The subject matter pertains to the adverse impacts experienced by communities and ecosystems, encompassing concerns such as limited availability of essential resources, health consequences arising from pollution, and instances of violence against environmental advocates. Furthermore, the aspect concerning due diligence in relation to human rights explores the notion of responsible corporate behavior and the incorporation of human rights factors into regulations governing supply chains (Martin-Ortega, 2014). This dimension examines the critical necessity of implementing thorough due diligence measures that encompass both human rights and environmental considerations in order to mitigate negative consequences. The significance of corporate responsibility is underscored by the involvement of multinational corporations as central players in the global supply chain (Cemic, 2008). This highlights the importance of holding corporations responsible for violations of human rights and emphasizes the necessity of strengthening oversight mechanisms to guarantee ethical conduct across the entire supply chain. The issue of forced labor and child labor within the global supply chain is a matter of great significance (Thomas, 2014). This dimension examines the prevalence of exploitative labor practices and aims to address concerns related to forced labor, child labor, and the exploitation of workers who are vulnerable. The role of government regulation is of utmost importance in mitigating human rights abuses within the global supply chain (Ford & Nolan, 2020). This dimension primarily centers on the establishment of regulatory frameworks that aim to ensure corporate accountability for their actions, both within domestic borders and across international boundaries. The text also examines the involvement of governments in allocating resources to individuals affected by human rights violations and advocating for ethical business conduct. Additionally, significant emphasis is placed on the aspect that pertains to the contribution of consumers in fostering the observance of human rights throughout the global supply chain (Fernando et al., 2022). The potential for transformative change within supply chains can be realized through consumer influence, which is fueled by informed decision-making and a demand for ethical practices. Through a comprehensive analysis of these fundamental dimensions, this article aims to contribute to a deeper understanding of the impact of the global supply chain on human rights. Through the examination and consideration of these various dimensions, our aim is to cultivate a productive exchange of ideas and develop efficient approaches that guarantee the functioning of the worldwide supply chain while also protecting and promoting human rights.
2. Methodology

A comprehensive literature review was conducted utilizing the Scopus, ScienceDirect, and Wiley databases, with the primary focus being the quantification of articles retrieved. The present study involves an examination of existing knowledge pertaining to the subject matter. It entails the utilization of diverse filters, keywords, and criteria to categorize the findings and facilitate the identification of optimal outcomes. This process enables us to derive the most precise and reliable inferences. The feasibility of this endeavor was facilitated by the formulation of research inquiries that guided our Literature Review. As a result, the insights obtained from our investigation have enhanced our comprehension of the subject matter in a more thorough and comprehensive manner.

2.1. Applying Research Questions

In accordance with the nature of this paper, it is imperative to employ research questions as a means to sustain a focused inquiry aligned with the conceptual framework utilized in our research. This approach ensures that the literature obtained from diverse databases retains its relevance and utility for our comprehensive analysis and subsequent conclusion drawing. In order to accomplish this objective, we formulated research queries to systematically categorize our findings and exclude extraneous literature. The research questions of this literature review are as follows:

A) How does the global supply chain impact human rights?

The question can help researchers understand how global supply chains stem from human rights in different parts of the world.

B) What are some of the ways that can reduce the negative impact caused by the global supply chain to people’s human rights?

The question can help researchers assess the effectiveness of implemented solutions to reduce the negative impacts of the global supply chain on human rights.

C) What can consumers do to increase respect for human rights throughout the global supply chain?

The question can help researchers understand the role that consumers can play in protecting human rights in the global supply chain.

2.2. Findings

In order to conduct a comprehensive literature search within the databases mentioned in this study and address the research questions that were formulated, it was necessary to employ a set of keywords to facilitate the exploration of relevant research findings. The set of keywords employed to refine search results from the aforementioned databases pertaining to the current subject matter are as follows:

("global supply chain" OR "supply chain management") AND "human rights"

This set of keywords will aid us in the process of filtering and refining the outcomes derived from the databases accessed, with the objective of identifying and categorizing the relevant literature necessary to address our previously articulated research inquiries. This will facilitate our orientation towards the appropriate trajectory, as the examined articles evaluate the subject matter and furnish us with a more profound comprehension of the ramifications of the global supply chain on human rights.

Table 1 shows us the search results after applying the keywords before mentioned in every database consulted:

<table>
<thead>
<tr>
<th>Database</th>
<th>Number of Literature Found</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scopus</td>
<td>167</td>
</tr>
<tr>
<td>ScienceDirect</td>
<td>1322</td>
</tr>
<tr>
<td>Wiley</td>
<td>720</td>
</tr>
<tr>
<td>TOTAL</td>
<td>2209</td>
</tr>
</tbody>
</table>

Table 1: Result Findings
2.3. Results Filtering Applying Criteria

After consulting the databases, it was necessary to apply specific inclusion and exclusion criteria to the obtained results. This was done in order to focus on the specific knowledge needed to address our research questions. The subsequent table delineates the criteria employed to refine our search outcomes:

<table>
<thead>
<tr>
<th>Inclusion Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Articles are mainly written in English</td>
</tr>
<tr>
<td>Articles are related to the subject in hand</td>
</tr>
<tr>
<td>Articles mainly on the social sciences</td>
</tr>
<tr>
<td>Articles mainly on the economic field or related to it</td>
</tr>
<tr>
<td>Articles need to mention the relation between global supply chain and human rights</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Exclusion Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>Articles with high similarities across databases</td>
</tr>
<tr>
<td>Articles not related to the subject at hand</td>
</tr>
<tr>
<td>Books or book reviews</td>
</tr>
<tr>
<td>Articles are not related to social sciences</td>
</tr>
<tr>
<td>Articles are not related to the economic field in any way</td>
</tr>
</tbody>
</table>

In relation to the implementation of inclusion and exclusion criteria, a total of 1978 articles were identified, predominantly authored in the English language. A total of 1107 articles were obtained after the removal of duplicate articles. In addition, articles that corresponded to books or book chapters were omitted, resulting in a total of 623 articles. Out of the total, a total of 346 articles were identified as being pertinent to the subject matter being examined. Following this, a filtration process was employed to select articles specifically related to the field of social sciences, resulting in a final count of 235 articles. After applying additional refinement, a subset of 139 articles was selected, specifically focusing on the economic field or closely associated subjects. The selected articles underwent a rigorous evaluation process, wherein those lacking clear relevance to the subject matter were excluded. As a result, a total of 45 articles were included in the final analysis. Ultimately, the articles that were chosen for inclusion in this study were those that exhibited the greatest pertinence, as evidenced by their thorough examination and primary emphasis on the subject matter of the global supply chain and its intersection with human rights. Following the completion of data collection, a comprehensive total of 21 articles were chosen from various databases utilized in this study, in accordance with the aforementioned criteria. The aforementioned results are as follows:

<table>
<thead>
<tr>
<th>Database</th>
<th>Literature After Criteria is Applied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scopus</td>
<td>10</td>
</tr>
<tr>
<td>ScienceDirect</td>
<td>7</td>
</tr>
<tr>
<td>Wiley</td>
<td>4</td>
</tr>
<tr>
<td>TOTAL</td>
<td>21</td>
</tr>
</tbody>
</table>

3. Results

3.1. Impact of the global supply chain on human rights and environmental justice
This section provides an in-depth analysis of the influence exerted by the global supply chain on matters pertaining to human rights and environmental justice. The subject matter holds great significance due to the substantial and observable adverse impacts of international trade on both human rights and the
environment, particularly in the production centers of the Global South. Despite the implementation of policies and regulations on an international scale, there continue to be gaps in compliance and the incorporation of environmental standards.

The global supply chain exerts a significant impact on both human rights and environmental justice. Numerous studies have extensively examined the adverse consequences associated with international trade, with a predominant focus on the production hubs in the Global South (Schilling-Vacaflor, 2021). The incorporation of policies aimed at promoting "just sustainability" and resolving conflicts is imperative in addressing these challenges (Walker et al., 2008). The practice of "due diligence" in the realm of human rights has been redefined as "due diligence in human rights and the environment" within political discourse. The implementation of new regulations pertaining to supply chain management primarily draws upon the Protect, Respect, and Remedy framework established by the United Nations, as well as the Guiding Principles on Business and Human Rights issued by the UN. Notwithstanding these endeavors, a deficiency persists in the examination of the extent to which supply chain regulations incorporate environmental and human rights considerations. Although the United Nations Guiding Principles (UNGP) do not explicitly mention environmental standards, certain modern domestic legislation, such as the MDD laws, have incorporated them. The supply chains facilitating the transportation of soy and beef from Brazil to Europe give rise to significant concerns, as evidenced by various adverse consequences. These include the deprivation of land, water, and livelihood opportunities, health complications resulting from pesticide contamination, and instances of violence perpetrated against individuals engaged in environmental protection efforts (Schilling-Vacaflor, 2021).

The interconnection between environmental and human rights issues is evident in various supply chains, including but not limited to palm oil, metals, and fossil fuels. The interconnection between human rights violations and environmental impacts is evident within the soy and livestock industries in Brazil. Multinational corporations have been recognized as significant catalysts of human rights violations within global supply chains. According to Schilling-Vacaflor (2021), the integration of environmental and human rights standards into supply chain legislation at both the European Union (EU) and member state levels exerts a substantial influence on global supply chains and their implications for human rights. Moreover, it is worth noting that there exists substantiated evidence pertaining to unresolved human rights dilemmas, environmental concerns, and ethical conundrums in the administration of the global value chain. This is exemplified by the case of Apple Inc., which has been subject to ongoing employment and environmental issues at its component factories (Clarke & Boersma, 2017). The significance of corporate responsibility in tackling human rights concerns within global supply chains (Schilling-Vacaflor, 2021) is evident, emphasizing the need to enhance monitoring and regulation of these supply chains to prevent additional human rights infringements. The examination of the sources of human rights obligations for companies in international law, national systems, and corporate internal policies is crucial for gaining a comprehensive understanding of the framework that safeguards human rights in global supply chains.

Nevertheless, it is important to acknowledge that the global supply chain can potentially have adverse effects on human rights. The prevalence of forced labor and child labor is a matter of great concern due to the inherent risk of exploiting and mistreating workers who are in vulnerable positions. Moreover, the integration of global supply chains has the potential to contribute to environmental degradation and adversely affect local communities. It is important to acknowledge that senior executives of corporations may bear legal responsibility for human rights violations perpetrated by subordinate entities under their substantial influence. Consequently, the enactment of legislative measures is imposing a greater responsibility on prominent corporations to actively participate in due diligence endeavors aimed at averting and remedying potential infringements of human rights within their own operations and supply chains. Consequently, this can contribute to the protection of workers, local communities, and the environment against violations of human rights. Hence, it is apparent that global supply chains can yield both favorable and unfavorable outcomes. Although acknowledging their
undeniable utility, it is imperative to bear in mind the potential adverse implications for human rights that may arise from their application in corporate endeavors. The exercise of due diligence by top-level management in multinational corporations is of utmost importance in safeguarding workers, communities, and the environment from human rights abuses resulting from the activities of entities within the global supply chain (Bright et al., 2020).

A common theme throughout the literature is the complex relationship between global supply chains and human rights, with both negative and positive impacts being observed. The negative consequences are particularly evident in the Global South production hubs, as multinational corporations often exploit these regions, leading to a range of issues such as environmental degradation, loss of access to resources, health issues due to contamination, and human rights abuses including forced and child labor (Schilling-Vacaflor, 2021; Clarke & Boersma, 2017; Bright et al., 2020). This highlights the systemic challenges faced by these regions within the global economy and underscores the necessity of addressing these issues through robust, enforceable regulations. Patterns observed within the literature reveal the growing recognition and incorporation of "due diligence" in human rights and environmental aspects within international trade laws and regulations (Bright et al., 2020; Walker et al., 2008). This reflects a shift in global attitudes towards the role of corporations in upholding human rights and environmental standards. A substantial part of this is based on the United Nations' Protect, Respect, and Remedy Framework, and the UN's Guiding Principles on Business and Human Rights. However, the literature also notes that despite this progressive trajectory, there is still a gap in fully integrating environmental and human rights standards into supply chain regulations.

Notable gaps in the literature center on the practical implementation and effectiveness of these supply chain regulations. The literature lacks substantial analysis of how much these policies have tangibly affected the human rights situation in practice. Furthermore, the specific accountability of corporate executives for human rights abuses within their supply chains is an area that needs further exploration. Overall, the literature emphasizes the significant role of multinational corporations in addressing these issues and the urgent need for improved oversight, accountability, and comprehensive integration of environmental and human rights standards into the global supply chain framework.

### 3.2. Possible solutions to the negative impact of the global supply chain on human rights

This section is dedicated to examining prospective remedies for the adverse effects of the global supply chain on human rights. The imperative for efficacious and pragmatic resolutions to address the gravity of human rights and environmental justice concerns in the context of international trade is readily apparent. Hence, the primary objective of this discussion will revolve around examining the roles and contributions of diverse stakeholders, such as multinational corporations, governmental entities, civil society organizations, and individuals, in alleviating these detrimental consequences. The primary objective of this section is to elucidate possible avenues for achieving more sustainable and equitable practices within the global supply chain. This aims to facilitate meaningful discussions and promote tangible efforts in addressing this crucial matter.

Pragmatic approaches can be formulated to effectively tackle these challenges, leveraging the current institutional framework as a guiding mechanism for their development. The utilization of due diligence presents a promising approach in delineating the obligations of multinational corporations in relation to human rights. However, its effective implementation requires extensive collaboration among market participants, as well as non-participating entities. Furthermore, the integration of due diligence practices into other codes established by the Organization for Economic Cooperation and Development (OCDE) and the International Finance Corporation (IFC) could potentially contribute to the reduction of negative impacts on human rights within the global supply chain (Mancini et al., 2021). Furthermore, it is imperative for individuals and civil society organizations to actively engage in comprehending the intricacies of the worldwide supply chain and the potential hazards it entails. This would enable individuals to enhance public consciousness, monitor instances of non-compliance, and ensure that
businesses and governments are held responsible for their actions. It is imperative to consolidate the collaborative endeavors of both public and private entities in order to effectively address and alleviate the adverse repercussions. The human rights ramifications associated with the management of global supply chains.

Academic literature has traditionally overlooked the historical significance of governments in regulating the global supply chain. In recent years, there has been a shift towards evaluating the effectiveness of potential governmental interventions, leading to changes in this regard. Previous research has primarily examined the methodologies employed and their impacts in relation to certifications, audits, and comparative evaluation frameworks for Responsible Sourcing of Electronics (RSE) (Vermeulen & Kok, 2012; Cheung et al., 2018). The Dutch government has demonstrated significant engagement in recent years with the aim of enhancing sustainability performance across global supply chains. The efficacy of these methodologies has been evaluated, revealing that preliminary interventions exhibit both constraints and diversification. Nevertheless, the market has experienced progress as a result of competition among multiple sustainable supply chain governance systems, thereby emphasizing the potential efficacy of government regulation within this domain. It has been observed that within the realm of supply chain competition, participants who engage in cooperative practices tend to achieve enhanced advantages and exhibit a greater propensity for producing environmentally sustainable goods. In order to accomplish this objective, a mathematical model has been formulated that incorporates the government as the central authority and encompasses two competing supply chains, one focused on green practices and the other on non-green practices. The government endeavors to achieve societal advantages by implementing subsidies and tax rates that differentiate between green and non-green products. According to Vermeulen and Kok (2012), the findings indicate that increasing the subsidy rate has a notably greater impact compared to increasing the impost rate. This results in enhanced government revenues and the establishment of more sustainable supply chains for consumer goods.

It is imperative for governments to establish comprehensive frameworks that ensure corporations are held responsible for human rights violations, regardless of whether they occur within their own country or abroad. The expansion of their jurisdiction into the realm of international waters necessitates the establishment of legal frameworks. Furthermore, it is imperative that individuals who have fallen victim to human rights violations perpetrated by corporate entities are granted the necessary means to seek redress, encompassing both formal legal avenues and alternative methods outside the confines of the law. Furthermore, it is imperative for governments to promote and incentivize businesses to exercise appropriate diligence in order to detect and mitigate instances of human rights infringements within their supply chains. This objective can be achieved by employing Smart Mixes, a three-step procedure that involves implementing appropriate measures, ensuring their mutual interaction, and enhancing the effectiveness of at least one measure in attaining its objectives. Furthermore, it is imperative that the requisite measures exert a substantial influence on the conduct of supply chain participants beyond the purview of the intervening governmental entity (Home et al., 2021). According to the Supply Chain Transparency Act (Birkey et al., 2018), it is incumbent upon sizable corporations to provide transparency regarding their endeavors in addressing the issues of forced labor, human trafficking, and slavery. Governments have the ability to promote voluntary initiatives that facilitate business interaction and encourage cooperation within supply chains, thereby facilitating the attainment of environmental and social objectives. These voluntary measures can complement and supplement mandated measures. Home et al. (2021) argue that it is imperative to furnish guidelines that facilitate the establishment of a comprehensive structure for attaining environmental and social objectives, while concurrently ensuring that the global supply chain is held responsible for any transgressions against human rights. According to Gereffi and Lee (2016), it is imperative for inspectors to possess the capability to verify the adherence of global supply chains to labor laws and regulations. Additionally, inspectors should adopt a proactive stance towards labor regulation by actively informing workers about their rights and facilitating the
resolution of conflicts between employers and employees. In conclusion, it is imperative for governments to recognize that the purchase of products labeled as "ethically certified" does not provide an absolute assurance against human rights violations within the supply chain. Therefore, governments should implement measures to establish a system of responsibility and transparency throughout the global supply chain in relation to this matter (Birkey et al., 2018).

The global supply chain is standardized by many legal and policy frameworks. Trade governance relies heavily on product origin restrictions. To receive preferential treatment, a product must give value to the participants in an agreement. The Textile and vehicle Origin Rules (TOOR) of the North American Free Trade Agreement (NAFTA) set the minimum North American garment or vehicle output required for preferential tariff benefits. This shows how agreements between the US or EU and emerging countries tend to have stricter requirements than those between developing countries. Cocoa, coffee, fruits, hides, and skins businesses benefit from export taxation in low-income countries. Thus, these sectors have had positive results. This is because a large amount of production and processing occurs in nations other than those that produce commodities. Investor rights rules in commercial agreements also improve global value chain business environments. The company's lead in developed nations is strengthened. US-EU bilateral investment treaties number 40 and 52, respectively. In rare cases, the OMC can ban child labor and endangered species trafficking. Commercial agreements limit tariffs and state import prohibitions owing to regulatory shortcomings in other nations. This includes restrictions based on the exporting country's customs. Free trade agreements with environmental and health safeguards restrict imports if they harm the country importing them. The Organization for Market Cooperation (OMC) was created in the late 1980s to lower trade barriers. OMAC addresses agriculture and manufacturing issues. The WTO-facilitated commercial framework governs a large part of the developing world. WTO members have binding commitments and a judicial system to enforce them. Regional and bilateral free trade agreements (TTPs) have been aggressively pursued to increase business openness (Mayer & Phillips, 2017).

The literature review revolves around three interconnected themes: the role of due diligence in defining multinational corporations' responsibilities, the influence of governmental interventions in regulating global supply chains, and the development of legal and policy frameworks to standardize global supply chains. In relation to due diligence, the literature highlights the potential of integrating this practice into OCDE and IFC codes to alleviate human rights violations in the global supply chain (Mancini et al., 2021). However, the literature recognizes the need for widespread collaboration from market participants to enact such changes, signifying a gap in understanding the ways to ensure this cooperation. Governmental interventions, the second theme, reveal a growing interest in assessing the impact of government regulation in the supply chain. Studies suggest that government regulation, such as subsidies and tax rates, can significantly influence sustainability within supply chains, and promote competition among various governance systems (Vermeulen & Kok, 2012; Cheung et al., 2018). However, the impact of these interventions appears to be limited and inconsistent, suggesting a gap in understanding the factors that influence their effectiveness. The literature suggests a model where the government acts as a leader in a competitive green and non-green supply chains context, and calls for further research to identify the best strategies for governments to motivate sustainable supply chain practices. Finally, the literature underscores the importance of establishing legal and policy frameworks to regulate and standardize global supply chains (Mayer & Phillips 2017; Home et al., 2021, Birkey et al., 2018; Gereffi & Lee, 2016). Instruments like origin rules, bilateral investment treaties, and regulations of the Organization for Market Cooperation (OMC) are cited as mechanisms for standardizing and regulating global supply chains. However, there seems to be a gap in the literature regarding the practical implementation of these frameworks and their effectiveness in different contexts. The implications of this research suggest a need for a multifaceted approach involving both governmental regulation and due diligence from multinational corporations, supported by robust legal and policy frameworks, to foster sustainability and uphold human rights within global supply chains.
3.3. The role of consumers in promoting respect for human rights in the global supply chain

This section examines the significant role that consumers play within the global supply chain, with a particular focus on their capacity to promote sustainable, ethical, and lawful business practices. It is important to acknowledge that consumers are not merely passive participants in the market. Their decisions regarding purchases and their desire for transparency can exert substantial influence on corporations, compelling them to uphold responsible standards. Nevertheless, the effectiveness of this regulation driven by consumers heavily relies on the level of consumer awareness and their active participation. This section will thus examine the diverse methods through which consumers can utilize their influence, advocating for enhanced consumer education and engagement. Concurrently, it emphasizes the imperative for increased engagement from both corporate entities and governmental bodies in addressing human rights and environmental issues within worldwide supply networks.

The active participation of consumers is of utmost importance in facilitating the efficient functioning of the worldwide supply chain. The influence exerted by consumers can prompt businesses to establish and implement adherence to codes of conduct within their supply chains. Customers serve as external influencers for promoting environmentally-friendly purchasing and distribution practices, thereby exerting influence on global supply chain governance through their effects on businesses’ environmental policies and procedures (Walker, 2008). The efficacy of consumer-driven regulation is contingent upon the level of consumer knowledge and involvement in supply chain matters. As consumer awareness and engagement in supply chain regulation increase, there is potential for their contribution in promoting adherence to ethical, legal, and environmental best practices by businesses. Ultimately, consumers possess the potential to exert considerable influence in governing the global supply chain, provided they are equipped with sufficient information to make informed choices.

Consumers possess significant influence over the global supply chain system. The influence referred to in this context is demonstrated by means of consumer pressure, industry peer pressure, labor regulation, and government enforcement (Park-Poaps, 2010). In addition, the implementation of risk management strategies, such as the regulation and inspections conducted by the Food and Drug Administration (FDA), can potentially serve as a viable approach to safeguarding consumers and ensuring the quality of products (Marucheck, 2011). The supply chain and operations management are integral components in safeguarding the well-being of consumers. The primacy of the consumer is imperative as they assume a pivotal role in global supply chains and labor regulation, despite their limited engagement in production (Donaghey, 2014). Furthermore, it is imperative to acknowledge that clients play a pivotal role in the advancement of green supply chain management. Consequently, it becomes crucial to provide them with comprehensive knowledge regarding the various stakeholders involved in this process, as well as their respective objectives (Walker, 2008). According to Lee et al. (2018), our methodology allows for two possible scenarios regarding consumer awareness of the global supply chain: either consumers possess comprehensive knowledge about its operations, or they lack any information about it. Furthermore, there exist notable disparities in local regulation and trust mechanisms when comparing consumer involvement in regional supply chains, as highlighted by Oosterveer (2011). Service providers bear the obligation of ensuring that their customers are well-informed about the achievements and challenges encountered within the worldwide supply chain, as a means to uphold consumer confidence and security. Hence, to ensure the security and confidence of consumers, it is imperative for consumers to possess knowledge regarding the operations within the global supply chain (Mondliwa et al., 2021).

Many Western consumers are often unaware of the occurrence of human rights abuses in the production process of the goods they acquire. Nevertheless, it is evident that their voting patterns persist in endorsing the perpetuation of labor exploitation within the developing regions of the world (Home et al., 2021). Therefore, it is imperative that consumers acknowledge their responsibility within the global supply chain and exert their influence to demand that corporations prioritize human rights and adopt sustainable practices. According to Mondliwa et al. (2021), individuals possess the ability to
support enterprises that place emphasis on sustainable supply chains and the protection of human rights. This objective can be achieved through conducting comprehensive research on the companies from which purchases are made, as well as developing a thorough comprehension of the manufacturing process and the materials employed. Furthermore, the utilization of consumer pressure can serve as a means to advocate for sustainable practices, such as the establishment of fair wages and the enhancement of working conditions. The acknowledgement of the limited influence that consumer countries possess over the supply chain practices of producer countries poses a challenge for the governments of consumer countries in advocating for the implementation of sustainable supply chains. Nevertheless, consumer nations possess a certain degree of agency in shaping the global supply chain to enhance the observance of human rights (Home et al., 2021).

Three common themes are identifiable in the provided literature: the significant role of consumers in the global supply chain, the need for consumer awareness and involvement in supply chain issues, and the impact of consumer pressure on the promotion of ethical and sustainable practices. The literature consistently underlines the considerable influence consumers wield over the global supply chain. By demanding ethical conduct, consumers can drive businesses to enforce compliance with specific codes, thereby indirectly regulating supply chain operations (Walker, 2008; Park-Poaps, 2010; Donaghey, 2014; Lee et al., 2018; Mondliwa et al., 2021). However, a caveat remains: the effectiveness of this consumer-driven regulation hinges significantly on consumers' level of information and engagement with supply chain issues. In other words, consumers can't exert pressure on what they don't understand or are unaware of, a knowledge gap that is often noticeable (Home et al., 2021). The literature also speaks to the capacity for consumer pressure to advocate for better labor conditions and sustainable practices, especially in Western societies, where consumers are often unaware of the potential human rights abuses involved in the production of goods they purchase (Home et al., 2021). It is evident that consumers, armed with sufficient knowledge, can be instrumental in fostering an environment that prioritizes sustainability and human rights within global supply chains. This consumer influence represents a potent tool for facilitating industry-wide changes in line with ethical and environmental considerations, though it necessitates a concerted effort in consumer education and awareness initiatives.

4. Conclusions

The literature sheds light on the detrimental consequences of the worldwide supply chain on both human rights and environmental justice in regions commonly referred to as the Global South. The identification of new supply chain laws has been grounded in the United Nations' Protect, Respect, and Remedy Frameworks and the United Nations' Guiding Principles on Business and Human Rights. However, there remains a need for further enhancement in the integration of environmental and human rights standards. The significance of bolstering control over the global supply chain, as well as the significance of corporate responsibility and due diligence, is emphasized. There is a strong call for governments to establish regulatory frameworks that encompass mandatory provisions aimed at ensuring businesses are held responsible for violations of human rights. The active engagement and informed decision-making of consumers can play a significant role in fostering ethical and sustainable practices within the global supply chain. In conclusion, the study underscores the significance of adopting a multi-stakeholder, community-based strategy in tackling these intricate issues.

Although the literature offers some valuable insights into the problems related to human rights and environmental justice in the global supply chain context, there remain several significant gaps and limitations. Firstly, the practical application of integrating environmental and human rights standards into supply chain laws is insufficiently examined. While corporate responsibility and due diligence are underscored as vital, the precise mechanisms for their effective implementation and enforcement remain largely unexplored. The potential influence of consumers in promoting ethical and sustainable practices is acknowledged, yet the extent of this influence and the strategies for appropriately informing and mobilizing consumers are not well comprehended. In terms of government regulations, despite the
recognition of their necessity, the effectiveness of such measures in addressing the complexities of global supply chains is inadequately documented. Furthermore, the potential role of technology in augmenting transparency and accountability within supply chains warrants more comprehensive exploration. The question of whether mandatory measures can ensure corporate accountability across global supply chains, and the subsequent impacts on various stakeholders, also remains largely unanswered. These gaps indicate the need for more extensive and nuanced research to better understand these issues.

The integration of environmental norms and human rights within supply chain regulations is a subject that necessitates further investigation, as evidenced by the findings of this literature review. Further investigation is warranted to examine the implementation of these criteria within the realm of supply chain regulations. Furthermore, it is imperative to conduct further research on the impact of consumer demand in fostering sustainable and ethical practices, as well as the effectiveness of governmental interventions in overseeing the worldwide supply chain. Additional research is necessary to ascertain the potential utilization of technology in enhancing transparency and accountability within the supply chain. Ultimately, it is imperative to assess the efficacy of mandated measures in promoting corporate accountability throughout the worldwide supply chain, as well as their potential impact on companies and relevant parties.

References


