

Norwegian School of Economics

Bergen, Spring 2022

# **An Exploration of Human Rights and the Capability Approach**

*A case study of Elkjøp's supply chain in China*

**Asbjørn Østreim**

**Supervisor: Knut O. J. Ims**

Master Thesis, MSc in Economics and Business Administration,  
Strategy and Management

**NORWEGIAN SCHOOL OF ECONOMICS**

This thesis was written as a part of the Master of Science in Economics and Business Administration at NHH. Please note that neither the institution nor the examiners are responsible – through the approval of this thesis – for the theories and methods used, or results and conclusions drawn in this work.

## Acknowledgment

I would like to sincerely thank my supervisor Knut O. J. Ims for his help in this thesis. Without all his patience and optimism this thesis might not be finished. I would also like to thank my family for cheering me on and helping in both small and big things.

## Abstract

Both human rights and supply chains have greatly changed with the advent of modern society with the accompanying technology and globalization. This thesis explores how companies' values comply with both conditions in countries where they have their supply chains as well as to theories of ethics, specifically Amartya Sen's Capabilities approach. This thesis uses the Norwegian consumer electronics retailer Elkjøp, and its supply chain in China as a case study. Elkjøp's codes of conduct relating to human rights have been examined through the lens of conditions in China and the Capabilities approach. Results show that there are significant differences. The capabilities approach demands more protection of human rights than what is provided by Elkjøp's codes of conducts. The same codes of conduct place more demands upon the supply chain than historical conditions in China have been. It concludes that there is need for further research in the field of human rights in supply chains and more should be done to satisfy ethical demands placed by the capability approach.

---

# Contents

<b>ACKNOWLEDGMENT</b> .....	<b>2</b>
<b>ABSTRACT</b> .....	<b>3</b>
<b>CONTENTS</b> .....	<b>4</b>
<b>1. INTRODUCTION</b> .....	<b>6</b>
<b>2. THEORY</b> .....	<b>9</b>
2.1 HUMAN RIGHTS HISTORY .....	9
2.2 GENERATIONS OF HUMAN RIGHTS. ....	11
<b>3. THEORETICAL FRAMEWORK</b> .....	<b>12</b>
3.1 ETHICAL THEORY .....	12
3.2 CAPABILITY APPROACH.....	13
<b>4. METHOD</b> .....	<b>15</b>
4.1 RESEARCH DESIGN.....	15
4.2 ITERATIVE PROCESS .....	15
4.3 ETHICS .....	17
<b>5. CASE DESCRIPTIONS</b> .....	<b>18</b>
5.1 ELKJØP.....	18
5.2 CHINA.....	20
<b>6. ANALYSIS</b> .....	<b>22</b>
1. EMPLOYMENT IS FREELY CHOSEN .....	22
2. FREEDOM OF ASSOCIATION AND THE RIGHT TO COLLECTIVE BARGAINING ARE RESPECTED.....	24
3. WORKING CONDITIONS ARE SAFE AND HYGIENIC .....	25

---

4.	<b>CHILD LABOUR SHALL NOT BE USED .....</b>	<b>26</b>
5.	<b>LIVING WAGES ARE PAID. ....</b>	<b>27</b>
6.	<b>WORKING HOURS ARE NOT EXCESSIVE.....</b>	<b>28</b>
7.	<b>NO DISCRIMINATION IS PRACTICED .....</b>	<b>29</b>
8.	<b>REGULAR EMPLOYMENT IS PROVIDED .....</b>	<b>30</b>
9.	<b>NO HARSH OR INHUMANE TREATMENT IS ALLOWED .....</b>	<b>31</b>
7.	<b>RESULTS .....</b>	<b>33</b>
7.1	<b>LIMITATIONS.....</b>	<b>35</b>
7.2	<b>FUTURE RESEARCH .....</b>	<b>35</b>
8.	<b>CONCLUSION .....</b>	<b>37</b>
	<b>REFERENCES .....</b>	<b>38</b>

# 1. Introduction

## Introduction outline

This chapter aims to present the theme of this thesis and show why it is important. It will also delineate the study presented via posing the problem statement. Lastly the structure of the thesis will be presented.

Human rights have become part of the foundation of modern civilization. People can walk freely around working and enjoying life in part because of the rules protecting our human dignity. Most people in Western societies do not live in fear of being kidnapped and sold as slaves, or fearing that their government will torture them or kill them as entertainment.

However, while most people in the Western world are protected by their human rights, there are exceptions. Some people live in fear of human rights abuse and for some people this has turned into reality. Human rights abuses appear distant from people in Western countries.

Unfortunately, it is likely that there are more slaves in the world today than ever before. We cry out in outrage when we hear about accidents like the Rana Plaza incident in Bangladesh where a building housing multiple garment factories collapsed killing over a thousand people. Safety was not a priority and greed, and corruption enabled it. Western companies were shamed and boycotted when brands and logos were found on clothes in the ruins.

However, human rights violations do not only happen in distant countries. In Norway there are multiple incidents of human rights violations such as workers in a convenience store or washing halls practically living and working as slaves. Knowledge about these facts is important in order to improve our future. People cannot take action without knowing the truth. In an enlightened world consumers can boycott brands or influence governments and corporations once they know what is happening (Eraker, Lie & Kumano-Ensby, 2017; ILO, n.d.; Wilden & Mordt, 2018).

While it might be easy to confirm that the local carpenter or fisher does not violate any human rights, the same cannot be said for large corporations. Today's society relies on global supply chains. Companies started rapidly expanding across borders with the advent of new technology. Today cotton might be harvested in China, transformed into sweaters in Myanmar and sold in Norway. Where there was only one company at a certain location earlier, there are many different companies today even for the same kind of product. To adjust to today's new reality, companies have also changed their structures and operations.

---

Large retailers sell products produced by hundreds of different companies. They might buy bulk items from wholesalers which use agents in other countries to buy stock. Those agents might buy from factories that source different components from other countries and agents. The supply chains can be very complex and opaque. This makes it easier to hide human rights violations. It becomes very difficult for regular consumers to know if there are any human rights violations in the supply chain. If the consumers do not know about human rights violations, then they also do not have a reason to boycott products. Responsibilities for ensuring that supply chains are free of human rights violations have therefore been imposed onto companies. Consumers expect companies to enforce adherence to human rights not only at home but also in their supply chains. A lot of companies publicize codes of conducts which include human rights that they require their suppliers to follow. Codes of conducts are not universally defined, and different countries interpret human rights differently. Social audits have been used to ensure that supply chains comply with human rights as well as codes of conduct. Unfortunately, social audits do not have a very good track record. There are several examples of factories and companies getting certified shortly before human rights violations have been uncovered or accidents have occurred. Examples include the Ali Enterprises factory in 2012 in which 300 people died in a fire just three weeks after it received a certificate from an auditing company. The previously mentioned Rana Plaza incident had also passed multiple audits. There are also examples of plantations and companies where workers live under the poverty line or suffer physical and sexual violence when they at the same time are certified by fairtrade, the Rainforest alliance or other eco or social labeling groups. Recently the Norwegian government went even further to protect human rights when they introduced the new Transparency act. Companies are now required to make human rights assessments in their supply chain and regular consumers can now request information about human rights issues and assessments regarding products all through the supply chains. Thus, consumers have more ways to determine if they want to take punitive actions against companies due to human rights issues (Forbrukertilsynet, 2022; Reinecke et al., 2019).

New questions have been posed as companies are required to be more involved with human rights in their supply chain and as consumers now have the opportunity to request more information from companies. This thesis will explore how companies' values complies with both conditions in countries where they have their supply chains as well as to theories of ethics, specifically Amartya Sen's Capabilities approach. Many countries could be selected for this purpose. However, I have decided that two countries and industries should be

considered for use as empirical cases. The first case is Myanmar and its clothing industry, due to increasing imports to Norway and reports of severe human rights violations. The other real case is China and its electronics industry. China is also accused of many severe human rights violations and most electronics products to Norway have parts of their supply chain in China. The latter case, China was finally chosen due to time restraints and data availability. My approach was further narrowed down to only looking at the electronics retailer, Elkjøp, because the company provide access to data online such as their values and Codes of conducts. They also admitted through correspondence that both assessing the supply chain and enforcing their codes of conducts were challenging. The capabilities approach has a holistic focus and is therefore helpful for exploring human rights without limiting the scope of what human rights are or should be. I have actively been using the new Transparency Act to request information directly from Elkjøp. However, I have mainly relied on data found online and in academic articles.



## 2. Theory

### Theory outline

This chapter seeks to provide an understanding of what human rights are and show how human rights have developed and changed into what it is today. This approach is motivated as an interest in the view that human rights theory is Western originated, has a Western bias and in order to become more relevant outside of our Western hemisphere, we need to see the historical dynamics, in order to broaden it.

### 2.1 Human Rights history

Human rights are today understood as rights bestowed upon all humans simply for being human. However, it has not always been that way. Human rights have been in development over many centuries. Some forms of human rights began appearing a few thousand years ago in religious texts. In the early days what few rights existed was often limited by social status or religious belonging (Icelandic human rights center, n.d.).

Human rights lost some of its connection to social status after the Middle Ages. The phrase human rights were first mentioned in 1789. By that time equality was already being adopted by law in the American Declaration of Independence in 1776 (Icelandic human rights center, n.d.).

The Bern convention in 1906 can be regarded as the first multilateral agreement to protect social rights. More agreements were signed when the International Labor Organization (ILO) was founded in 1919 (Icelandic human rights center, n.d.).

After the second World War all signatories to the charter of the United Nations (UN) agreed to protect human rights. The UN adopted the Universal Declaration of Human Rights (UDHR). Human rights have since been further expanded both under UN supervision and from other entities (Icelandic human rights center, n.d.).

There are many different terminologies and definitions regarding human rights. Some of the most central claims about human rights is that being human is qualification enough. Human rights are also inalienable, meaning that it cannot be taken away or transferred to others within legal boundaries. It is also understood to apply equally to all humans. Human rights

also focuses mainly on a state's responsibility towards the individual. It limits the states use of power but also gives the state obligations to follow to protect rights between individuals. (Icelandic human rights center, n.d.).

One popular way to systemize human rights is to divide it into civil, political, economic and cultural rights (Icelandic human rights center, n.d.).

Civil rights entail protection from things like torture or other physical violence, slavery and exile etc. The first 18 articles in the UDHR are considered to be civil rights (Icelandic human rights center, n.d.).

The next three articles in the UDHR are considered to be Political rights. It includes freedom of expression, association and assembly (Icelandic human rights center, n.d.).

Economic and social rights consist of the right to own property, right to work and receiving adequate payment as well as right to education among other things. Articles 22 to 26 are considered to be Economic and social rights (Icelandic human rights center, n.d.).

The following articles 27 and 28 are considered to be cultural rights. It is the rights to participate in culture and community. It also includes protection of both scientific and artistic work produced by the individual (Icelandic human rights center, n.d.).

There has traditionally been a divide between economic, social and cultural rights on one side and civil and political rights on the other (Icelandic human rights center, n.d.).

Civil and political rights were considered as negative obligations in the sense that they only restrict the state. They were also precise and justiciable as opposed to economic, social and cultural rights which are considered positive obligations. They require that the state spends resources to maintain the rights and are not as precise in their formulation and cannot as easily be broadly enforced legally. New classifications have been developed as human rights theories develop, and because much of the literature overlaps. Terms such as elementary, essential, core and fundamental human rights have started to be used to make sure human rights does not lose its significance or becomes watered down (Icelandic human rights center, n.d.).

Collective rights are also part of human rights despite human rights' main focus on the individual. Collective rights are tied to rights for the individual in associating with others and the rights of a collective such as a religious group or an ethnic or cultural minority (Icelandic human rights center, n.d.).

---

## 2.2 Generations of human rights.

Karel Vasak from the International Institute of Human Rights in Strasbourg was the first to use the term generations of human rights in 1977. It was, according to him, coined by UNESCO Director-General Amadou-Mathar M'Bow. It follows the French revolutions: Liberté, Égalité and Fraternité (Jensen, 2017).

The first generation Liberté, refers to civil and political rights. Second generation Égalité or equality includes economic, social and cultural rights. The remaining Fraternité are solidarity rights including collective rights, rights to a clean environment and rights to development and peace. The third generation has not been given proper human rights status yet, with some exceptions like the right to development which was adopted by the United Nations General Assembly (UNGA) in 1986 (Icelandic human rights center, n.d.).

The theory has been criticized for not following the principles of human rights being indivisible, interdependent and interrelated. It has also been criticized for not being properly founded on historical grounds with an emphasis on Western human rights history given the wordings inherent focus on French history. The same theory does however acknowledge that the human rights literature is not static but is constantly developing and changing which can be helpful in understanding human rights in the past, present and future (Jensen, 2017).

Human rights are considered to be an international concern. States have an obligation towards each other regarding human rights violations. States have the right to interfere but not intervene with other states in matters related to human rights violations according to the 1993 Vienna declaration (Icelandic human rights center, n.d.).

### 3. Theoretical framework

#### Theoretical Framework Outline

This chapter seeks to outline the ethical theory used in the thesis. It will provide a short account of common ethical theories and explain in depth how the capabilities approach differs from the common theories.

#### 3.1 Ethical theory

There are a range of different ethical theories and schools of thoughts. Deontology focuses on which actions are morally acceptable. One example is Immanuel Kant's moral theory. He writes that moral laws are self-imposed by rational beings and focuses on what he calls the “Categorical Imperative”. In short it means that everyone should respect each other's humanity and that the moral rules people should follow is without exceptions and applies to everyone. His focus is on a “good will” which he considers as the ultimate good. Intent is therefore more important than actions in his opinion (Jankowiak, n.d.).

This approach is contrasting to theories that focus more on consequences such as the aptly named consequentialism, which emphasizes the overall consequences generated. Each action may produce positive, negative or a mix of consequences. Consequentialism does not explicitly state what to measure. It could be a range of different things such as happiness, security, freedom or utility. The common thread is that the overall consequences matter (Haines, n.d.).

John Stuart Mill is a famous philosopher that redeveloped “Utilitarianism”. His theory can be placed within consequentialism that focuses on how actions affect happiness. Mill focuses on increasing pleasure and decreasing pain. He presented the idea that it was important not just to maximize the quantity of happiness, but also the quality (Schefczyk, n.d.).

As always there are conflicting views, and one such is John Rawls. He opposed utilitarianism and argued that social principles and institutions' fairness should be decided by using what he calls “the Original Position”. He theorized that fairness would be achieved by making decisions about what is right without knowing your place in the social order. He also focused on “Primary Goods”, that are goods that everyone would always want more of for themselves. Primary goods include aspects like rights, opportunities, wealth and more (Richardson, n.d.).

---

## 3.2 Capability Approach

Amartya Sen is an Indian economist and philosopher as well as a Nobel prize laureate within Economics. Sen developed his capability approach in the 1980's. Sen originally presented his capability approach as an alternative to utilitarian equality, total utility equality and Rawlsian equality. While Sen originally focused on equality in *Equality of What?* (1979), he also argued that capabilities can be used in many other aspects of morality and justice. Sen's goal was to evaluate well-being more holistically than many other contemporary measures that only looked at aggregated figures such as GDP per capita, primary goods, liberty etc. While Sen does not disregard the other theories, he finds them lacking. He tried to look at what the individual can do with what they have available. He also knew that people can often report subjective feelings of contentment even when a neutral outsider would deem the situation as terrible. He also looks at what people realistically can do should they desire to. Someone sitting inside all day long because they themselves decide to do so have more freedom than someone sitting inside all day in a prison even if the effects in their life would be largely similar. Sen also acknowledges that freedom, justice and development is inevitably affected by each individual and his or her environment. He has therefore not submitted any empirical measurements or categories to be used with his theory but would rather adjust to each situation independently (Wells, n.d.; Sen, 1979).

Central to Sen's theory is "Functionings" and "Capability". Functionings is what people are doing or being. It includes states such as being healthy or working out while being separated from the means of achieving it such as access to doctors or training facilities. Sen does not focus on any specific functionings as more important to his theory than others (Wells, n.d.). Capability is the valuable functionings that each individual has access to in practice. The set of capabilities an individual has indicates his or her freedom regardless of what the individual actually decides to utilize. Achieved functionings is the set of functionings within the set of capabilities that an individual actually utilizes (Wells, n.d.).

It is important to link the capabilities people have to some form of values to measure well-being. That brings up how to value the different functionings within the capabilities of the group being analyzed. Sen does not provide an index or lists of values as mentioned earlier as he considers functionings to be valued differently by each individual. He suggests involving the group into the decision of how to value functionings by democratic means. He suggests asking people how much they value one functioning compared to another. While

the functionings and capabilities to compare will have to be adopted to each situation. This has been a criticism of the capability approach Sen uses, as it limits its usefulness in comparing between groups and makes the analysis more resource demanding. Sen does however admit to the usefulness of a set of basic capabilities identified to analyze situations of scandalous deprivation. This has led to a large discussion regarding which capabilities or methodology should be used in different situations (Wells, n.d.; Robeyns, 2005; Sen, 1979). The last step of the capability theory is to evaluate the well-being utilizing the values arrived at in the previous step. An overview of the capabilities has to be made to do this. Once again it is not as simple as using the sum of functionings available as the capabilities itself will vary in importance. Sometimes functionings might even be negative, such as being a slave or suffering an illness. Removing these functionings would be an improvement. The capability theory is very versatile as it can uncover a lot of problems or successes in the well-being of a group. The flipside is that such a full analysis of large groups would be very resource intensive. It would therefore be smart to limit the analysis (Wells, n.d.).

The findings of such an analysis can be used to give political direction towards issues and also to point to injustice suffered and how to solve fundamental problems that cannot simply be compensated for with money or unrelated forms of compensations (Wells, n.d.).

## 4. Method

### Method Outline

The methodology used in the thesis will be explained here. Due to the iterative nature of the thesis a significant part will be dedicated to the process behind the thesis.

### 4.1 Research design

I will use case design to explore how companies are challenged by human rights in their supply chain abroad. My research will be exploratory in nature, and I will focus on one real-life case to help structure and limit the research. I will mainly use data found online on the web as the basis for the thesis. I will also, as a secondary source of data, use data I got utilizing information requests in accordance with the new Transparency Act in the hope of getting new inconvenient data even from unwilling companies.

### 4.2 Iterative process

I have used an iterative process to develop the thesis. At the beginning I was informed by an expert in the field of ethics and human rights. The expert gave me insights into what is relevant in today's business environment. I started to look into human rights issues in Myanmar and China and Norwegian imports from these countries. In addition I began to understand how social audits have been misused.

The social audits industry has been accused of not implementing proper changes or controlling human rights conditions well enough. There are multiple cases of factories, farms or companies getting high ratings from social audits firms shortly before fatal accidents happen or severe human rights abuses being uncovered. It could therefore provide an interesting perspective on human rights tensions between importers, social auditing companies and exporters.

Norway saw a sharp increase in imports from Myanmar after a shift in governance issues in Myanmar when human rights issues were assumed to improve. Imports maintained the same expansionary trajectory even after these issues returned. A lot of clothes are produced in Myanmar and Norwegian clothing stores and importers would therefore be a possible case candidate for this thesis.

Lastly, I looked at China which has a long track record on human rights violations. They also have a very large electrical consumer goods industry. They produce electronics for most of the world including Norway. Any major electronics importer in Norway would be candidates for the case study as they would all carry goods “made in China”.

I had to narrow down the thesis due to limitations on resources and time constraints and chose to focus on China because of access to data. For some years I have had a special interest in both the electronics industry and in the huge communist country, China. As I have been a tourist in China, I considered my knowledge and experiences might give me a minor advantage to understand the situation.

Focusing on Myanmar would be interesting but especially language barriers made collection of the wanted data difficult. The apparel industry in Myanmar is also much more localized as opposed to the electronics industry that is spread over multiple locations. While in the electronics industry most retail stores will sell all the popular brands, the apparel industry will often sell only a small selection of brands. It would therefore be more difficult to generalize and connect conditions between importers and exporters.

Social audits could be interesting for future research but would have required more time and resources to study than what was available for this thesis. A lot of information has only been uncovered after accidents have happened and both importers, exporters and the social auditing companies have an interest in assuring that bad information does not spread. I discovered that while it was interesting, it was not viable for me to research this theme now. I started to research the major electronics retailers in Norway; Elkjøp, Power and Komplet but chose to use Elkjøp as my case. This was mainly due to the availability of information both online and following an information request made to them.

The analysis follows the ETI base code as that is the prominent part of Elkjøp’s supplier policy regarding human rights. A comparison will be made between the ETI base codes and conditions in China and Sen’s Capability approach. The results will be analyzed, and future research presented.



## 4.3 Ethics

I do not see any major ethical concerns associated with working on this thesis. No personal and protected information is collected. There are certainly ethical concerns in the discovery of new human rights violations, but that is considered to be unlikely based on the kind of data being used. It is also worth mentioning that researching human rights violations might lead to exposure of disturbing data and multimedia that could have negative effects on the researchers. This risk has been mitigated by having a well-functioning support network around the author.

## 5. Case descriptions

### Case Descriptions Outline

This chapter aims to present the case, namely Elkjøp and China. The focus will be on how the cases relate to human rights.

### 5.1 Elkjøp

Elkjøp was founded in Norway in 1962 and has since then become a multinational retail company focusing on consumer electronics. Elkjøp operates in Norway, Sweden, Finland, Iceland, Denmark, Iceland and the Faroe Islands using a range of different names. Elkjøp Nordic AS is now owned by Curry PLC which owns similar companies in the UK and Ireland as well as in Greece. This thesis will mainly focus on Elkjøp Norway to make the thesis feasible within the given time constraints (Currys plc, 2022a; Elkjøp, 2022a; Elkjøp Nordic, 2022a).

Elkjøp sells a wide range of products. They sell consumer electronics, computers, phones, domestic appliances, white goods and kitchens as well as service associated with these products. They sell both directly to consumers as well as to other businesses. Elkjøp mainly import and sell products produced by other companies but they also have their own brand they produce as well as a few they produce together with other companies (Elkjøp, 2022b). Elkjøp has three values they focus on, Engagement, Responsibility and Efficiency. By focusing on “Responsibility” they aim to get the customers, communities and coworkers' trust. They explicitly state that a part of getting that trust is by doing business in line with their own policies and ethical standards. They say they have a responsibility to contribute towards society at large and their employees. At the same time they want to reduce their environmental impact by using and providing technology (Elkjøp Nordic, 2022b). Elkjøp Nordic AS also go further in their codes of conducts for their suppliers and partners as well as their supply chains. They are a member of the Ethical Trading Initiative (ETI) and asks their suppliers and partners to follow the ETI Base code as stated in their Responsible Sourcing Policy. The code is the main part of the sourcing policy that relates to human rights. It consists of the following 9 codes (Elkjøp Nordic, 2022c).

1. Employment is freely chosen
2. Freedom of association and the right to collective bargaining are respected
3. Working conditions are safe and hygienic
4. Child labour shall not be used
5. Living wages are paid.
6. Working hours are not excessive
7. No discrimination is practised
8. Regular employment is provided
9. No harsh or inhumane treatment is allowed (Elkjøp Nordic, 2022c).

The same policy also asks relevant entities to follow international human rights no matter where they are located as well as conducting their own due diligence and make their own human rights policies as appropriate for their own business. Elkjøp also asks for employee privacy to be safeguarded and all relevant laws to be respected. Another thing they emphasize is to make sure to follow all safety standards and tests to ensure the safety of their products. It is also worth mentioning that they ask their sourcing partners to try to reduce emissions and waste as much as they can. Lastly, they encourage engaging in local projects to improve the local area both socially and environmentally (Elkjøp Nordic, 2022c).

Curry PLC as a whole and thereby Elkjøp included, uses Ecovadis a sustainability auditor to assess their supplier's sustainability. Elkjøp operates with Certifications based on a scorecard they receive from Ecovadis. The possible certifications are platinum with the suppliers in the top one percentage with a score between 75-100. Followed by gold consisting of the top five percent scoring between 67-74. Silver follows with the top 25% with a score between 56-66. Lastly is bronze with the top 50% and a score of between 47-55. The evaluation considers environment, human rights, ethics and procurements. The whole process is easy and simple according to Ecovadis. The whole process consists of those being evaluated filling out a digital questionnaire every year (Currys plc, 2022b; Ecovadis, n.d.; Elkjøp, 2022c).

## 5.2 China

China faces multiple accusations of human rights violations. Freedom House gives mainland China excluding Hong Kong and Tibet a score of 9 out of 100 in the global freedom score (Freedom House, 2022). There is a wide range of accusations against China. China faces accusations from special interest groups like Amnesty and Human Rights Watch and even from governments and the UN. The UN has raised concerns about industrial pollution and food contamination and pointed out that hundreds of thousands of children now have permanent mental and physical disabilities because of lead poisoning. The UN has also expressed their concerns regarding a lack of proper definition of torture in the Chinese legislation and allegations of death resulting from torture and lack of treatment during detention. The Committee Against Torture has asked for use of indefinite periods of time in solitary confinement to be prohibited for people with psychosocial or intellectual disabilities, pregnant women or those breastfeeding or with infants as well as for juveniles (UNGA, 2018).

China has apparently criminalized communication with foreign entities such as UN human rights mechanisms. China has been asked to approve of human rights to be monitored and letting journalists and human rights organizations utilize freedom of expression without repercussions (UNGA, 2018).

There are reports that both private and public clinics offer “therapy” to convert sexual orientation using electric shocks and involuntary confinement (UNGA, 2018).

It is estimated that 55 to 60 million children are left behind in rural areas while their parents work in other parts of the country. There are also concerns about malnutrition in children particularly in rural areas and in the Tibet Autonomous Region. 200 million migrant workers are often treated as lower caste in cities, with less access to education, health care and social security. Children in rural and poor areas, from ethnic minorities or with migrant parents often lack quality education. Especially women and girls with disabilities are more likely to lack access to education the same applies for girls and women from ethnic or religious minorities. The UN also reported an increase in self-immolation by Tibetan children. China lacks comprehensive anti-trafficking legislation. It is estimated that thousands of children are trafficked and sold every year as well as high rates of abuse of children including sexual abuse in all Chinese jurisdictions. It is also not explicitly prohibited to use physical violence on children as punishment from both family and public institutions. Furthermore, children are widely used in hazardous work such as mining, manufacturing and the brick industry.

The UN has also asked China to implement laws that make it illegal to recruit children under the age of 18 into the army. There are also reports of children being arrested, detained and tortured because they sought to exercise their religion. Especially Tibetans, Uighurs and Mongolians are documented to be arbitrary put in detention and being tortured sometimes even dying while in custody. This has also happened to other ethnic and religious minorities. There are cases of nomadic people being resettled without consent and restrictions placed on ethnic minorities and their participation in their own culture and language (UNGA, 2018).

Workers in China do not enjoy freedom of association in the same way as is usual in the West. The only acceptable union is the All China Federation of Trade Unions (ACFTU) with all independent unions being illegal. There are also no legal rights for workers to strike. The ACFTU is closely connected to the ruling Communist Party of China (CPC) also more commonly known as the Chinese Communist Party (CCP). The current chairman of the ACFTU Wang Dongming is also the vice-chairman of the Standing Committee of the National People's Congress. The ACFTU has to approve of all union activity but has been accused of not prioritizing workers and is not legally required to represent the workers best interests in disputes. Leaders in the ACFTU are often appointed from company management members and with approval of the employers. ACFTU leaders in cooperation with local CCP authorities control the selection of candidates in those instances where there is election of union officers. There are cases where organizers of unsanctioned union activities such as strikes have been arrested without charges or on charges such as picking quarrels and provoking trouble (U.S. Mission China, 2019; Xinhua, 2018).

A large problem facing many workers, especially those working in construction or in the informal sector is that employers do not pay workers on time or not at all. Excessive working time is a large problem. While there are laws dictating maximum working hours and overtime, they are often not enforced (U.S. Mission China, 2019).

Discrimination is a problem not only in everyday life but also in the workforce. It is normal for job offers to ask explicitly for specific age, gender, birthplace or physical appearance such as beautiful women under the age of 30. It is also a recurring problem where women are required to have better qualifications than men for the same jobs and they are less likely to be interviewed. There are also examples of women being asked about how many children they have and want to have, and they risk being fired because of pregnancy (U.S. Mission China, 2019).

## 6. Analysis

### Analysis Outline

This chapter will compare the ETI base code with the conditions in China. Each of the sections of the code will be presented and compared with historical examples for conditions in China and seen through the lens of the capabilities approach.

The focus of this analysis will be on comparison between Elkjøp's ethics as presented by the ETI base code in their Responsible Sourcing Policy and conditions in China in light of the capabilities approach as outlined previously. The thesis will not try to uncover new human rights violations in Elkjøp's value chains, nor will it try to link Elkjøp directly to previously uncovered violations in new ways due to the limited scope of this thesis. Most of the analysis will take place on the basis of historical incidents and applicable risks. While historic events are not doomed to repeat themselves, it is pointing to a concrete risk and have the potential of happening again. Such an analysis might therefore be relevant to any future preventive work. While the capabilities approach looks holistically at the whole life of each individual, this thesis in its limited scope will only look at a small part of the picture.

### 1. Employment is freely chosen

#### ETI Base Code

The first requirement of the ETI Base codes is that Employment is freely chosen. That covers one of the most famous human rights issues, slavery otherwise known as forced labor. It does not matter what it is called. It does not allow bonded, forced or involuntary prison labor. Everyone should be free to leave the employment as they themselves desire. While some bureaucracy is often expected, no deposits should be required to work, nor should identity papers be taken by the employers. Slavery has been a part of human civilization for a long enough time that we have decided collectively through human rights that it is wrong and should not be used. It has however been used in a multitude of different ways without being explicitly defined as slavery, at least by those employing such tactics. Using prison labor can incentivize the government to imprison more people than necessary. It also gives the prisoners an extra punishment in addition to imprisonment. If prison labor is forced, then it is difficult to ensure other rights as well since the option to quit is non-existing. Another way to

---

trap someone in work that for all intent and purposes could be called slavery is to increase risks associated with not working. If the employee has to invest a significant amount of money to get a job, such as is mentioned in the ETI base codes then they would not want to quit for fear of losing their invested money or deposit. The same effect applies to situations when the employer demands to keep identity papers that are needed to change jobs, receive healthcare or otherwise will hinder the wellbeing of the employee (ETI, n.d.).

### Conditions in China

The Xinjiang region is demographically 60% ethnic minorities and authorities there have faced widespread criticism of human rights abuses towards the minorities there as a part of their fight against “extremism”. Extremism has been very widely defined and has mainly been applied to minority Muslims resulting in the detention of between 800 000 to potentially over two million people in various camps. Indications of extremism have included things like wearing veils, stop smoking or drinking or growing beards, which could be considered ordinary religious adherence in other countries. There have been allegations detainees being used in forced labor especially in the Xinjiang farming industries leading to a US ban on import from Xinjiang and products using cotton or tomatoes originating from Xinjiang. Large Western companies like Apple has also faced allegations of using forced labor from Xinjiang in the production of components for iPhones (Human Rights Watch, 2022a; Kawakami, 2021; U.S. Mission China, 2019).

### Capabilities approach

The functionings associated with forced labor revolves around freedom of choice and is closely associated with negative freedoms. Everyone is constrained in some ways in what they can choose to work with. Some of these constraints are bound to geography, knowledge or even physiology. Some examples of this could be making ice sculptures in a hot desert or teaching a language you do not know. It is therefore unrealistic to expect everyone to be able to choose freely without constraints. This right being associated with negative freedom aims at increasing capabilities in the individual as well as removing some negative functionings, such as being a slave. Each individual should be given the right to decide what they want for their own life as much as possible. Work constitutes a significant part of most grown adults' time. An important part of Sen's ideas is that each individual has their own situations and as such would not benefit nor contribute in the same ways. Someone with reduced physical

abilities might not contribute much in a physically demanding workplace but might do very well in an office job. It is very difficult as an outsider to determine how a person can best contribute both to society at large and to their own family, economy and wellbeing. It is therefore important to increase the number of choices available as much as possible to increase each individual's capabilities. This goes even further than making sure that there is no forced labor but also in making sure that the laborers have realistic options to choose from, even if they choose not to use them.

## **2. Freedom of association and the right to collective bargaining are respected**

### ETI Base Code

This code focuses on bridging the power gap between employer and employee by encouraging trade unions or equivalent representation as well as associated activities. Representation should be available to everyone, and no discrimination should happen towards those that represent the workers. The representatives should advocate for the employees and voice any grievances. Since union representatives often work against their own employers, they are vulnerable to negative actions such as intimidation or coercion in an attempt to minimize union activities. The ETI and by extension Elkjøp therefore want their suppliers to instead encourage union activities. It is also worth mentioning that the ETI base codes are inspired by the ILO's work and encouraging unions is a natural consequence (ETI, n.d.).

### Conditions in China

Workers in China do not enjoy freedom of association in the same way as is usual in the West. The only acceptable union is the All China Federation of Trade Unions (ACFTU) with all independent unions being illegal. There are also no legal rights for workers to strike. The ACFTU is closely connected to the ruling Communist Party of China (CPC) also more commonly known as the Chinese Communist Party (CCP). The current chairman of the ACFTU Wang Dongming is also the vice-chairman of the Standing Committee of the National People's Congress. The ACFTU has to approve of all union activity but has been accused of not prioritizing workers and is not legally required to represent the workers best interests in disputes. Leaders in the ACFTU are often appointed from company management



members and with approval of the employers. ACFTU leaders in cooperation with local CCP authorities control the selection of candidates in those instances where there is election of union officers. There are cases where organizers of unsanctioned union activities such as strikes have been arrested without charges or on dubious charges such as picking quarrels and provoking trouble (U.S. Mission China, 2019; Xinhua, 2018).

#### Capabilities approach

Rules and regulations regarding rights to organize are obviously especially important for union representatives. They risk serious negative functionings as a result of their activity if they are not properly protected. While unions themselves do not contribute significantly to workers capabilities in itself, their work carries much significance. Unions themselves will ideally function as a safeguard for the employees to ensure safe and fulfilling work conditions. They should stop risk-filled activities that might result in negative functionings such as injuries and ensure proper pay for the workers. While money in itself does not provide any functionings, they do open up more possible functionings and therefore capabilities.

### **3. Working conditions are safe and hygienic**

#### ETI Base Code

This code is all about creating a hazard free work environment, by delegating responsibility for health and safety and clear expectations for a safe and hygienic workplace. It is important for workers safety to ensure they receive both proper safety equipment and also proper training to execute their tasks with as little risk as reasonably possible. There should be potable water and clean toilets available to the workers (ETI, n.d.).

#### Conditions in China

There are a large number of workplace accidents happening in many different industries within China. Unfortunately, the government has not been transparent with regards to the number of accidents with the official number of accidents being a lot lower than others report (CLB, 2020a). Another safety issue is air pollution, which is a large problem in many Chinese cities. Many cities have many times the maximum amount of small particles (PM<sub>2,5</sub>) than the World Health Organization (WHO) recommends (IQAir, 2022). A lot is

thought to come from China's large reliance on coal in their power production but another problem is sandstorms from increasingly larger deserts due to desertification. While China has introduced new measures to improve air pollution and is seeing concrete improvements. 81% of all Chinese people still live with PM<sub>2,5</sub> higher than recommended by the WHO. More than 1,2 million people are estimated to have died due to air pollution in 2017 (Igini, 2022; Yin, et al., 2020).

Another issue that is ever present in China is clean water. The national government has introduced water standards and classifications similar to those in Europe and the US but there have been problems implementing them at the local level. As a result, around 70% of lakes and rivers are unsafe for use by humans. It is estimated that more than 100 000 people die every year as a result (Buntaine, et al., 2021).

#### Capabilities approach

Clean water and good air quality can often be overlooked in Norway where both are plentiful. It can therefore easily be forgotten when working with partners abroad. That however does not change the fact that it is foundational for anyone's wellbeing. These challenges can introduce negative functionings such as sickness to people. While climate gas emissions are important for the globe as a whole and are clearly contributing to air pollution in China, it is also important to mitigate risks from other pollutants such as liquid waste products and particles released in the local environment. It is important for all stakeholders to thrive both those working at a production facility and those living close by. While the ETI base code looks at conditions at work, it is important not to forget conditions outside of work as well. Someone must be responsible if a factory expels contaminated waste materials into drinking water or damages the local environment and population in other ways. The total capabilities of a community must not be forgotten.

## **4. Child labour shall not be used**

#### ETI Base Code

It is important for children to get an education. The guideline dictates that any children should be able to complete a quality education and if children are found in the supply chain, then they should be transitioned out of it. It also makes it clear that no new children should be recruited and that no one under the age of 18 should perform hazardous work or work at night (ETI, n.d.).

### Conditions in China

There are multiple accusations of child labor in China. One example that illustrates this is when a school sent more than 100 students in Guangdong Jiangmen municipality to work manufacturing air conditions. They worked 12 hour shifts with no breaks, without being paid and no holidays or sick leave. Other large electronics companies such as Samsung has also been accused of using child labor in their manufacturing within China (U.S. Mission China, 2019).

### Capabilities approach

It is important to make sure children develop and are prepared for society while they are young. While not all work for children is detrimental or ethically wrong. Some examples are homework or chores in the home. It is nonetheless important to let children be children while they can without using all their time and energy on work. That is something we as society at large has agreed upon and has been included as human rights. It is important for children to have functionings such as studying and being well-fed, so that they may develop into proper adults. A lot of future capabilities are determined by how children develop into adults making that time of life really important.

## **5. Living wages are paid.**

### ETI Base Code

While wages across borders vary a lot, they should be enough to provide for basic necessities of life. Wages should follow minimum standards as set by industry benchmarks or national legislation. All workers should also be given written information regarding wages for the work they will provide before being hired. No money should be deducted to discipline workers unless national laws allow it and even then, it has to be recorded and with permission from the workers being disciplined. Employers are not allowed to arbitrarily dictate wages as they feel like (ETI, n.d.).

### Conditions in China

A large problem facing many workers, especially those working in construction or in the informal sector is that employers do not pay workers on time or not at all (U.S. Mission China, 2019).

#### Capabilities approach

Money is important for many of the functionings that make up everyday life. Sen makes a point off not solely determining someone's capabilities based on monetary gains. Some people have different conversion factors and will therefore require differing amounts of money to achieve the same money dependent functionings. It is therefore important to not only look at national or industry standards for wages but to also look at local and individual conditions affecting how much capabilities are affected by the wages received.

## **6. Working hours are not excessive**

#### ETI Base Code

The ETI base code has clear guidelines on how much a worker can work in different situations. Each work week including overtime should normally not exceed 48 hours. Each worker should also get at least one day off every week and two days of every other week. We as humans need breaks and the ETI base codes recommend reducing work weeks to 40 hours without reducing wages where applicable (ETI, n.d.).

#### Conditions in China

Excessive working time is a large problem. While there are laws dictating maximum working hours and overtime, they are often not enforced. One concrete example is the previously mentioned students working 12 hours shifts with no breaks, no holidays or sick leave (U.S. Mission China, 2019).

#### Capabilities approach

A lot of the functionings that people strive for requires time to enjoy. It is therefore important for workers to have enough time to enjoy life and to rest between work. Their total capabilities will be reduced if they have to work all the time without being able to rest and do other things in between. How much time people have for work might also vary from individual to individual. Some might have more commitments to family either to spend more

---

time with them or earning more money for them. Others might want to spend their time participating in political, religious, cultural or social activities.

## **7. No discrimination is practiced**

### ETI Base Code

There is no valid reason to discriminate against anyone in Elkjøp's supply chain. The ETI base code covers a rather comprehensive list of traits that decisions are not allowed to be made on. There should be no discrimination in any aspects of the work or employment conditions. Elkjøp wants to support diversity in its organization. Diversity is regarded as something good in and of itself. They also want to encourage diversity in all levels of the organization. While Elkjøp does not specifically define what diversity includes or excludes, they do mention wanting diversity in gender, ethnicity, sexual orientation, age and backgrounds. Elkjøp wants their workforce in all levels of the organization to be a reflection of society (Elkjøp Nordic, 2021; Elkjøp, 2022d ETI, n.d.).

### Conditions in China

Discrimination is a problem in everyday life and also in the workforce. It is normal for job offers to ask explicitly for specific age, gender, birthplace or physical appearance such as beautiful women under the age of 30. It is also a recurring problem where women are required to have better qualifications than men for the same jobs and they are less likely to be interviewed. There are also examples of women being asked about how many children they have or want to have, and they risk being fired because of pregnancy. There is, as in many other countries, a pay gap between men and women and even the retirement age differs. Women with disabilities or from ethnic or religious minorities also face limitations in the availability of education for them which would naturally lead to further limitations in their careers as compared to the majority. Women from religious or ethnic minorities such as Tibetans and Uighurs also have limited accessibility to healthcare and employment. Not to mention the restrictions placed on cultural expressions such as the use of local languages, teaching their local history and practicing their religions. LGBTIQ+ people are also not receiving the same rights and recognition in China as in Norway. The Chinese government even announced publicly that LGBTIQ+ people were vulgar and abnormal. While same sex

activity is no longer prohibited by law same-sex marriage is not legal. Effeminate men are banned from the entertainment sector further showing how discrimination is a common problem and the local population does not have the capabilities to fully live out their sexuality as they desire, contrary to what Elkjøp want to support (Human Rights Watch, 2022a; UNGA, 2018; U.S. Mission China, 2019).

#### Capabilities approach

Discrimination will further compound the negative effects on people's capabilities. People being discriminated against faces increased conversion costs to achieve the same levels of capability. Those that face discrimination at work are also more likely to face discrimination in other parts of society. It is important to limit discrimination to make sure that everyone can maximize their own positive functionings and increase their capabilities. It is important to stop any negative trends before they spiral out of control. As work is such a big part of people's social life it is a good starting point for positive change.

## **8. Regular employment is provided**

#### ETI Base Code

Employment should as much as possible be on a permanent basis, with all the obligations that follow. Unpredictability regarding work and income as well as social security tied to employment and other welfare systems should be provided to workers as demanded by national law and contracts. Suppliers are not allowed to avoid their responsibilities towards their employees by only using temporary contracts or other forms of contracting (ETI, n.d.).

#### Conditions in China

There were a lot of informal workers in China and as a result a law was introduced in 2008 that imposed requirements for contracts when hiring. This led to an increase in agency workers to circumvent the new regulations and limit employer obligations. There have been other regulations afterwards that tried to close the loophole, but other schemes have been used instead. Some have been reclassified as outside contractors and there have been many cases of students being used as cheap labor in internships unrelated to their studies. Even some large international companies have been accused of using internships to avoid using properly employed workers (CLB, 2020b).

### Capabilities approach

Regular employment has a lot of potential benefits. People will often experience a sense of pride in working and providing for their families and contributing to society at large. Having a reliable job also allows people to plan for the future more easily. Contracts will also often protect the employees from unreasonable working conditions such as previously mentioned. On the flipside, having an unreliable job where working hours, wages and schedules are not predictable can lead to suboptimal short-term solutions when planning for the future and result in negative functionings such as anxiety. Looking at employment more holistically makes it clear that contracts and proper employment increases the wellbeing of workers and their families. By providing reliability and predictability, workers can plan their long-term economy and schedule childcare and participate more in social activities or hobbies, leading to an increase in capabilities.

## **9. No harsh or inhumane treatment is allowed**

### ETI Base Code

Everyone should be treated in a civilized manner without resorting to physical, verbal, sexual or any other forms of abuse. It is important that people are not intimidated at their workplace. Threats should not be used, and discipline should be achieved without resorting to any of these means (ETI, n.d.).

### Conditions in China

There are unfortunately many reports of abuse in multiple industries in China. Most alarmingly, might be statistics that says 40% of women experience sexual abuse at work but the majority does not report incidents to what they consider a failing justice system in regard to sexual abuse. There are also other specific cases where workers producing toys for internationally recognized brands, suffered verbal abuse. A study among healthcare workers also showed that 4,6% of the workers had experienced physical abuse the last year and 17,4% had been threatened with violence within the last year. In both cases the majority of the victims were women (CLW, 2017; U.S. Department of State, n.d.; Yang, et al., 2019).

### Capabilities approach

Those suffering under harsh and inhumane treatment are subject to negative functionings. It could be by being in pain from physical abuse. It could also be anxiety or shame when suffering under verbal, or sexual abuse. While the total capabilities increase the net wellbeing most definitely decreases as a result. It is therefore important for companies and those with power to affect the company culture not to tolerate any abuses. It is also important to prevent abuse from happening outside of work as well. Coworkers could behave well at work but abuse others outside, especially if they are people with authority or other forms of power over the employees.



---

## 7. Results

### Results Outline

This chapter will discuss the results of the analysis. It will also present limitations to the study and future research.

As shown in the analysis there are quite some distance between the ETI base code, conditions in China and the ethics of the capability approach. Some of the differences observed are expected because of inherent differences simply in what is looked at. Other differences seem to indicate broader systematic and structural differences. Even the first requirement in the ETI base code shows how there is a difference between what Elkjøp expects and conditions in China. Elkjøp condemns slavery and the Chinese governments are accused of widespread internment and even use of slavery. The capabilities approach considers restricted freedom such as slavery to be a negative functioning that severely limits the capabilities available.

As for the freedom of association and collective bargaining that Elkjøp wants to promote, it is also lacking in China. There are no other legal options than the ACFTU which is not operating in the same way as Western labor unions. It is therefore not unreasonable to assume it is not living up to what Elkjøp wants for worker representation. The capabilities approach does not attribute much significance to unions in and of itself but recognizes that unions will have positive consequences in championing workers' rights.

While safety is regarded as the most important in Norwegian industry and is rigorously reported on, the same cannot be said about China. There are a large number of accidents, and they are not being communicated openly from the government. Another important issue is environmental factors such as air and water quality that differ a lot between Norway and China. It is obvious even from a utilitarian perspective that clean air and water is important to maintain maximum utility regardless of how it is measured. The same pertains to the capabilities approach that focuses on the negative functionings resulting from bad hygienic conditions, such as sickness or even death.

Another issue that is considered as extremely important is to not use child labor. While child labor can be defined differently in different cultures and legal systems, it is something Elkjøp clearly do not want in their supply chains. It is therefore very unfortunate that large companies especially in the electronics industry has been accused of using child labor. It is

vital for children to get whatever they need in order to develop into mature adults with the increase in long term capabilities that comes from that.

While there are some jobs that people might be willing to do without expecting any monetary rewards, those are normally not associated with production. As such Elkjøp demands that living wages are paid to all the workers in their supply chain. It is therefore contrary to conditions in China where there are many cases in which workers are not paid enough or even paid at all. Money will often supply more potential functionings and are therefore important for increasing the workers capabilities.

Another important part of any job is the length of the working hours. Elkjøp do not want their suppliers to use excessive working hours. The good news is that working hours are regulated by laws in China, but they are unfortunately not properly enforced. There are many cases of excessive working hours that lead to reduced capabilities by not giving enough time to the workers for other functionings.

There is widespread discrimination in China as opposed to what Elkjøp requires from their suppliers. It seems like there is a long way to go before especially women, those from ethnic or religious minorities or LGBTIQ+ communities will have the same capabilities as the majority of Chinese men. While sexual activity between people of the same gender is not illegal thereby giving them some functionings, the lack of legal partnership reduces their capabilities. Everyone that suffers from discrimination experiences negative effects on their capabilities. It could even imply negative functionings like anxiety or their capabilities might even suffer if they are denied a good job, limiting their money dependent functionings.

Elkjøp want to promote regular employment and seem to align with the Chinese government in that regard. It is unfortunate that there is still a lot of informal workers despite regulations introduced to encourage regular employment. As for how the capability approach can shed light on regular employment, it is considered a positive benefit. Such benefits can be steady income and social securities tied to employment.

Elkjøp demands that there should not be any abuse allowed in their supply chain. It is regrettably a lot of abuse in Chinese society with as much as 40% of women having experienced sexual abuse at work. Abuse will often lead to negative functionings such as shame, fear or might even lead to people suffering long term mental illnesses.

It is evident that there are differences between what Elkjøp wants and conditions in China as well as what the capability approach indicates is good ethics. Conditions in China are

consistently worse than what Elkjøp requires of their supply chain. It is however important to remember that even if there are widespread human rights issues, that does not mean that it is happening within Elkjøp's suppliers in China. As a matter of fact, Elkjøp's use of Chinese suppliers might help improve human rights. The flipside is of course that using Chinese suppliers might also enable those responsible for human rights abuses. Elkjøp would need to further improve their codes of conducts if they wanted to perfectly follow the capability approach in regard to ethics. As it is now the current code of conduct with the ETI Base code is a minimum requirement. It is also important to mention that no new codes of conduct will help unless there is proper enforcement. Ending human rights abuses is a huge undertaking, and one that a single company cannot take alone nor immediately. It might therefore be a good option to implement a minimum standard instead of overwhelming the supply chain with large, complicated requirements. They are after all responsible towards not only the people working in their supply chain but also toward those working in Norway and to their shareholders. It is a difficult ethical decision when determining what to focus on and how much losses to accept due to ethical concerns. One solution can be to focus on Maslow's pyramid of needs to determine what is the most important issue. It could also be good to factor in how many are affected by any given human rights violation.

## **7.1 Limitations**

This study has multiple limitations. It is very important to be aware that any human rights and ethical violations in China are historical examples. Human rights violations having happened before creates a precedent but there is no reason to conclude that it is still happening nor that it will happen again. Likewise, this thesis makes no claims that these issues have happened specifically in Elkjøp's suppliers. Making those kinds of claims is outside the scope of this thesis as it would require a lot more data and time to analysis.

## **7.2 Future research**

The Transparency Act is relatively new and has opened new avenues for information gathering and has been very helpful in this thesis. It can therefore be of use to future research. It will also be interesting to see more of the consequences associated with it as consumers can get a look into human rights issues associated with the products they are buying. As this thesis shows there are a range of different issues that face those that have their supply chain in China. Each of these could be studied individually. New research using

the capabilities approach could also focus on other countries, simpler supply chains and study human rights issues all the way from raw materials to disposing of used goods. In the information gathering for this thesis, it was also made apparent that it is difficult to know what appropriate actions should be taken when human rights issues are encountered in the supply chain. Elkjøp has both stopped using suppliers when human rights violations have been discovered and worked alongside them to improve conditions. It would be helpful to have clearer guidelines for how to handle violations well. Lastly many people have tried to make some form of categories to use for the capabilities approach. While a part of what makes the capabilities approach so good is that it is not limited to rigid categories, it would still be good to develop a system for utilizing and implementing the theory while also ensuring that it does not lose its versatility. Human rights as such deserves more attention. We need to strengthen the environmental and digital part of it. In this thesis I have chosen to look at the social dimensions, but as my outline of the dynamics of human rights indicates, there should even be a stronger emphasize on the green and digital human rights, as society itself develop and faces new problems.

## 8. Conclusion

### Conclusion Outline

This chapter will briefly summarize the purpose for the research, its findings and avenues for future research.

This thesis has explored how companies' values compare to both conditions in countries where they have their supply chains and ethics theory, specifically Amartya Sen's Capabilities approach. This has been achieved by using Elkjøp and their supply chain in China. It has shown that there are differences between what Elkjøp demands from their suppliers, conditions in China a country that is a large part of Elkjøp's supply chain and how Amartya Sen's Capabilities approach evaluates ethics. It is clear that more efforts are needed to ensure human rights are being protected in the whole supply chain according to the justice demanded by the capability approach.

## References

Buntaine, M. T., Zhang, B., & Hunnicutt, P. (2021). Citizen monitoring of waterways decreases pollution in China by supporting government action and oversight. *Proceedings of the National Academy of Sciences of the United States of America*, volume 118 (29), e2015175118. <https://doi.org/10.1073/pnas.2015175118>

CLB. (2020a, May 12). *Work safety*. China labour bulletin <https://www.clb.org.hk/content/work-safety>

CLB. (2020b, September 15). *Employment and Wages*. China labour bulletin <https://www.clb.org.hk/content/employment-and-wages>

CLW. (2017, November 27). *The Dark Side of the Toy World Investigation into the Sweatshops of Disney, Mattel, Hasbro, and Walmart*. China Labour watch <https://chinalabor.wpenginepowered.com/wp-content/uploads/2021/04/Toy-Investigation-Report-1127.pdf>

Currys plc. (2022a). *Our Brands*. Currys plc. Retrieved December 9, 2022 from <https://www.currysplc.com/our-brands/>

Currys plc. (2022b). *Annual report & Accounts 2021/22*. Currys plc. Retrieved December 16, 2022 from <https://www.currysplc.com/media/zq4jr0yr/currys-annual-report-accounts-2122.pdf>

Ecovadis. (n.d.). *The World's Most Trusted Business Sustainability Ratings*. Ecovadis. <https://ecovadis.com/suppliers/>

Elkjøp Nordic. (2021). *Diversity, Equity and Inclusion*. Elkjøp Nordic. [https://assets-global.website-files.com/5f47edc7df93400f850fdd8d/634d1172c39c38ea0ce2fd2a\\_Diversity%20Equity%20and%20Inclusion%20at%20Elkj%C3%B8p%20Nordic%202021.pdf](https://assets-global.website-files.com/5f47edc7df93400f850fdd8d/634d1172c39c38ea0ce2fd2a_Diversity%20Equity%20and%20Inclusion%20at%20Elkj%C3%B8p%20Nordic%202021.pdf)

---

Elkjøp Nordic. (2022a). *About us*. Elkjøp Nordic. Retrieved december 13, 2022 from <https://www.elkjopnordic.com/about-us#investor-relations>

Elkjøp Nordic. (2022b). *Why and how we do it*. Elkjøp Nordic. Retrieved december 15, 2022 from <https://www.elkjopnordic.com/why-and-how#sustainability>

Elkjøp Nordic. (2022c). *Responsible Sourcing Policy*. Elkjøp Nordic. Retrieved december 15, 2022 from [https://www.elkjop.no/content/cnm/175167/Responsible%20Sourcing%20Policy\\_V1.pdf](https://www.elkjop.no/content/cnm/175167/Responsible%20Sourcing%20Policy_V1.pdf)

Elkjøp Nordic. (2022d). *Annual Report and Accounts Elkjøp Nordic AS 2021/2022*. Elkjøp Nordic. Retrieved december 16, 2022 from [https://assets-global.website-files.com/5f47edc7df93400f850fdd8d/634946ed89019225a66c5639\\_Annual%20report%20and%20accounts%202021%202022.pdf](https://assets-global.website-files.com/5f47edc7df93400f850fdd8d/634946ed89019225a66c5639_Annual%20report%20and%20accounts%202021%202022.pdf)

Elkjøp. (2022a). *Om Elkjøp*. Elkjøp. Retrieved december 5, 2022 from <https://www.elkjop.no/om-elkjop>

Elkjøp. (2022b). *Hvordan vi jobber med etisk handel*. Elkjøp. Retrieved december 15, 2022 from <https://www.elkjop.no/baerekraft/elkjop-etisk-handel>

Elkjøp. (2022c). *Ecovadis - slik følger Elkjøp opp leverandørene*. Elkjøp. Retrieved december 16, 2022 from <https://www.elkjop.no/baerekraft/ecovadis>

Elkjøp. (2022d). *Mangfold i Elkjøp*. Elkjøp. Retrieved december 16, 2022 from <https://www.elkjop.no/om-elkjop/mangfold-i-elkjop>

Eraker, H., Lie, M. A. & Kumano-Ensby, A. L., (2017, May 11). -Vi ble glemt av Arbeidstilsynet. NRK [https://www.nrk.no/dokumentar/xl/\\_vi-ble-glemt-av-arbeidstilsynet-1.13508562](https://www.nrk.no/dokumentar/xl/_vi-ble-glemt-av-arbeidstilsynet-1.13508562)

ETI. (2018). *The ETI Base Code*. Ethical Trading Initiative. [https://www.ethicaltrade.org/sites/default/files/shared\\_resources/ETI%20Base%20Code%20%28English%29\\_0.pdf](https://www.ethicaltrade.org/sites/default/files/shared_resources/ETI%20Base%20Code%20%28English%29_0.pdf)

ETI. (n.d.). *ETI Base Code*. Ethical Trading Initiative <https://www.ethicaltrade.org/eti-base-code>

Forbrukertilsynet. (2022 July 27). *The Transparency Act*. Forbrukertilsynet <https://www.forbrukertilsynet.no/the-transparency-act>

Freedom House. (2022). *Freedom in the world 2021 China*. Freedom House. Retrieved December 16, 2022 from <https://freedomhouse.org/country/china/freedom-world/2021>

Haines W. (n.d.). *Consequentialism*. Internet Encyclopedia of Philosophy <https://iep.utm.edu/consequentialism-utilitarianism/>

Human Rights Watch. (2022a). *China Events of 2021*. Human Rights Watch. Retrieved December 16, 2022 from <https://www.hrw.org/world-report/2022/country-chapters/china-and-tibet>

Human Rights Watch. (2022b, April 6). *China: Treatment for Non-Covid Illnesses Denied*. Human Rights Watch. <https://www.hrw.org/world-report/2022/country-chapters/china-and-tibet>

Icelandic human rights center. (n.d.). *Definitions and classifications* Icelandic human rights center <https://www.humanrights.is/en/human-rights-education-project/human-rights-concepts-ideas-and-fora/part-i-the-concept-of-human-rights/definitions-and-classifications>

Igini, M. (2022, June 23) *Top 5 Environmental Issues in China in 2022*. Earth.org. <https://earth.org/environmental-issues-in-china/>

ILO. (n.d.). *The Rana Plaza Accident and its aftermath*. ILO [https://www.ilo.org/global/topics/geip/WCMS\\_614394/lang--en/index.htm](https://www.ilo.org/global/topics/geip/WCMS_614394/lang--en/index.htm)

IQAir. (2022). *2021 World air quality report*. IQAir Retrieved december 16, 2022 from <https://www.iqair.com/us/world-air-quality-report>



---

Jankowiak T. (n.d.) *Immanuel Kant*. Internet Encyclopedia of Philosophy

<https://iep.utm.edu/kantview/>

Jensen, S. L. B., (2017). *Putting to rest the Three Generations Theory of human rights*. Open

Global Rights <https://www.openglobalrights.org/putting-to-rest-the-three-generations-theory-of-human-rights/>

Kawakami. (2021, June 16). Cotton to iPhones: Xinjiang labor casts shadow over

electronics. *Nikkei Asia*. <https://asia.nikkei.com/Business/China-tech/Cotton-to-iPhones-Xinjiang-labor-casts-shadow-over-electronics>

Reinecke, J., Donaghey, J., Bocken, N. & Lauriano, L. (2019). *Business Model and Labour Standards: Making the Connection*. Ethical Trading Initiative

Richardson H. S. (n.d.) *John Rawls (1921-2002)*. Internet Encyclopedia of Philosophy

<https://iep.utm.edu/rawls/>

Robeyns, I. (2005). Selecting capabilities for quality of life measurement. *Social Indicators*

*Research*, 74(1), 191-215. <https://doi.org/10.1007/s11205-005-6524-1>

Schefczyk M. (n.d.) *John Stuart Mill: Ethics*. Internet Encyclopedia of Philosophy

<https://iep.utm.edu/mill-eth/>

Sen, A. (1979, May 22). *Equality of What?* [The Tanner lecture on Human Values]. Stanford

University [https://tannerlectures.utah.edu/\\_resources/documents/a-to-z/s/sen80.pdf](https://tannerlectures.utah.edu/_resources/documents/a-to-z/s/sen80.pdf)

The Guardian. (2022, November 7). *China iPhone factory quadruples bonuses to workers amid anger over Covid curbs*. The Guardian.

<https://www.theguardian.com/world/2022/nov/01/china-iphone-factory-quadruples-bonuses-to-workers-amid-anger-over-covid-curbs>

U.S. Department of State. (n.d.). *2021 Country Reports on Human Rights Practices: China (Includes Hong Kong, Macau, and Tibet)*. U.S. Department of State

<https://www.state.gov/reports/2021-country-reports-on-human-rights-practices/china/>

U.S. Mission China. (2019, April 17). *China 2018 Human Rights Report*. U.S. Embassy & Consulates in China <https://china.usembassy-china.org.cn/china-2018-human-rights-report/>

UNGA. (2018). *Human Rights Council Working Group on the Universal Periodic Review Thirty-first session A/HRC/WG.6/31/CHN/2*. United Nations General Assembly. <https://undocs.org/A/HRC/WG.6/31/CHN/2>

Wells, T., (n.d.). *Sen's Capability Approach*. Internet encyclopedia of Philosophy <https://iep.utm.edu/sen-cap/#H3>

Wilden, V. & Mordt, H. (2018, June 22). Lime-sjefen dømmes til ni år fengsel. *NRK* <https://www.nrk.no/osloogviken/lime-sjefen-dommes-til-ni-ar-fengsel-1.14091699>

Xinhua. (2018, March 23). Wang Dongming elected China's trade union chief. *China Daily* <https://global.chinadaily.com.cn/a/201803/23/WS5ab49f12a3105cdf6513df2.html>

Yang, S. Z., Wu, D., Wang, N., Hesketh, T., Sun, K. S., Li, L., & Zhou, X. (2019). Workplace violence and its aftermath in China's health sector: implications from a cross-sectional survey across three tiers of the health system. *BMJ open*, 9(9), e031513. <https://doi.org/10.1136/bmjopen-2019-031513>

Yin, P., Brauer, M., Cohen, A. J., Wang, H., Li, J., Burnett, R. T., Stanaway, J. D., Causey, K., Larson, S., Godwin, W., Frostad, J., Marks, A., Wang, L., Zhou, M. & Murray, C. J. L. (2020). The effect of air pollution on deaths, disease burden, and life expectancy across China and its provinces, 1990-2017: an analysis for the Global Burden of Disease Study 2017. *The Lancet*, volume 4 (9), E386-E398. [https://doi.org/10.1016/S2542-5196\(20\)30161-3](https://doi.org/10.1016/S2542-5196(20)30161-3)

Yu, V. (2022, November 2). *Supply fears as China lockdown hits World's largest iPhone factory*. The Guardian. <https://www.theguardian.com/world/2022/nov/02/supply-fears-as-china-lockdown-hits-worlds-largest-iphone-factory>