

## PRESS MEMO

*As ASEAN Summit Starts in DC, What Will the Biden Administration Say about the Indo-Pacific Economic Framework (IPEF)?*

# Most ASEAN Countries Are Not Appropriate Partners for the “Worker-Centered” IPEF Agreement Biden Seeks

Washington, D.C. — With severe labor rights abuses documented by U.S. government agencies year after year, many members of the Association of Southeast Asian Nations (ASEAN) are inappropriate partners for the new “worker-centered” trade policy the Biden administration seeks to establish through the Indo-Pacific Economic Framework (IPEF).

The Biden administration hosts the U.S.-ASEAN summit in Washington, D.C on May 12 and 13 amidst growing anticipation of a formal announcement regarding which countries will join the IPEF negotiations.

Malaysia, Vietnam, Indonesia and Singapore are the most likely ASEAN countries to be invited to join IPEF, according to an April brief by the Center for Strategic & International Studies (CSIS), with the Philippines and Thailand in a second tier.<sup>1</sup> As detailed below, the U.S. State and Labor Departments’ annual country reports document serious human rights concerns in almost every ASEAN nation.

The first step in developing a new, worker-centered trade model is partnering with nations committed to upholding core labor and human rights standards. The ongoing rights abuses in most ASEAN countries would undermine IPEF’s goal of establishing a new model for international commercial ties and trade that prioritizes working people over corporate interests.

Labor rights abuses among the ASEAN members considered the most likely to join IPEF include, but are not limited to, the following:

### MALAYSIA

- Malaysia was downgraded to the lowest-possible tier in the U.S. State Department’s most recent report on human trafficking, which found, “The Government of Malaysia **does not meet the minimum standards for elimination of trafficking and is not making significant efforts to do so.**”<sup>2</sup> Few nations’ abuses are so dire as to trigger a “tier three” rating.
- Among other problems, the State Department found that the Malaysian government “did not adequately address or criminally pursue credible allegations from multiple sources alleging

**labor trafficking, including in the rubber manufacturing industry and palm oil sector,** with the government owning 33 percent of the third largest palm oil company in the world.”<sup>3</sup>

- Beyond agricultural and rubber-related industries, **trafficked labor was also documented in Malaysia’s export-heavy electronics and garment sectors.**<sup>4</sup>

## VIETNAM

- Vietnamese law **does not allow workers to elect their own union officials** and prohibits strikes in what it deems “essential services,” including oil and gas production, telecommunications and air transportation.<sup>5</sup>
- The U.S. State Department finds that “The Government of **Vietnam does not fully meet the minimum standards for the elimination of trafficking,**” with both forced labor and child forced labor found in the garment industry.<sup>6</sup> Vietnamese law also does not prohibit debt bondage.<sup>7</sup>
- **More than 5% of Vietnamese children may be victims of coercion** and other exploitation related to human trafficking.<sup>8</sup>

## INDONESIA

- The Indonesian government recently **rolled back previously-existing labor standards,** including in the areas of minimum wage, health care, maternity leave, severance pay and legal protections for employment contracts.<sup>9</sup>
- The U.S. Department of Labor documents child labor in Indonesia’s palm oil, tobacco, rubber, tin mining, gold mining and other industries and says that **the Indonesian government fails to enforce child labor laws** throughout the country.<sup>10</sup>
- The U.S. State Department finds that “The Government of Indonesia **does not fully meet the minimum standards for the elimination of trafficking,**” with forced labor found in fishing, palm oil production, mining and manufacturing.<sup>11</sup>

## PHILIPPINES

- The International Trade Union Confederation reported **at least 50 assassinations of Filipino labor leaders since 2019,** with still other labor officials arrested on “trumped up charges” or “red tagged as a communist insurgent.”<sup>12</sup>
- Beyond detailing “**threats and violence against union members,**” the U.S. State Department also reports that Filipino employers are accused of utilizing short-term contracts and imported labor to “**minimize unionization and avoid other rights accorded to ‘regular’ workers.**”<sup>13</sup>
- The U.S. Labor Department’s list of **goods from the Philippines produced by child labor includes bananas, coconuts, fish, rubber, gold and fashion accessories.**<sup>14</sup>

## THAILAND

- According to the U.S. State Department, Thai law “**does not protect union members against antiunion discrimination**” and “**does not allow migrant workers to organize trade unions.**” The law further prohibits subcontracted labor and fulltime workers from

joining the same unions, and perhaps as a result, more than 45 percent of electronics and auto parts workers are subcontractors.<sup>15</sup>

- The U.S. Department of Labor reports **forced child labor in Thailand’s shrimp and garment production**, and forced labor in fishing.<sup>16</sup>
- The U.S. State Department found, “The Government of **Thailand does not fully meet the minimum standards for the elimination of trafficking**,” with trafficking in both agriculture and manufacturing.<sup>17</sup>

While labor rights abuses in Singapore are not as severe as in many other southeast Asian nations, Singapore is known for promoting some of the worst “digital trade” provisions for working people in the world.<sup>18</sup> To protect the rights of gig economy workers and to limit the offshoring of service sector jobs, the so-called “Singapore model” must not become the basis of any U.S. trade agreement’s digital provisions.

Among ASEAN countries considered less likely to become IPEF partners, the U.S. Department of Labor has documented both child labor and forced labor in numerous industries within Cambodia and Myanmar;<sup>19</sup> Brunei Darussalam recently made gay sex punishable by stoning;<sup>20</sup> and Laos does not allow workers to join independent unions.<sup>21</sup>

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*Quotations taken from this memo can be attributed to Arthur Stamoulis,  
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<sup>1</sup> Goodman, Matthew and Adian Arasingham. “Regional Perspectives on the Indo-Pacific Economic Framework,” Center for Strategic & International Studies. April 11, 2022. <https://www.csis.org/analysis/regional-perspectives-indo-pacific-economic-framework>

<sup>2</sup> U.S. Department of State. “2021 Trafficking in Persons Report: Malaysia.” December 2021. <https://www.state.gov/reports/2021-trafficking-in-persons-report/malaysia/>

<sup>3</sup> U.S. Department of State. “2021 Trafficking in Persons Report: Malaysia.”

<sup>4</sup> U.S. Department of State. “2021 Trafficking in Persons Report: Malaysia.”

<sup>5</sup> U.S. Department of State. “2021 Country Reports on Human Rights Practices: Vietnam.” April 12, 2021. <https://www.state.gov/reports/2021-country-reports-on-human-rights-practices/vietnam/>

<sup>6</sup> U.S. Department of State. “2021 Trafficking in Persons Report: Vietnam.” December 2021. <https://www.state.gov/reports/2021-trafficking-in-persons-report/vietnam/>

<sup>7</sup> U.S. Department of State. “2021 Country Reports on Human Rights Practices: Vietnam.”

<sup>8</sup> U.S. Department of State. “2021 Trafficking in Persons Report: Vietnam.”

<sup>9</sup> Human Rights Watch. “Indonesia: New Law Hurts Workers, Indigenous Groups.” October 15, 2020. <https://www.hrw.org/news/2020/10/15/indonesia-new-law-hurts-workers-indigenous-groups>

<sup>10</sup> U.S. Department of Labor. “2020 Findings on the Worst Forms of Child Labor: Indonesia.” September 2021. <https://www.dol.gov/agencies/ilab/resources/reports/child-labor/indonesia>

<sup>11</sup> U.S. Department of State. “2021 Trafficking in Persons Report: Indonesia.” December 2021. <https://www.state.gov/reports/2021-trafficking-in-persons-report/indonesia/>

<sup>12</sup> International Trade Union Confederation. “Stand for Filipino workers’ rights on 10 December.” January 12, 2021. <https://www.ituc-csi.org/stand-for-filipino-workers-rights>

<sup>13</sup> U.S. Department of State. “2021 Country Reports on Human Rights Practices: Philippines.” April 12, 2021. <https://www.state.gov/reports/2021-country-reports-on-human-rights-practices/philippines/>

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- <sup>14</sup> U.S. Department of Labor. "List of Goods Produced by Child Labor or Forced Labor." June 23, 2021. <https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods>
- <sup>15</sup> U.S. Department of State. "2021 Country Reports on Human Rights Practices: Thailand." April 12, 2021. <https://www.state.gov/reports/2021-country-reports-on-human-rights-practices/thailand>
- <sup>16</sup> U.S. Department of Labor. "List of Goods Produced by Child Labor or Forced Labor."
- <sup>17</sup> U.S. Department of State. "2021 Trafficking in Persons Report: Thailand." December 2021. <https://www.state.gov/reports/2021-trafficking-in-persons-report/thailand/>
- <sup>18</sup> Australian Council of Trade Unions. "Australia-Singapore Digital Economy Agreement." September 25, 2020. <https://www.actu.org.au/media/1449300/d49-actu-submission-australia-singapore-digital-economy-agreement.pdf>
- <sup>19</sup> U.S. Department of Labor. "List of Goods Produced by Child Labor or Forced Labor."
- <sup>20</sup> Tan, Yvette. "Brunei implements stoning to death under anti-LGBT rules," BBC News. April 3, 2019. <https://www.bbc.com/news/world-asia-47769964>
- <sup>21</sup> U.S. Department of State. "2021 Country Reports on Human Rights Practices: Laos." April 12, 2021. <https://www.state.gov/reports/2021-country-reports-on-human-rights-practices/laos>