ABSTRACT:

Purpose: The paper frames modern slavery as a global wicked problem and provides a set of international business (IB) policy recommendations for taming it. The outlined approach can also guide IB policymaking to address other kinds of wicked problems.

Design/approach: This is a conceptual paper that reviews existing literature on wicked problems and integrates it with an IB policy double helix framework. The paper focuses on the role multinational enterprises (MNEs) play in modern slavery globally, either through global value chains or within global factory modes of operation.

Findings: As a global wicked problem, modern slavery will never be solved, but it can be re-solved time and time over. Understanding the social reproduction of modern slavery can help shift the focus from labor governance and a narrow supply chain focus towards the role of transnational governance and the need to address institutional, market and organizational failures.

Originality: The paper contributes to the gap in an overarching theory of modern slavery and systematically applies the concept of wicked problems and wickedness theory to modern slavery. Drawing on an IB policy double helix framework, the paper addresses the governance nexus between modern slavery, IB and policymaking which can in turn advance IB policy research and theory.

KEYWORDS: Modern slavery, international business policy, wicked problems, wickedness theory, multinational enterprises
1. INTRODUCTION

“Modern social problems are “wicked” problems, because stakeholders disagree about the nature of these problems, about possible solutions, and about the values or principles that should guide improvements.” (Head, 2022, p. 21)

Addressing complex and intractable problems at the intersection of society and business requires an understanding of the problem’s nature and evolutionary environment in order to come up with effective policy responses (Head, 2019). Multinational enterprises (MNEs) play a critical role in re-solving many social system problems (Sinkovics and Archie-acheampong, 2020), like, for example, global inequality, climate change and modern slavery. However, effective policymaking addressing such global issues needs to look beyond the MNE itself and also focus on the interfaces between MNEs, governments and society. While wicked problems have become a cornerstone of modern policymaking (Head, 2022), international business (IB) policy has often fallen short of wicked problem thinking (Rašković, 2022) that would address IB’s dark sides holistically – it is here that a critical studies approach is perhaps most needed (Dörrenbächer and Michailova, 2019).

Wicked problems are a “class of social system problems which are ill-formulated, where the information is confusing, where there are many clients and decision makers with conflicting values, and where the ramifications in the whole system are thoroughly confusing” (Churchman, 1967, p. 141). Wickedness relates to both the degree of a problem’s “structuredness” (i.e., problematicity) and the stakeholder distance (i.e., degree of differences) in terms of their “ideas, interests, institutions and practices” (Turnbull and Hoppe, 2019, p. 315). Both of these characteristics mean that social policy problems “cannot be definitively
described” and that they “are never solved,” which requires effective policymaking to re-solve (or tame) them “over and over again” (Rittel and Webber, 1973, pp. 155, 160).

For example, policymakers need to consider the power dynamics and politics of national, industry and organizational systems (Domhoff, 2013). They also need to understand the plurality of needs and knowledge about complex societal issues which stem from socio-cultural and cognitive differences of a myriad stakeholders (Fischer and Gottweis, 2012). The latter underscores the relevance of an IB perspective to policy for many complex and intractable societal problems (Head, 2022) – not just due to their cross-border nature (Head, 2022; Doh et al., 2023) but also for IB’s disciplinary expertise (Clegg, 2019; Rašković, 2022).

Modern slavery is an example of a global wicked problem (Lavelle-Hill et al., 2022) which can be re-solved/tamed with the help of IB policy, as it has emerged from a distinct global political economy landscape (LeBaron and Phillips, 2019; LeBaron, 2018) in which MNEs are both part of the problem and part of the (re-)solution. Popularized by Kevin Bales’ (1999) book Disposable People, modern slavery is a higher-order concept which includes a “range of practices predicated on achieving dominance and exploitation” (Kara, 2017, p. 8). The paper draws on the definition of modern slavery within the IB literature proposed by Michailova and Stringer (2018, p. 7) as “an umbrella term that includes slavery and slavery-like practices, forced labor, bonded labor, involuntary servitude, human trafficking and other forms of exploitation”

1. Adding to it, Burmester and colleagues emphasize the exploitative web of “labour relations,” corresponding well to MNE operations in global value chains and/or as global factories (Caspersz et al., 2022).

While the paper aims to provide a systematic set of recommendations for IB policymakers to address the wicked nature of modern slavery more effectively (Lavelle-Hill et al., 2022), its purpose is also much broader. The proposed policymaking “toolkit” can also

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1 Siddharth Kara defines slavery as “a system of dishonoring and degrading people through the violent coercion of their labor activity in conditions that dehumanize them” (2017, p. 8).
guide re-solving other types of global wicked problems, like, corruption, inequality and climate change. While the wicked nature of sustainable development has received increasing attention within the IB literature (e.g., van Tulder and van Mil, 2022) modern slavery literature remains to benefit from wicked problem thinking, especially IB policy (Rašković, 2022).

The paper makes three contributions. First, it contributes to the rise of interest in wicked problems (van Tulder and van Mil, 2022; Head, 2022) and the integration of the wicked problem/wickedness theory into the IB and IB policy literatures (e.g., Rašković, 2022; van Zanten and van Tulder, 2020; Doh et al., 2023). So far, IB policy research has made a limited contribution to the rapidly expanding wicked problem literature, despite the acknowledgement “that the modern era is marked by crises and rapid changes that ‘cascade’ across borders and across policy domains” (Head, 2022, p. 64).

Second, the paper provides a novel theoretical lens to the growing and fragmented body of modern slavery literature, which has been criticized for lacking an overarching theory (Caruana et al., 2021). A wicked problem toolkit and wickedness theory can help remedy that. The paper provides policy recommendations for addressing modern slavery in the global political economy (LeBaron, 2018; LeBaron and Phillips, 2019; Rioux et al., 2020) through an IB policy double helix framework (Lundan, 2018). The framework addresses the governance nexus between modern slavery, IB and policymaking discussed within this very journal (Burmester et al., 2019). Lastly, by focusing on the example of modern slavery, the paper also hopes to advance IB policy research itself, which is taking greater theoretical interest in social issues and economy-society interfaces (Casson, 2021; Ghauri et al., 2021; Rašković et al., 2023; Doh et al., 2023).
2. MODERN SLAVERY AS A GLOBAL WICKED PROBLEM: STRUCTURE OF WICKED PROBLEMS AND THE NATURE OF WICKEDNESS

The section is structured in three parts and first provides an overview of the modern slavery literature with a particular focus on its IB aspects and global context. It then continues with an overview of the history of the wicked problem concept. The section continues with the operationalization of wicked problem and their critique. It concludes with a discussion of wickedness, as an underlying characteristic of wicked problems.

2.1 Modern slavery as a global wicked problem

Stringer and Michailova (2018) point out how modern slavery mimics the global economy (cf. Bales, 2012). It lurks in complex and fragmented global value chains (Caspersz et al., 2022; Stringer and Michailova, 2018) and the production/extraction processes feeding MNEs (LeBaron, 2018; Caspersz et al., 2022). The International Labour Organization (ILO) estimates that close to 50 million people around the world are victims of modern slavery, of which 27.6 million were trapped in forced labour (ILO, Walk Free and IMO, 2022). Put it differently, for every thousand people in the world, there are about six victims of modern slavery, which support a global exploitative industry worth over 150 billion USD (McCarthy, 2023).

More than half of the modern slavery cases appear in the Asia Pacific (ILO, Walk Free and IMO, 2022) with high concentrations in the manufacturing industry, construction, mining and quarrying, as well as agriculture, forestry and fisheries (Nagar and Hurd, 2020; ILO, Walk Free and IMO, 2022). However, western MNEs are often behind many of those cases. Indeed, modern slavery exists and thrives in both emerging and developed markets (LeBaron and Phillips, 2019) with often blurred geographic scope due to complex and fragmented global value chains (Stringer and Michailova, 2018) and the production/extraction processes feeding them (LeBaron, 2018; LeBaron, 2021; Caspersz et al., 2022).
According to a report from ILO, Walk Free and IMO (2022), 63% of forced labor that supports modern slavery occurs in the non-sex related private sector. Commercial sexual exploitation contributes another 23% to private sector generated forced labor. In the remaining cases (14%), forced labor is perpetuated by the state (ILO, Walk Free and IMO, 2022). The latter doesn’t only take the form of forced labor of, for example, North Korean construction workers in the Gulf states sent by the North Korean government who captures most of their wages as an income-generating vehicle for North Korea’s political regime. It also includes various unfree labor practices exploited by the prison industrial complex in some developed countries (LeBaron and Phillips, 2019). Illustrating the embedded nature of modern slavery within the global economy, modern slavery is concentrated across agriculture, mining, construction, manufacturing, tourism and sex work (Rioux et al., 2019; Crane et al., 2022). It permeates markets for commodities (i.e., coffee, tea, palm oil, seafood, metals, wood, cotton, meat, cannabis), manufactured products (i.e., textiles, apparel, consumer electronics, arts and crafts) and services (i.e., construction, tourism, sex work).

To understand modern slavery as a truly global wicked problem, one needs to understand it first from a political economy perspective (LeBaron and Phillips, 2019; Rioux et al., 2019). Yet, it is within this perspective that modern slavery is often framed as “just” a labor governance or a supply chain issue (LeBaron, 2020). Focusing on the relationship between capital and labor, which feeds into global systems of production – shaping market value and the agency of various stakeholders, primarily that of employers and employees (LeBaron and Phillips, 2019) – LeBaron and Ayers (2013) see forced labor (which modern slavery is part of) as one of the production modes associated with capitalism and neoliberalism favoring the interests of owners of capital over workers. Capitalist production involves “various modalities of labour supply, exploitation and control” (LeBaron and Ayers, 2013, p. 879) which are usually highly gendered and exploitative of minorities (Nagar, 2023), like temporary work migrants (i.e., vulnerable due to potential loss of employment status), refugees and indigenous peoples.
(LeBaron, 2015). It is precisely for these reasons that a political economy lens to modern slavery usually adopt a Marxist (e.g., Rioux et al., 2019) and/or a feminist perspective (e.g., LeBaron, 2015).

Building on a free-unfree labor continuum (Crane et al., 2022), the existence of various forms of “coercion, alienation, dehumanization, constraint and exploitation (…) characterize the [full] spectrum of modalities of labour in the capitalist mode of production” (LeBaron and Ayers, 2013, p. 879). Thus, such labor practices are not only confined to modern slavery but can also be found within so-called “free” labor arrangements to varying extent, especially dehumanization, alienation and different forms of exploitation.

However, a political economy lens cannot fully account for the global nature of modern slavery (as a wicked problem). Gore and LeBaron (2019) draw on social reproduction theory, which they see as an expansion of the political economy logic. In the context of unfree labor, Gore and LeBaron (2019) focus on the power of labor, as a type of commodity which “is imbricated within a wider array of social processes and activities that produce and sustain everyday life” (p. 564). From an Bourdieusian perspective on social reproduction, the economic capital perspective related to relationship between labor and capital cannot be detached from the cultural capital perspective, the social capital perspective or even the symbolic capital perspective. For example, the highly gendered nature of modern slavery is linked to culturally prevalent gender role, as well as the beliefs and skills passed on across generations related to such gender roles, as part of a society’s cultural capital. Limited access to education and other forms of employment hinders the social capital of the exploited workers. Gender, age and income level also play a part in the various forms of exploitation and modern slavery (ILO, Walk Free and IMO, 2022). For example, males are more likely to fall victim to forced labour in the private sector, which is of particular interest to the international business discipline. Females are on the other hand more likely to fall victim to sexual exploitation and forced
They are usually at the periphery of social networks or entrenched in a structural whole within such social networks. The very brokers that connect them to the wider social network are often the ones who exercise their “betweenness brokerage power” and exploit them (which can include family members). In terms of symbolic capital, many workers fall prey to exploitative MNEs or their value chains (via third parties), attracted by the symbolic power of working for a foreign MNE, as a prospect of escaping from their current predicament. These illustrative examples by no means paint a complete picture of the complex social reproduction processes underpinning modern slavery. Yet, they do highlight the false dichotomy of distinguishing between the private and public spheres when it comes to modern slavery, the disentanglement of the economic from the socio-cultural and the symbolic, or the separation of social structures from the agency of the involved actors (Gore and LeBaron, 2019).

2.2 A short history of the wicked problem concept

The thinking behind wicked problems first emerged against a distinct 1960s Zeitgeist characterized by unprecedented technological advancement (like, e.g., the space race) and far-reaching social changes (like, e.g., the civil rights movement). It was based on Horst Rittel’s earlier work in the 1950s and early 1960s questioning existing scientific approaches to planning in the area of urban design, which was informed by positivism and static systems thinking. Rittel advocated for an interpretivist design-based approach which was stakeholder-centric, emphasizing consultation and social constructivism (see Head, 2022).

Coincidentally, Kevin Bales also traced back the emergence of modern slavery to the 1950s when “a major alteration in the nature of slavery [occurred]” and the price of slaves fell dramatically (Bales, n. d., p. 2). This alteration in the economic model of slavery was closely linked to the revival of the global economy after WWII and preceded the technological progress
and social movements of the 1960s. It was underpinned by three key factors (Bales, 1999): favorable demographic trends, the displacing and polarizing effects of globalization which increased inequalities around the world, and rampant corruption and legal institutional voids which created the breeding ground for exploitation and human rights’ abuses related to it.

The original author of the term “wicked problems” was Horst Rittel who articulated the concept in a research seminar at the University of California, Berkley in 1967 (Head, 2022). Arriving to the United States from Germany in 1963, Horst Rittel combined his interest in planning, policymaking and architectural design to show how good urban design was often contested and needed to also understand political decision-making processes and the art of managing myriad stakeholders’ competing needs and views (Head, 2022). However, the first time the term was mentioned in the English speaking academic literature wasn’t by Horst Rittel but rather by his native-speaker colleague at Berkley – C. West Churchman. Churchman attended Rittel’s research seminar, was intrigued by the concept and dedicated his editorial entitled “Wicked Problems” as a way of bringing attention to Rittel’s original idea.

Interestingly enough, Rittel first published on wicked problems five year after his research seminar at Berkley and Churchman’s mention of the idea in his editorial in Management Science. Rittel himself first published a paper on wicked problems as sole author in German language on planning crises and design methods in 1972 (Head, 2019). A year later, Rittel accepted Webber’s invitation to re-publish an upgraded version of this German paper also in English in the United States. This then became the now infamous Rittel and Webber (1973) paper on “Dilemmas in a General Theory of Planning” considered today as the seminal work on wicked problems and cited by all (Head, 2022; cf. Skaburskis, 2008).

In a matter of a couple of years after Rittel and Webber’s (1973) article in English, many social scientists started preoccupying themselves with the changing nature of contemporary policy issues, which arose from interlinked social issues and interdependent

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*As of August 9th, 2023, the paper has been cited 23,848 times according to Google Scholar.*
systems **prevalent from the mid-1970s onwards**. These developments required a broader stakeholder management approach and a values based approach to policymaking as an anthesis to scientific policymaking informed by positivism (Rein, 1976). Focusing on social problems connected to urban sprawl, Ackoff (1974) pointed to the failure of urban policymakers to address the wicked problems connected to urbanization: “Efforts to deal separately with such aspects of urban life as transportation, health, crime, and education seem to aggravate the total situation” (1974, p. 21). The moral imperative to address wicked problems in their entirety, first mentioned by Churchman (1967), have all but disappeared from contemporary policymaking and or only now making a gradual return (Rašković, 2022). By the end of the 1970s, the approaches to re-solving wicked problems through policymaking that alleviates, supersedes and/or transforms social issues (Wildavsky, 1979) started to obfuscate the moral mandate of policymakers in approaching and dealing with wicked problems in their entirety (Wexler, 2009).

In many ways, the technological advancements and social turmoil witnessed today, especially in a postmodern context and the aftermath of Covid-19 (Head, 2022) echo the environment in which wicked problem thinking first emerged some six decades ago. Such an environment is also fertile ground for the rise of modern slavery (Bales, 1999; Kara, 2017), which over the following decades since the 1950s become increasingly standardised and institutionalized through opaque global value chains and neo-liberal global factory models (Caspersz et al., 2022). Such an evolutionary trajectory and contemporary touch points help explain the current renaissance of the wicked problem literature within IB (van Zanten and van Mil, 2022; Caspersz et al., 2022; Stringer and Michailova, 2018) and IB policy (Rašković, 2022; Head, 2022). The proliferation of wicked problems in today’s global society (Alford and Head, 2017; LeBaron, 2018) in turn also calls for more critical and socially engaged IB scholarship (Dörrenbächer and Michailova, 2019) where IB policy has a role to play (Casson, 2021).
**2.3 The anatomy and critique of wicked problems**

Emanating from the world of social sciences, wicked problems are described as “messy” (Head, 2019), “ill-structured,” “ill-defined” and “contested” (Termeer et al., 2019). This implies there is more to them than mere complexity (Head, 2022). Wicked problems are both complex and complicated, resisting definition not just solutions (Rašković, 2022). Complexity and complicatedness shape the nature of changes and impact not only how various stakeholders interact but also collaborate in addressing wicked problems (van Tulder and Keen, 2018). This which compounds the problem’s wickedness arising from stakeholder plurality (Head, 2022). Wicked problems often arise from “structural inequalities and competing vision for social well-being, economic livelihoods and environmental protection” (Head, 2022, p. 124).

Their formative legacy of Rittel and Webber’s (1973) work in terms of the wicked problem literature remains considerable (Noordegraaf et al., 2019), manifesting itself in both the 10-point operationalization of wicked problems and the underlying critique of rational planning approaches informed by positivist thinking within policymaking (Head, 2022). Table 1 provides an overview of their 10-point operationalization of wicked problems with modern slavery examples.

However, there is an inherent paradox in wicked problem thinking, as the level of abstraction and fatalism can overwhelm decision makers and lead to paralysis or settling for good-enough solutions (Termeer and Dewulf, 2019). Wicked problem thinking is grounded in a high level of abstraction, which dims the focus on relevant actors and limits thinking about the agency of the involved actors (Noordegraaf et al., 2019). Thus, a political economy theoretical lens, with its emphasis on institutions and structure, is more often adopted to understand modern slavery than social production theory (Gore and LeBaron, 2019). Social production theory – which explains the reproduction of social structures, systems and way of life through economic, cultural, social and symbolic capital (Bourdieu and Passeron, 1977) –
builds on the logic of social structuration (Giddens, 1984) and the dynamic interplay of structure and agency of the involved actors.

Wicked problem thinking helps to understand better the “what” (i.e., issues). However, it does not provide guidance as to “who” (i.e., which actors) should be engaged, “how” (i.e., strategies) they should be engaged in the problem-solving process or “why” (i.e., root causes, motivations) they should be engaged (Noordegraaf et al., 2019). This requires strategizing, which makes strategy an integral part of wicked problem thinking (Camillus, 2008), especially in terms of managing various stakeholders (Burritt and Christ, 2023).
Forced labor cannot be explained merely through a political economy theoretical lens which looks at the capital-labor relationships. According to Gore and LeBaron (2019), it neglects “the multiplex other forms of labour critical to the reproduction of human beings and capitalist society as a whole” (p. 562). It calls for better understanding of social reproduction and socio-economic production linked to modern slavery. For example, eradicating modern slavery does not address the economic and social reasons why people are sometimes entering such exploitation (i.e., lack of education options, providing for family) or end up in it against their will. It also does not address potential socio-cultural reasons (i.e., acceptability of child labor; gender inequalities).

Once an organization starts investigating modern slavery allegations, its culprits become aware. They become extra careful, moving operations and/or go into hiding. They exist at the institutional fringes and make a lot of money from exploitation (Stringer and Michailova, 2018). Because modern slavery is not a simple binary but exists along a continuum of social reproduction and socio-economic production, it is embedded not only within formal institutions, markets and organizations, but is also part of informal institutions and supported by processes of social structuration in which agency and structure go hand in hand (Gore and LeBaron, 2019; LeBaron and Phillips, 2019).

Modern slavery cannot be addressed in isolation from interconnected processes of social reproduction and socio-economic production mechanisms (Gore and LeBaron, 2019). It is a product of other socio-economic issues, as well as being an institutional, market, and organizational failure and is embedded not only within formal institutions, markets and organizations, but is also part of informal institutions and supported by processes of social structuration in which agency and structure go hand in hand (Gore and LeBaron, 2019; LeBaron and Phillips, 2019).

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due diligence legislation introduced by the European Union to businesses is so important, as it introduces mandatory standards for compliance. It paves the way towards the implementation of soon-to-be mandatory environmental, social and governance (ESG) standards which will require EU companies to identify, account, mitigate and (hopefully) prevent various kinds of risks in their operations and supply chains. This will include human rights abuses and forced labor issues. It will institutionalize regular audits, focussed on reviewing policies and management systems, assessment of forced labor risk factors linked to country risk factors, migration and informal economy risk factors and debt risk factors, as well as regular monitoring of high-risk suppliers and/or supply chain segments.

All solutions are one-shot solutions (no opportunity to backtrack). Once an organization starts investigating modern slavery allegations, its culprits become aware. They become extra careful, move operations and/or go into hiding. They exist at the institutional fringes and make a lot of money from exploitation (Stringer and Michailova, 2018). Because modern slavery is not a simple binary but exists along a continuum of social reproduction and socio-economic production, it is embedded not only within formal institutions, markets and organizations, but is also part of informal institutions and supported by processes of social structuration in which agency and structure go hand in hand (Gore and LeBaron, 2019; LeBaron and Phillips, 2019).

Some MNEs engage in voluntary and independent third-party audits and/or transparently report on identified cases where modern slavery has entered their global value chains. A limited number devote appropriate resources to such efforts. Yet, so far, the existing modern slavery legislation in the UK and Australia only requires of MNEs to report instances of modern slavery, which does not guarantee actual change. The forthcoming EU legislation, which will require mandatory audits and will be backed by regulatory enforcement mechanisms are an important step in the standardization process in terms of possible and permissible solutions.

Despite often involving women, temporary work migrants and indigenous peoples (LeBaron, 2015), modern slavery exists in both developed and developing markets, across various industries and can take on various forms beyond the simple binary of free-unfree labor. While its business case is clear, modern slavery varies in its forms and mechanisms to fit the context through its social reproduction and socio-economic production mechanisms (Gore and LeBaron, 2019).

Modern slavery is a product of other socio-economic issues, as well as being an institutional, market, and organizational failure and is embedded not only within formal institutions, markets and organizations, but is also part of informal institutions and supported by processes of social structuration in which agency and structure go hand in hand (Gore and LeBaron, 2019; LeBaron and Phillips, 2019).

The continuum of labor exploitation and its social reproduction support the socially constructed and discursive nature of modern slavery, which then influences ensuring courses of action by governments, organizations, communities and individuals.

Source: Rittel and Webber (1973); Stringer and Michailova (2018); Gore and LeBaron (2019); LeBaron and Phillips (2019); Crane et al. (2022); LeBaron (2015); Rioux et al. (2020); Crane et al., (2018); Sinkovics et al. (2021).

| Table 1: Rittel and Webber's operationalization of wicked problems and modern slavery examples |
|-----------------------------------------------|---------------------------------------------|
| **Characteristics**                           | **Modern slavery examples**                 |
| 1. No definite problem formulation (the problem’s elusive is part of its wickedness). | Stringer and Michailova (2018) point to a lack of a clear legal definition of modern slavery. Should modern slavery be addressed as a legal problem? A social problem? An economic problem? What is the line of distinction between exploitation and slavery? While Crane (2013) sees modern slavery as an immoral management practice, Gore and LeBaron (2019) have used social reproduction theory to show that there is more to modern slavery than just its political economy. Crane and colleagues (2022) have also emphasized that forced labor/modern slavery are false binaries, often acting as “extreme ends on a continuum of freedom and unfreedom” (2022, p. 3). |
| 2. No stopping rules (no clear criteria for when a solution is found or problem solving should stop). | MNEs implementing policies, protocols and screening mechanisms is not enough to eradicate modern slavery, given the complexity of global value chains and the myriad actors involved. Signing treaties and conventions does not prevent modern slavery due to institutional voids and a strong business case for it (Stringer and Michailova, 2018), neither does naming companies (i.e., consumers still purchase smartphones). Increasingly, due diligence legislation, led by the European Union, is seen as a way of addressing market and organizational failures connected to modern slavery. |
| 3. No true-or-false solutions, only good or bad ones (no objective criteria for evaluating solutions). | Forced labor cannot be explained merely through a political economy theoretical lens which looks at the capital-labor relationships. According to Gore and LeBaron (2019), it neglects “the multiplex other forms of labour critical to the reproduction of human beings and capitalist society as a whole” (p. 562). It calls for better understanding of social reproduction and socio-economic production linked to modern slavery. For example, eradicating modern slavery does not address the economic and social reasons why people are sometimes entering such exploitation (i.e., lack of education options, providing for family) or end up in it against their will. It also does not address potential socio-cultural reasons (i.e., acceptability of child labor; gender inequalities). |
| 4. No immediate or ultimate test of a solution. | One cannot simply request suppliers and third-party contractors to adhere to mandated standards or rely on industry self-regulation. Surprise visits might work for key suppliers, but not for third-party providers that are usually on arms-length contracts. This is why due diligence legislation introduced by the European Union to businesses is so important, as it introduces mandatory standards for compliance. It paves the way towards the implementation of soon-to-be mandatory environmental, social and governance (ESG) standards which will require EU companies to identify, account, mitigate and (hopefully) prevent various kinds of risks in their operations and supply chains. This will include human rights abuses and forced labor issues. It will institutionalize regular audits, focussed on reviewing policies and management systems, assessment of forced labor risk factors linked to country risk factors, migration and informal economy risk factors and debt risk factors, as well as regular monitoring of high-risk suppliers and/or supply chain segments. |
| 5. All solutions are one-shot solutions (no opportunity to backtrack). | Once an organization starts investigating modern slavery allegations, its culprits become aware. They become extra careful, move operations and/or go into hiding. They exist at the institutional fringes and make a lot of money from exploitation (Stringer and Michailova, 2018). Because modern slavery is not a simple binary but exists along a continuum of social reproduction and socio-economic production, it is embedded not only within formal institutions, markets and organizations, but is also part of informal institutions and supported by processes of social structuration in which agency and structure go hand in hand (Gore and LeBaron, 2019; LeBaron and Phillips, 2019). |
| 6. Lack of a well-described set of permissible solutions or enumerable solutions. | Some MNEs engage in voluntary and independent third-party audits and/or transparently report on identified cases where modern slavery has entered their global value chains. A limited number devote appropriate resources to such efforts. Yet, so far, the existing modern slavery legislation in the UK and Australia only requires of MNEs to report instances of modern slavery, which does not guarantee actual change. The forthcoming EU legislation, which will require mandatory audits and will be backed by regulatory enforcement mechanisms are an important step in the standardization process in terms of possible and permissible solutions. |
| 7. Every wicked problem is unique. | Despite often involving women, temporary work migrants and indigenous peoples (LeBaron, 2015), modern slavery exists in both developed and developing markets, across various industries and can take on various forms beyond the simple binary of free-unfree labor. While its business case is clear, modern slavery varies in its forms and mechanisms to fit the context through its social reproduction and socio-economic production mechanisms (Gore and LeBaron, 2019). |
| 8. Symptoms of other problems. | Modern slavery is a product of other socio-economic issues, as well as being an institutional, market, and organizational failure and is embedded not only within formal institutions, markets and organizations, but is also part of informal institutions and supported by processes of social structuration in which agency and structure go hand in hand (Gore and LeBaron, 2019; LeBaron and Phillips, 2019). The continuum of labor exploitation and its social reproduction support the socially constructed and discursive nature of modern slavery, which then influences ensuring courses of action by governments, organizations, communities and individuals. |
| 9. Explanations shape problem resolutions. | Some MNEs turn a blind eye, some engage in moral justification linked to shareholder maximization or the fact that people are still being paid for their work (Stringer and Michailova, 2018). The continuum of labor exploitation and its social reproduction support the socially constructed and discursive nature of modern slavery, which then influences ensuring courses of action by governments, organizations, communities and individuals. |
| 10. Planners/decision makers have no right to be wrong. | Modern slavery is a moral issue and actors often justify it through various forms of moral disengagement and moral decoupling. According to Weigler (2009), any decision maker addressing a wicked problem has a moral obligation to address the wicked problem in its entirety and not to cherry pick parts of the problem, most often connected to serving only specific stakeholder groups. Research on corporate social responsibility (CSR) by Sinkovics and colleagues (2021) has shown, for example, that MNEs tend to cherry pick social causes which best fit their existing business models, which is why we need to examine both the breadth and depth of MNEs’ actions. |
Effectively addressing modern slavery requires going beyond tightening up legislation, implementing ethical standards and company name-shaming. As Figure 1 will show later on, such policies also need to be supported by systematic governance initiatives in terms of “who” should become the central global coordinating authority to deal with modern slavery at the global level and “how” the various actors should engage in the problem-solving process that starts with a clearly defined problem (Stringer and Michailova, 2018). We will return to addressing these issues in the context of global value chains and MNEs as global factories within the recommendations section of the paper.

2.4 From taming wicked problems to managing wickedness

Wicked problems might seem quite abstract to policymakers and managers, which helps explain why they have been mostly confined to the abstract domains of scholarship (Noordegraaf et al., 2019). Yet, (IB) policymakers and managers still need to be aware of the fundamental tenants of wickedness if they want to address and tame wicked problems. Wickedness has become an overarching umbrella that “connects an appreciation of the highly uncertain and political nature of societal issues with hopeful strategies for strengthening networks, trust and learning” (Noordegraaf et al., 2019, p. 278). Its power lies in enabling decision makers “to bring together academic and organizational and societal concerns” (Noordegraaf et al., 2019, p. 280). Table 2 highlights three key tenants of wickedness, which are more easily “palatable” for practitioners and policymakers than Rittel and Webber’s (1973) 10-point operationalization.

The first wickedness tenant stems from the socially constructed and pluralistic nature of societal issues (Peters and Tarpey, 2019) that go beyond notions of complicatedness (i.e., structural systems view) and complexity (i.e., relational systems view). This wickedness tenant is of relevance to IB scholarship, as it expands our understanding of the social purpose of the modern firm, especially MNEs (Buckley, 2021). It emanates from “polytely” – a distinguishing feature of complex systems and problems (Peters and Tarpey, 2019).
Table 2: Key tenants of wickedness and some managerial/policy implications

<table>
<thead>
<tr>
<th>Tenant o</th>
<th>Key features</th>
<th>Managerial/policy implications</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Polytely and Politics</strong></td>
<td>1. Complicatedness and complexity; networks comprising of multiple stakeholders and their conflicting interests (i.e., polytely).&lt;br&gt;2. Politics of problem framing, and problem solving.&lt;br&gt;3. The role of institutional complexity as an enabling environment for wicked problems.</td>
<td>1. Recognizing the value of opposing views and disagreement, living with cognitive uncertainty and complexity.&lt;br&gt;2. Managing complexity: Shifting from structural network thinking to relational systems thinking; focusing on system interfaces and actor interdependencies.&lt;br&gt;3. Shifting from data and statistics to recognizing dynamics and patterns.&lt;br&gt;4. Importance of sensemaking, sensegiving and collective/collaborative problem solving.&lt;br&gt;5. The need for a “thick” understanding of institutions (i.e., beyond simple game rules; beyond looking at only institutional quality and distance). Seeing institutional “distance” in terms of difference and diversity.</td>
</tr>
<tr>
<td><strong>Collaboration and Learning</strong></td>
<td>1. How to collaborate within a multitude of stakeholders with conflicting needs/goals and institutional complexity?&lt;br&gt;2. The challenges of building networks and fostering trust is what makes problems wicked.</td>
<td>1. Being mindful of the pitfalls of trust and the challenges of collaboration in wicked contexts (i.e., the dark sides of trust and collaboration in extreme conditions).&lt;br&gt;2. Recognizing that learning and trust are not results of social behavior, but often its byproducts, especially in wicked contexts.&lt;br&gt;3. Importance of networked governance approaches and stakeholder co-creation.&lt;br&gt;4. Experiential learning, playful experimentation and entrepreneurial logic.&lt;br&gt;5. Capability-driven resilience of “bouncing beyond” adversity that learning and evolution inform.</td>
</tr>
<tr>
<td><strong>Agency and Practice</strong></td>
<td>1. High level of abstraction in wicked problem thinking.&lt;br&gt;2. The focus on problems, actors and goals leads to a focus on “who” (i.e., actors) and “what” (i.e., issues) but not on the “how,” “why” and “when.”&lt;br&gt;3. Detachment of experts and decision makers from society.&lt;br&gt;4. A gap between scholarship, policymakers and managerial practice.</td>
<td>1. Moving beyond actors and goals to focus on problem solving as an agency process determined by purposeful actors pursuing their interest within a specific institutional context (i.e., logic of social structuration).&lt;br&gt;2. Importance of morality and leadership capabilities in VUCA-type settings (i.e., sensemaking, transformative and ethical leadership, crisis communication and management) by experts and decision makers addressing wicked problems.&lt;br&gt;3. Crossing expertise and knowledge boundaries (i.e., experts as epistemic communities and gatekeepers), integrating experts into communities/society (i.e., experts often removed from general society).&lt;br&gt;4. The importance of demonstrating “skin in the game” in dealing with wicked problems and operating in conditions of volatility, uncertainty, complexity and ambiguity (i.e., VUCA conditions).</td>
</tr>
</tbody>
</table>

Source: Adapted from Noordegraaf et al. (2019); Termeer et al. (2019); Raskovic (2021); LeBaron and Phillips (2019).

Polytely relates to the multiplicity of conflicting goals, arising from myriad stakeholders with different needs and perspectives (Head, 2019). Such multiplicity affects both the framing of problems, as well as the value and principles of addressing them (Head, 2022). It is further compounded by environmental complexity against which problem solving takes place, especially globally.

According to Bennett and Lemoine (2014), complexity relates to environment conditions characterized by a relatively low degree of knowledge and understanding of a situation (i.e., due to many interconnected parts, myriad variables and overabundance of information) and at least a moderate degree of predictability of results from one’s actions. However, due to a lack of understanding of “feedback loops” and “surprising side effects” predictability may vary (Head, 2022). Such conditions are conducive to decision makers
focusing on areas which they can control and breaking up problems into more manageable parts which can be more easily solved (Rašković, 2022). Complexity often prompts policymakers to engage in partial and one-sided policy responses, which take on the form of provisional quick-fixes and not enduring, holistic solutions involving all necessary stakeholders (Rittel and Webber, 1973).

The second wickedness tenant might be somewhat counterintuitive. Noordegraaf and colleagues (2019) point to rather romantic and boundaryless views of collaboration and trust, not as principles but as actual practices under conditions of wickedness. This is because:

*Wicked issues have lots of ingredients that are not so nice and which provoke strong emotions, anger, secrecy, competition, resistance and distrust. Although it is tempting to stress the importance of networks and trust, the difficulties of building networks and trust will have to be seen as part of wickedness, instead of a way out.*

(Noordegraaf et al., 2019, p. 283)

The issue of trust and networks of trust is highly visible also when it comes to modern slavery. For example, modern slavery legislation introduced in the UK and Australia supports organizations, especially MNEs, in identifying and reporting instances of modern slavery within their global value chains. However, due to a lack of actual regulatory enforcement mechanisms, real changes are not guaranteed and are left to the discretion of the industry or individual MNEs based on public pressure. Proposed self-monitoring by industry associations, for example in the seafood, textile and mining industries, are further based network principles of trust with little or no sanctions. This is why the forthcoming EU legislation on modern slavery is so important, as it will institutionalize mandatory environmental, social and governance (ESG) audits, which will be supported by concrete regulatory enforcement mechanisms.

The third wickedness tenant relates to high levels of abstraction and underexplored agency of actors connected to wicked problems (Head, 2022). It is perhaps the most recognized
of the tenants (Noordegraaf et al., 2019) and has also been the main reason why managers and policymakers have for a long time stayed away from thinking about wicked problems (Noordegraaf et al., 2019). For example, Brunswicker and colleagues have shown that “most of the existing [wicked problem] advice and tools are drawn from small, team-based projects facilitated by rather neutral actors, such as governments or urban planners with no profit oriented goals” (2017, p. 169). This was originally recognized in the 1960s foundational wicked problem literature and was linked to the decision maker’s morality in dealing with wicked problems (Wexler, 2009). Banerjee (2008) also points to the highly political nature of engaging with relevant stakeholders when organizations balance corporate social responsibility and sustainable development for the long-term success of companies, communities and countries (Lemoine et al., 2021).

3. FRAMING MODERN SLAVERY THROUGH THE DOUBLE HELIX OF INTERNATIONAL BUSINESS POLICY

This section introduces Lundan’s (2008) IB policy double helix framework which can guide IB policymakers in addressing the wicked nature of modern slavery from an IB policy perspective. Before presenting Lundan’s double helix, however, the paper first contextualizes the development the double helix against the evolution of the IB literature itself and some of the key structural changes in the global economy.
3.1 The evolution of the IB literature relevant for understanding the double helix of IB policy

A better part of the last six decades of IB discipline’s evolution has been dominated by a keen interest in the global political economy, various types of political risks, the power dynamics between MNEs and nation states/governments (Boddewyn, 2016; Müllner and Puck, 2018), as well as more recently the co-evolution of MNEs and institutional environments (Cantwell et al., 2010). Apart from the 1990s and 2000s, when the focus shifted towards MNEs’ internal governance (Lundan, 2018; Clegg, 2019), IB scholarship has “fruitfully contribute[d] to the analysis of the links between MNEs and public policy due to the field’s focus on the heterogeneity between different types of MNEs, and because of its attention to their interaction with local contexts” (Lundan, 2018, p. 2). The contribution has been more recently complemented by a greater examination of how MNEs shape public and societal structures and outcomes (van Assche, 2018; van Tulder et al., 2021), as part of a more socially engaged IB discipline (Dörrenbächer et al., 2021). Such an engagement should also include taming wicked problems through consorted societal actions (van Tulder and van Mil, 2022; van Zanten and van Tulder, 2020; van Tulder et al., 2021) and socially oriented IB policy (Rašković, 2021; Lundan, 2018; Casson, 2021).

The last couple of decades of hyper-globalization did not bring about the anticipated market convergence, institutional harmonization and identity fusion which many predicted (Kobrin, 2020; Witt, 2019). In fact, the growth spurt of many wicked problems in recent years may in some shape or form be attributed to globalization-linked crises and turbulence (van Zanten and van Tulder, 2020; Head, 2022) underpinned by various underlying mechanisms: from structural economic and social inequality to multilateral institutional failures and challenges to supra-national governance, to a lack of collective agency through threatened identities and polarized values. Some of these issues have been also picked up by Bales (1999) in his “theory” of modern slavery, especially growing inequality perpetuated by hyper-globalization (Guillen, 2001), multilateral global governance failure and a lack of what has
recently been conceptualized as supranational institutions – i.e., institutions beyond the nation state (Hartmann et al., 2022).

It is not surprising that many kinds of societal problems, like poverty or inequality, have festered into global wicked problems recognized under the umbrella of the 17 United Nations’ Sustainable Development Goals (van Tulder and van Mil, 2022; Head, 2022; van Zanten and van Tulder, 2020). For example, adopting a political economy lens, LeBaron and Ayers (2013) point to the vicious circle between poverty and vulnerability, induced by neoliberal globalization, which helps explain the rise of slavery in the global neoliberal economy (Rioux et al., 2019; Bales, 1999).

The structural changes and shifts in the global economy (see Buckley, 2020) have reinforced the importance of understanding the so-called “double helix” within the IB literature. The double helix connects the MNE-centric *private perspective* of interest to IB and the country-centric *public perspective* within the global economy of interest to international economics (Lundan, 2018). In a complex, non-linear and highly dynamic global system, where equilibria change even in the absence of external shocks (Hitt et al., 2021), complex and intractable societal problems traverse national borders, cascade across various levels of the global economy and cut across different disciplinary fields (Head, 2022; van Zanten and van Tulder, 2020). Using Lundan’s (2018) double helix of IB policy can help us link international business policy and the logic of wicked problems.

### 3.2 The double helix of international business policy

The double helix framework of IB policy proposed by Lundan (2018) stems from the bi-focal nature of IB policy which brings together both policy issues and managerial practice under a common theoretical umbrella (Lundan, 2018). It combines an MNE-centric private perspective typically pursued by the IB discipline with the country-centric public (and more social) perspective typically pursued by international economics (Lundan, 2018; van Assche, 2018).
The “helix” part of the framework refers to the multi-level nature of IB phenomena, especially phenomena related to MNEs as one of the focal actors within the multi-level global economy (Šilenskytė and Smale, 2021). It captures three levels of governance (i.e., the institutional, market and organizational level) and the corresponding “failures” at each level. These types of failure can in turn help us better understand the environment in which wicked problems emerge – both through evolutionary dynamics and governance processes/responses (Lundan, 2018).

While market- and organizational-level aspects of wicked problems have received more theoretical attention, work by LeBaron and Phillips (2019) on the political economy of unfree labor shows a lack of systematic and theoretical understanding of states and governments behind institutional-level conditions which have made unfree labor a “stable feature of the contemporary global economy” (LeBaron and Phillips, 2019, p. 1). In fact, in the period between 2016 and 2021, the ILO, Walk Free and IMO report (2022) estimates that an additional 10 million people have fallen victims to forced labor that underpins global modern slavery.

Figure 1 illustrates Lundan’s (2018) IB policy double helix framework in a modern slavery context by highlighting specific factors identified either by the existing literature on modern slavery or highlighted in the most recent report from ILO, Walk Free and IMO (2022) on modern slavery. For example, at the institutional level, institutional quality factors do not merely relate to the protection of human rights and their enforcement (McCorquodale and Nolan, 2021), but also relate to institutional aspects allowing workers to associate freely, gather and organize collectively for bargaining (ILO, Walk Free and IMO, 2022). With regards to institutional distance between markets and administrative burdens, the prevalence of so-called “bureaucratic cultures” possess both a universal challenge for due diligence legislation enforcement of human rights, on top of worker protection. It can also be weaponized specifically against certain kinds of marginalized groups, like, for example, indigenous populations (Sullivan, 2008) and women (Nagar, 2023).
The issues associated with failures in multilateral global governance can be mirrored by similar governance failures in self-regulation, self-monitoring and disclosures at the market and/or industry level (Schaper and Pollach, 2021). Far from stakeholder-centric normative stakeholder management approaches (Burritt and Christ, 2023), various types of self-regulation, self-monitoring and disclosures are motivated by instrumental stakeholder management philosophies and grounded in establishing legitimacy among stakeholders as a form of “image currency” for firms in an increasingly narrative type of economy (Schaper and Pollach, 2021).

Of particular relevance to modern slavery at the organizational level of the double helix is the fact that while most firms, especially MNEs, have shifted from shareholder wealth maximization to stakeholder management (e.g., Crilly, 2011), the adoption of stakeholder management practices is still prone to cherry-picking (Peters, 2017) aligning with specific business causes (Sinkovics et al., 2020). Burritt and Christ (2023) point to the predominance of descriptive and/or instrumental stakeholder management approaches over normative stakeholder management approaches. While the descriptive approach focuses on reporting and narrative, the instrumental stakeholder management approach shows that active engagement with various stakeholders is in the best interest of the firm and means to achieving organizational goals. Contrary to both these approaches, which are still firm-centric, the normative stakeholder management approach is driven by “deeper” purpose (Gulati, 2022) focused on stakeholder interests and the moral obligation of the firm to address legitimate interests of all stakeholder groups in the context of social value creation – especially for MNEs, given their global influence (Rygh, 2019; Sinkovics and Archie-acheampong, 2020; Buckley, 2021).
Figure 1: Illustrative application of Lundan’s (2018) double helix of IB policy framework to the wickedness of modern slavery

<table>
<thead>
<tr>
<th>POLICY ISSUES (public perspective)</th>
<th>GOVERNANCE LEVEL (failure)</th>
<th>MANAGERIAL ISSUES (private perspective)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quality of institutions</td>
<td>Institutional level</td>
<td>Political risks/instability</td>
</tr>
<tr>
<td>(e.g., human/worker rights and enforcement; unionization, free association and collective bargaining; immigration; access to education and training; access to legal representation; corruption; independent media, etc.)</td>
<td>(Institutional failures)</td>
<td>(e.g., joint-ventures with local firms to minimize risk and/or defer responsibility; lobbying around employment legislation; compliance and reporting; corporate political responsibility, etc.)</td>
</tr>
<tr>
<td>Institutional/admin distance</td>
<td>Market level</td>
<td>Economic risks/instability</td>
</tr>
<tr>
<td>(e.g., reporting standards, transparency requirements and system of monitoring; inspector jurisdictions and reach; administrative burden, bureaucratic culture and barriers, etc.)</td>
<td>(Market failures)</td>
<td>(e.g., division of (manual) labor along value chain activities; utilization of informal economy and (re)production of precarious work; exploitation of financial system vulnerabilities and debt bondage practices, etc.)</td>
</tr>
<tr>
<td>R&amp;D investment/Infrastructure</td>
<td>Organizational level</td>
<td>Technology diffusion</td>
</tr>
<tr>
<td>(e.g., industry-level investment into automation; availability of monitoring technology; quality standards; industry self-monitoring, etc.)</td>
<td>(Organizational failures)</td>
<td>(e.g., availability and adoption of enterprise resource planning systems; availability and adoption of blockchain technology; salience of and use of social media; etc.)</td>
</tr>
<tr>
<td>Skills development and training</td>
<td></td>
<td>Nature of local and foreign competition</td>
</tr>
<tr>
<td>(e.g., nature and power balance in industrial relations between employers and workers; nature and power balance among worker groups; industry availability of talent and skills; worker recruitment practices; industry governance; consumer engagement and activism, etc.)</td>
<td></td>
<td>(e.g., competitive dynamics among and between local and foreign firms; normalization of work conditions, work time and employment relations; extractive business models and exploitative practices based on market structure, ethical codes of conduct, etc.)</td>
</tr>
<tr>
<td>Stakeholder management</td>
<td></td>
<td>Leadership, bounded rationality and information asymmetry</td>
</tr>
<tr>
<td>(e.g., the use of descriptive or instrumental stakeholder management practices vs. normative stakeholder management practices, etc.)</td>
<td></td>
<td>(e.g., ethical and strategic leadership; voluntary audits and disclosures; complexity of operations organized in a global factory model; opaqueness of global value chains; outsourcing, subcontracting and sourcing standards and authorization, etc.)</td>
</tr>
<tr>
<td>Culture, identity and ESG practices</td>
<td></td>
<td>Local adaptation requirements</td>
</tr>
<tr>
<td>(e.g., existence/lack of “deep purpose”, organizational culture &amp; identity linked to ESG practices; ethical leadership and understanding the moral imperatives of decision makers, etc.)</td>
<td></td>
<td>(e.g., cost implications and competitive pressure due to higher local adaptation requirements; market segment differentiation and quality optimization of offerings, etc.)</td>
</tr>
</tbody>
</table>

Source: Framework adapted from Lundan (2018); factors incorporated from (chronologically): Sullivan (2008); LeBaron (2015); Stringer and Michailova (2018); Crane et al., (2018); Gore and LeBaron (2019); LeBaron and Phillips (2019); Rioux et al. (2020); Crane et al. (2022); Caspersz et al. (2022); ILO, Walk Free and IMO (2022); Burritt and Christ (2023).
4. RE-SOLVING THE WICKED NATURE OF MODERN SLAVERY THROUGH INTERNATIONAL BUSINESS POLICYMAKING

The discussion of specific IB policy recommendations aimed at addressing the wicked nature of modern slavery is organized in five domain areas of IB policymaking (Lundan, 2018): (1) outward IB activity (i.e., promotion); (2) inward MNE activity (i.e., attraction); (3) industrial policy; (4) social, environmental and development policy; and (5) transnational governance. These five domains intersect the three levels (i.e., institutional, market and organizational) in Lundan’s (2018) IB policy double helix framework illustrated in Figure 1 above.

4.1 Outward IB activity and IB policy recommendations

The elimination of trade and investment barriers – through tariff and/or non-tariff means – facilitates IB activity, which is in large part driven directly or indirectly by MNEs (Caspersz et al., 2022). While intra-firm activities constitute about 30% of global trade and capture the global factory aspect of MNE operating modes (UNCTAD, 2016), the inclusion of SMEs into global value chains (where MNEs also play an important role indirectly) brings the cumulative share up to 80% (Caspersz et al., 2022). This essentially implies that policies targeting modern slavery need to be built around IB policymaking logics, not just complemented by them.

The elimination of trade barriers and support for outward IB activity facilitates market, resource, efficiency and/or strategic asset seeking behaviors of international firms (Dunning, 2000) who engage in internalization and externalization decisions. Such decisions are increasingly shaped by industry dynamics and need to incorporate “multi-actor models” (Buckley and Casson, 2019, p. 239). They contribute to the complexity of value adding activities taking place across national borders along either global value chains and/or within global factory models. The extent of this, however, depends on the degree of (1) complexity of global value chains or factory models, (2) appropriation pressures from economic upgrading (which occurs within global value chains) and (3) the “obligation cascadence” that comes from
dispersed externalized value activities (i.e., outsourcing and contract manufacturing) and diffused responsibility (Caspersz et al., 2022, p. 186).

IB policy addressing institutional failures in outward IB activity needs to integrate the due diligence legislation focused on addressing modern slavery (i.e., the EU modern slavery legislation) with existing export promotion strategies, foreign investment and aid, as well as foreign policy measures (Schwartz et al., 2022). For example, it can include specific foreign development aid that supports the establishment of specialized centers of production and/or assembly for manual, low-skilled activities of otherwise unorganized workers, like, e.g., stitching centers in the textile industry (Caspersz et al., 2022). It can further incorporate incentives and requirements in its direct and indirect export promotion programs (see, e.g., Freixanet, 2022) for home-country firms to engage with such organized forms of labor in host markets. For IB policymakers, modern slavery perpetuated via global value chains and/or within global factory models also needs to be understood and managed as political and socio-economic risk by home-market governments and their outward-oriented institutions (i.e., export promotion agencies), especially in export-oriented economies with strong country brands (Pappu & Quester, 2010).

Such approaches need to target specific industries (i.e., the market failure level), both in terms of industries prone to higher occurrence of modern slavery in host markets (ILO, Walk Free and IMO, 2022) and key export industries in home/host markets. Violator home-country firms should also be held accountable for modern slavery abuses in host countries on the grounds of tarnishing a home country’s nation brand equity and reputation. Export promotion strategies should further include incentives for nearshoring and “friend shoring” to markets with lower institutional distance and better modern slavery legislation, as opposed to offshoring to emerging markets with larger institutional distance and weaker/absent modern slavery legislation.
At the level of addressing organizational failures, outward looking IB policy focusing on modern slavery should encourage that firms include assessment of externalities for all relevant stakeholder groups (i.e., different groups of workers, marginalized sub-groups) across appropriate time periods, as well as extend due diligence mandates beyond just supply chain activities (LeBaron, 2021) and labor governance issues (LeBaron, 2020) to include all aspects of firms’ activities (ILO, Walk Free and IMO, 2022). Targeting obligation cascadence (Caspersz et al., 2022), which often happens within MNE headquarters to their subsidiaries internally (Surroca et al., 2013) and from MNE subsidiaries to external partners in global value chains which can then pass on certain activities to non-contractually bound third parties or engage in unauthorized outsourcing, while difficult, should also be enforced through due diligence mandates and uptake in industry-level ESG commitments (Lee and Singh, 2023).

4.2 Inward IB activity and IB policy recommendations

Domestic micro and small firms are especially vulnerable to either deliberate foreign MNE exploitation (ILO, Walk Free and IMO, 2022) or economic pressures arising from their inability to capture the value from economic upgrading which naturally occurs in global value chains (Caspersz et al., 2022).

With regards to implementing IB policies targeting inward IB activities, host-government policymakers should run due diligence checks and regular audits on MNEs in high-risk industries and value chain “hot spots” (ILO, Walk Free and IMO, 2022), as well as on MNEs who employ at-risk workforce (i.e., women, minorities, refugees). Such audits could include “mystery worker” audits, independent third-party audits and the use of advanced technology (i.e., blockchain to track value adding activities, electronic certificates to ensure compliance and AI for monitoring and control purposes in handling big data) to ensure greater oversight and control within global value chains (Caspersz et al., 2022).
At the market/industry level, particular attention also needs to be paid to the role of symbolic capital in case of MNE from developed markets entering developing markets, as lower-skilled workers might see working for an MNE as an immigration pathway (Takacs Haynes and Rašković, 2021). At the organizational level, IB policy should focus on monitoring the dispersion of oversight and exercised control for those domestic firms who operate in specific at-risk industries and employ vulnerable workforce (i.e., women, minorities, undocumented immigrants and temporary work migrants, refuges and stateless people).

4.3 Industrial policy and IB policy recommendations

The latest report from ILO, Walk Free and IMO (2022) on modern slavery and forced labor makes a series of labor law and monitoring recommendations, which can easily be re-organized across the three governance levels of the Lundan’s (2018) IB policy double helix framework:

- **Institutional level:** ensuring workers can gather and associate (especially temporary work migrant workers who are vulnerable due to their employment status and marginalized sub-groups), ensuring adequate enforcement of labor legislation, strengthening the capacity and scope of inspectors.
- **Market/industry level:** ensuring workers can bargain collectively through unions and collective agreements, introducing social protection through various kinds of “floors” (not just minimal wages but also working conditions and social benefits).
- **Organizational level:** promoting and monitoring fair and ethical recruitment practices through codes of conduct and monitoring.

At the institutional level, industrial policy should also be guided by so-called policy entrepreneurship principles, which introduce entrepreneurial logics to public policy (Rašković, 2022). At the market/industry level, IB oriented industrial policy focused on modern slavery should also shift its focus from various stakeholder groups to their interfaces, which is of
particular relevance for any wicked problem. At the organizational level, IB policy could also promote storytelling approaches to MNE activities (Haley and Boje, 2014), especially those connected to labor, manufacturing and supply chain practices. Storytelling helps humanize work across the value chain and build agency for the actors involved. This is opposite to treating workers as “human capital”. Storytelling can help shift an organization’s stakeholder management philosophy from an instrumental logic focusing on the organization’s goals to a stakeholder-centric normative stakeholder philosophy (Burritt and Christ, 2023).

4.4 IB policy recommendations for social, environmental and development policy

At an institutional level, effective IB policy addressing modern slavery understands the social reproduction logic of modern slavery (Gore and LeBaron, 2019) which is enabled through socio-economic vulnerability of specific social groups (ILO, Walk Free and IMO, 2022) often brought on by the displacing effects of hyper-globalization (Guillen, 2001) and sometimes further underpinned by socio-cultural norms (e.g., like the caste system in India; Kara, 2017; Nagar, 2023). It is only by linking the social reproduction lens on modern slavery (Gore and LeBaron, 2019) with the MNE social value creation logic (Rygh, 2019) that IB policymaking can effectively address both the supply and demand sides of modern slavery.

While the integration of the business sector into the global economy via global value chains and employment at foreign MNEs can provide material and symbolic benefits to workers, it can also expose them to downward economic pressures due constant economic upgrading and technology lock-in (Caspersz et al., 2022). This provides additional opportunities for neoliberal exploitation of workers across national borders where decisionmakers can more easily claim ignorance and consumers can invoke different mechanisms of moral disengagement, since victims are “othered” and/or “out of sight”. Recognizing that there is also a social psychology aspect which underpins the obligation cascadence (Caspersz et al., 2022) occurring in MNEs can more effectively address modern
slavery and also contribute to the development of IB policymaking more generally. Understanding MNEs as social identity spaces (Rašković and Takacs Haynes, 2021) and infusing IB policymaking with stronger social psychology knowledge (Casson, 2021) can help formulate and implement more effective policies to address modern slavery in the social, environmental and development context. For example, Bales and Sovacool (2021) have shown us how modern slavery actually compounds the climate change crisis.

Replacing voluntary ESG reporting and transparency legislation for mandated due diligence (i.e., the proposed EU legislation model) could also be part of IB policymaking approaches for more effective social, environmental and development policies linked to modern slavery at the institutional level. At the organizational level, such policies can support firms, particularly MNEs, to discover their “deeper purposes” (Gulati, 2021), which can be directly related to social, environmental and development causes.

4.5 Transnational governance

The global nature of modern slavery clearly calls for better transnational governance that elevates existing thinking from the institutional (failure) level to the level of supranational institutions (Hartman et al., 2021) – a typical feature of global wicked problems (Rašković, 2022). Even more importantly, it shows the need to re-think the area of such governance altogether in the process of re-framing modern slavery as a labor governance and supply issue (LeBaron, 2020).

The harmonization of modern slavery legislation by nation states through the United Nations via the SDGS (i.e., SDG 8) and other multi-lateral bodies (i.e., OECD) is welcome. As is expanding the WTO “labor standards” domain to include trade dispute mechanisms involving modern slavery practices by states. Yet, as poignantly illustrated by LeBaron (2020) in her book “Combatting Modern Slavery: Why Labour Governance is Failing and What We Can Do About It” the fact of the matter is that focusing on labor governance, even at the transnational level,
and being preoccupied with MNE supply chain practices has enabled modern slavery to flourish – rising by some 10 million victims in the last 5 years (ILO, Walk Free and IMO, 2022).

To understand the nature of the problem, as a wicked problem, IB policy should not only engage with many more different stakeholders across national borders. It should focus on framing the wicked problem better and more holistically. To understand the critical functions that modern slavery “performs” for various societal stakeholder groups, IB policymakers should focus not just on quantitative statistics but should commission equally important qualitative and ethnographic research. For example, by addressing the triadic link between the institutional environment, cognition and normative behavior under the umbrella of socio-cognitive theory, qualitative research has provided deeper policy-oriented insights for addressing corruption – another kind of wicked problem which has taken on the role of a critical institution across society (Takacs Haynes and Rašković, 2021). Rich qualitative data helps better explore change mechanisms and processes, as opposed to mere patterns of change or levels of existing phenomena. IB policymakers need to understand dynamic processes of social structuration – with their interaction between existing institutional structures and the agency of actors reproducing or challenging those structures (Giddens, 1984). A dynamic social structuration lens can help IB policymakers understand and address institutional co-evolutionary dynamics and so-called tipping points in institutional evolution of systems associated wicked problems (Grewatsch et al., 2021).

When addressing market failures linked to modern slavery, IB policymakers need to understand the dual function of markets, which act as both systems of economic production and social systems of reproduction. Understanding the roles played by economic, cultural, social and symbolic forms of capital in the social reproduction of modern slavery can help IB policymakers tease out both the demand and supply side factors of modern slavery. This can in turn then help support more effective transnational governance that requires supranational institutions (Hartmann et al., 2022). Through their coevolutionary logics with the institutional
environments (Cantwell et al., 2010) and direct negotiations with national governments (Müllner and Puck, 2018), MNEs have an important role to play (Caspersz et al., 2022) in establishing an effective transnational governance structure to combat modern slavery at a global level. A recommendation for IB policymakers in this area would be to reach out and engage with MNEs more collaboratively – facilitating stakeholder-relevant sensemaking approaches, through industry coalition building and via joint problem solving. These approaches, along with storytelling and policy entrepreneurship, are well-suited to for IB policymaking in an increasingly wicked world (Rašković, 2022).

5. CONCLUSION

The renaissance of wicked problem thinking is not coincidental in the aftermath of hyper-globalization (Head, 2022) and the current structural changes in the social, economic and political global landscapes. However, it has also come at a theoretical cost. The proliferation of the wicked problem literature in recent years has contributed to a significant conceptual stretching of the wicked problem concept (Peters and Tarpey, 2019) and its rather uncritical application (Turnbull and Hoppe, 2019; Head, 2022); especially when wicked problem thinking is taken out of the science and policymaking domains (Turnbull and Hoppe, 2019) and applied to large-scale corporate settings with far from neutral corporate actors pursuing shareholder maximization and short-term profit motives (Brunswicker et al., 2017).

The persistence and thriving of modern slavery in the global political economy (ILO, Walk Free and IMO, 2022), as a wicked problem (Lavelle-Hill et al., 2022), points to three sets of weaknesses of relevance to the IB discipline. First, the inability to integrate a social reproduction theory understanding of modern slavery with a political economy view of modern slavery (Gore and LeBaron, 2019) which can help policymakers address the production-reproduction nexus of modern slavery. Second, a lack of more developed multi-level perspectives on MNEs (Šilenskytė and Smale, 2021) with supporting theoretical toolkits that
help reconcile existing MNE economic theories with MNEs’ increasingly social roles, functions and tensions (Rašković and Takacs Haynes, 2021; Buckley, 2021). And third, the inadequacy of positivist approaches to IB policy issues aimed at re-solving (not solving!) global wicked problems, like modern slavery. While human greed and mechanisms of social reproduction (i.e., inter-generational debt bondage) mean that modern slavery will likely never get “solved,” wicked problem thinking can help leverage the potential of IB policymaking to support more effectively re-solving global wicked problems at the nexus of society, socially engaged IB and IB policymaking.
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