

Labor Exploitation in the AI Industry

Artificial Intelligence is not fully automated. Behind every AI system are millions of human workers — often invisible, outsourced, and underpaid — whose labor enables data collection, labeling, moderation, translation, and model evaluation. Many experience labor exploitation, and some face conditions that may resemble forced labor.

Who Are the Workers Behind AI?

"Microworkers" are digital contract workers whose labor powers artificial intelligence systems. They perform short data tasks—such as labeling images, transcribing audio, or moderating content—often working in conditions described as "digital sweatshops." AI relies on human labor at nearly every stage of development:

- Data labeling, annotation, and enrichment.
- Content moderation (including violent, sexual, graphic, or otherwise harmful material).
- AI training, reinforcement learning, and quality assessment.
- Translation, transcription, and evaluation of AI outputs.

Patterns of Worker Exploitation in AI Supply Chains

Low Wages and Wage Theft

- Pay ranges from \$0.20 to \$2 USD per hour in some countries.
- Median global microwork earnings hover around \$2/hour, far below living wages.
- Common abusive practices include:
 - Unpaid training and onboarding.
 - Work breaks without compensation.
 - Pay withheld due to software or platform errors.
 - Payment in non-cash formats (vouchers, gift cards).

Precarious Employment and Loss of Labor Rights

Many AI workers are classified as independent contractors, not employees—denying them:

- Minimum wage guarantees.
- Paid leave or sick time.
- Health insurance and occupational protections.
- The right to unionize or collectively bargain.

Work availability is unstable, unpredictable, and described by workers as a "lottery."

Exposure to Harmful and Traumatizing Content

Content moderators often review:

- Graphic violence.
- Child sexual abuse material.
- Torture and extreme hate speech.
- Adult sexual exploitation content.

Workers frequently report:

- PTSD symptoms.
- Depression, anxiety, and emotional numbness.
- Lack of employer-provided mental health support.
- Requests for counseling routinely ignored or denied.

Algorithmic Control & Coercion

AI workers face intensive digital surveillance and automated discipline:

- Productivity tightly monitored by timers or algorithmic scoring.
- Sudden account suspension with little or no explanation.
- Unpaid breaks.
- Fear of negative ratings discouraging workers from raising concerns.

Why This Matters?

One expert describes current AI labor practices as "outsourcing trauma to the developing world," where the most psychologically demanding tasks are disproportionately assigned to workers in economically disadvantaged contexts. The narrative of AI "efficiency" often obscures the human cost behind these systems, concentrating exploitation among already vulnerable populations. As one worker observed: "The danger is not that robots will take human jobs, but that humans are working for the robots."

Where?



This work is commonly outsourced to subcontractors, digital piecework platforms, and Business Process Outsourcing (BPO) companies.

Workers are concentrated in:

- The Global South, including major hubs in Asia (e.g., Philippines, India, Pakistan, Bangladesh, Indonesia, Vietnam) and Africa (e.g., Kenya, Madagascar, Uganda), as well as Latin America (e.g., Venezuela).
- China, where both domestic tech companies and international firms source data labor.
- Precarious communities, including refugees, displaced populations, and incarcerated people
- Informal and gig-based digital labor markets worldwide.

Is This Labor Trafficking?

Most cases in the AI supply chain are best characterized as labor exploitation rather than legally defined labor trafficking.

However, some practices overlap with ILO indicators of forced labor, including:

- Abuse of vulnerability and economic coercion creating chronic dependency.
- Inability to refuse tasks without penalty (restriction of movement/freedom).
- Withholding of wages or excessive wage deductions.
- Intimidation, threats, or psychological harm
- Lack of realistic alternatives for income or employment (abuse of vulnerability).



Human Rights Violation

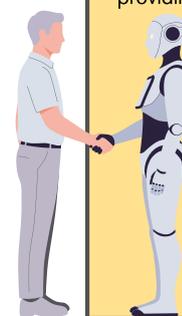
Human rights concerns in the AI labor sector:

Working conditions in parts of the AI industry may violate protections under the Universal Declaration of Human Rights (UDHR), including:

- Article 23 – unequal pay and insecure compensation for work of equal value.
- Article 25 – wages and conditions that fail to ensure an adequate standard of living.
- Article 12 – risks to the right to privacy through improper handling or misuse of workers' personal data.

Case

In Kenya's Kakuma refugee camp and surrounding areas — among the largest refugee settlements in the world — some residents earn income through digital "clickwork." This work involves tasks such as labeling images and videos, transcribing audio, or training algorithms. While it offers one of the few formal employment options available, the work is unstable, repetitive, and typically paid per task, providing limited and unpredictable income.



Learn more at: antitraffickingresponse.org

