Child Labor In India, A Consumer’s Perspective: Identifying Causes, Acknowledging Realities, and Proposing Incentives for Improvement

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INTRODUCTION

The exploitation of modern child labor in developing countries persists in part because of consumers like us. However, in light of increased global trade liberalization in Developing countries, and in considering “free market” principles, cheap labor is what allows these nations to have a competitive edge in the global economy. With that said, a category of people that work longer hours for smaller wages, without unionization or labor protections, is an efficient means of production and justified by the economy of scales. Child laborers, exploited by employers competing in the global economy, are simply the product of laissez-fair economics in effect, participating in the economic development of the world’s poor.

In the case of India, however, in spite of its pursuit of western-style prosperity, the Western world frowns upon its use of child labor. Despite the fact that multinational companies from the United States import numerous products from India made by child laborers, the overtone Developed world looks down on India’s child labor practices. Even though American consumers purchase goods made by the hands of child laborers in India, the Western world maintains that child labor in India is shameful. The Western perspective of child labor in India

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1 Developing countries comprise a majority of the WTO membership. They are grouped as “developing countries and “least developed countries,” in accordance with the following criteria: there are no WTO definitions of “developed” countries. Members announce for themselves whether they are “developed” or “developing” countries. However, other members can challenge the decision of a member to make use of provisions available to developing countries. WTO, Developing Countries, LDCs, http://www.wto.org/english/tratop_e/devel_e/develop_e.htm. See also Michael Parenti, Against Empire: Imperialism101, 1:7 (1995). (The negative connotations of ‘underdeveloped’ has caused the United Nations, the Wall Street Journal, and parties of various political persuasion to refer to Third World countries as “developing” nations, a term somewhat less insulting than “underdeveloped” but equally misleading. I prefer to use ‘Third World' because "developing" seems to be just a euphemistic way of saying "underdeveloped but belatedly starting to do something about it." It still implies that poverty was an original historic condition and not something imposed by the imperialists. It also falsely suggests that these countries are developing when actually their economic conditions are usually worsening”). 8/1/2010. Although I respect Parenti’s view, I prefer the term Developing over Third World, as Third World seems to have a degrading overtone from my perspective.
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seems accurate while, simultaneously appearing inconsistent with Americans’ consumption of child labor products. This paradox can be reconciled, however. It is fair to agree with the Western view that employment of children, between ages 5 and 14, working with hazardous machinery, exposed to toxic chemicals, or toiling long hours in fields devoid of labor protections and vulnerable to numerous abuses, is undoubtedly egregious. At the same time, it is logical from a Western point of view to look at child labor in India as problematic but for India to resolve it. In line with that reasoning, just because the Western world deems child labor in India as repulsive, it does not follow that Americans should refrain from the gains produced by India’s refusal to stop it. Reinforcing this often unconscious, Western perspective, is the argument that if demand of products made by child labor in India goes down, then child laborers will be jobless and be placed in a worst position. The assumption is that multinationals and consumers are alleviating children from poverty in India, by creating a demand for such goods. Conversely, the Western view of child labor in India may seem manipulative and contradictory. Such a contradiction may be analogous to the following assertion, “even though India is a democracy, the social stratification inherent in the Hindu religion persists to this day.”

Similarly, a nation which “prides itself as being the world’s largest democracy, more than 200 million people from the Dalit communities suffer from caste discrimination.” Part II. of this paper addresses both arguments in full.

There is however, a campaign against child labor in the Developed World. Both international organizations and individual activists are seeking ways to end child labor in

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developing nation. Yet, in the case of India, evident by the relentless practice of child labor existing today and absent evidence of any significant reduction, proves that these common strategies simply do not work. There is too much focus on the effects of child labor and too little focus on its actual cause and continuation. Though India embodies historical, religious, and political complexities, the Western notions that child labor is the result of deeply embedded cultural traditions, or due to lack of education and poverty, either justifies its enduring practice or fails to recognize the full picture, hence diverting attention away from the source. While education deficiencies and poverty perpetuate child labor, they too are simply repercussions of a larger structural cause, and thus the focus on them avoids the truth. By focusing on the causes of child labor as oppose to the results, an effective solution is more likely to emerge.

The purpose of this paper is to first, make the claim that the explosion of modern child labor in post-independence India is the result of structural developments in the international political economy. Then, suggest that the paradox, in the Western world view regarding child labor in India, can be reconciled by proposing that multinationals have the power to end child labor in India, and consumers may be the solution to paving the way.

Part I. of this paper sets forth the historical context and legal framework of the modern child labor phenomenon in India. Particularly, it provides background on India’s shift in economy to an export oriented growth model pressured by the International Monetary Fund and the World Bank and its impact on the increase demand and necessity of child labor. Additionally, this part demonstrates why the traditional explanations for why child labor exists focus on the effects and not the actual structural cause. Part II. uses the Monsanto seed company as an illustration of how TNCs influence the growth in inequality in India. Specifically this
part reveals the correlation between TNC agribusiness expansion in India with the collapse in India’s rural economies, and the agrarian crisis, which in turn increased child labor. Part III. begins by establishing that common methods to ending child labor do not work because they do not recognize the structural causes of child labor in India. This part explains how certain international organizations heavily influence and safeguard political-economic systems in Developing countries such as India, that creates a race to the bottom and how many countries know what the effect of globalization will be. Part IV offers a couple approaches to relieving child labor in India in light of the structural cause. One suggestion is a grassroots approach that should begin at the local level and tailored to the needs of that community. Another approach focuses on the United States’ position in the global economy, the power of multinationals, and the control consumers maintain. It suggests that consumers may have the power to implement change.

I. INDIA’S HISTORICAL CONTEXT & LEGAL FRAMEWORK, AND TRADITIONAL EXPLANATIONS FOR EXISTENCE CHILD OF LABOR

To understand modern child labor in India it is very important to establish the historical foundation that created the context in which modern child labor developed.

A. Historical-Legal Context

a. British Raj

International trade is nothing new to India. Starting with the Portuguese, European merchants traded with India as early as 1498.¹ Indo-European commerce began to flourish as

¹Paul Halsall, Internet Modern History Sourcebook, *Vasco da Gama: Round Africa to India, 1497-1498 CE*, (June 1998), [http://www.fordham.edu/halsall/mod/1497degama.html](http://www.fordham.edu/halsall/mod/1497degama.html). See also Gaytri Kachroo, *Outsourcing to India: Transnational Law and Culture*, 19-4 Int’l Qtrly Art. I, 6 (Oct. 2007) (providing India has been subjected to foreign rule for around one thousand years, first by the Mogul dynasty and Muslim rule, and then by the British).
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Dutch, French, and British Companies set up trading posts on the East and West regions of India. By the end of the 18th century, the British East India Company claimed dominance over India, and as it consolidated its power, “commercial exploitation of India’s natural resources and native labor became ruthless.”

Despite Indian rebellion in 1857, British rule became even fiercer as the British Crown replaced the power of the Company in India.

Mounting debt coupled with excessive taxation by Britain, inspired an effective anti-colonial mass movement with the return of Mohandas Gandhi to India in 1915. He organized protests by peasants, farmers, and urban laborers, and by 1921 Gandhi led nationwide campaigns to ease poverty, expand women's rights, build religious and ethnic harmony, end untouchability, and gain economic self-reliance.

Successive campaigns led to the end of British rule in 1947. Having begun as mere Indo-European trade resulted in the British administering over India for almost two centuries. Consequently, British influence in India produced radical changes in the social, political, and the economic life of the country that have lasted to present day.

Prior to Independence, child labor in India was widespread particularly in the textile industry under British control, where manufactures could exploit cheap labor. However, the British Lancashire textiles industry became fearful of losing its existing market share in Britain from colonies that used children in India to manufacture goods at a lower cost.

Because of these pressures, the first Factories Act in India passed in 1881, prohibiting employment of children

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6 Id. See also Kachroo, supra note --, at 6, (noting that under the British, India was forced into subordinate role in a world system based on industrial production, which “destroyed the craft and cottage industries and much of the culture of India…as well as universities and communication industries were used to serve the British”).
9 Sorabjee Bengalee, Letter to the Editor, TIMES (London), Sept. 13, 1878 (recognize economic interests).
under 7 years old and limited the work hours of children between 7 and 12 to nine hours per day. Since the 1930s, India’s child labor laws provide working children in bonded labor and industrial work greater protection.

b. Post-Independence India

Post-independence India followed socialist-inspired policies and sought to financial and political autonomy to improve the economy. In that period, India experiences a drastic fall in the numbers in child labor. The government immediately passed an array of legal measures to specifically combat child labor, such as the Minimum Wages Act and Factories Act (1948), the Plantation Labor Act (1951) and the Mines Act (1952). Additionally, the Constitution of India (1949) prohibits the employment of children in ‘hazardous' occupations under the age of 14 years old.

In 1954, the Ministry of Labor defined child labor as a “social evil.”

Child labor emerges with full force yet again, in the late 1970's and 1980's. During the first few decades of independence, India practiced extensive regulation and isolation from the world economy. India’s per capita income only increased around 1%. Consequently, Indira Gandhi (the Conservative Party) won the election in the late 70s. The emergence of this government signaled a shift in India’s political economy, as it “initiated a policy to re-configure

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13 *Id.* These laws developed many of the colonial measures, notably the Children (Pledging of Labor) Act of 1933 and the Employment of Children Act of 1938. *Id.* E.g., Beedi & Cigar Workers (Conditions on Employment) Act, § 24 (1966), (prohibiting children under 14 from being “required or allowed to work in any industrial premises”).
14 India Const. Art. 24; and art. 39(e) & (f) (directing the state to secure “that the tender age of children is not abused and … not forced by economic necessity to enter avocations not suited to their age and strength”).
15 Foil Pamphlet, *supra* at 10.
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the state’s relationship to foreign trade, business, and finance.” At this time, there was a steep drop in social expenditures, creating a lack of universal education for many children in Indian. In 1986, the Indian government passed the Child Labour Prohibition and Regulation Act accompanied by the National Child Labour Project, as a means to remove two million children from hazardous industries by 2000.

c. Export Oriented Growth Model

Beginning in 1975, India saw a shift in its economy towards an export oriented growth model as Indira Gandhi reached out to foreign trade. This model was becoming increasingly popular in the developing world with the aid of the International Monetary Fund (IMF) and the World Bank (WB). In 1981, India negotiated its first IMF loan. This meant a rapid fall in available funds for any social priorities, as India was subject to the strict policies of IMF’s Structural Adjustments Program (SAP), of internal austerity and economic liberalization. SAP “aimed at streamlining the economies of developing nations at the expense of health and social services.” Less spending on education meant fewer children in school and therefore a larger pool of [cheap] child labor.

This period of poverty alleviation lending by IMF and WB, resulted in the rapid rise of “third world” debt. Despite cuts in social services, India (similar to other debtor countries in this period) was required to spend a major portion of aid on the country of origin. The “foreign exchange loaned by the Bank enters the coffers of the central bank of the developing countries

17 Foil Pamphlet, supra note 10.
18 Cox, supra note11, at 161, (law bands children in certain areas like cinder picking and railway construction).
19 Mohsin Khan, IMF Staff Papers, Stabilization Programs in Developing Countries: A Formal Framework, (March 1981). See also Andrea Cornia, Adjustment with a Human Face, 2 vol. Oxford Claredon Press, 1987-1988 (stating UNICEF reported in late 1980s the SAP of the WB were responsible for the “reduced health, nutritional and educational levels for tens of millions of children in Asia, Latin America, and Africa”).
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where it is immediately earmarked (by the donors) for the purchase of imports from their countries thereby returning the capital central to its erstwhile location.”

India fell into a severe economic crisis by the late 80s, stemming from critical imbalance of payments, and intensified by the failure to generate profit or establish a net income. Permitted by government and enjoyed by the elite, the import bill increased by 300% while the annual untaxed expenditure was around $12 billion.

In 1991, India was facing a serious debt crisis, which worsened as the Gulf War erupted, and the only way India could make up its short fall, was to adopt the economic reforms per IMF’s new SAP instructions. SAP’s “conditionalities” include devaluation of currency, shrinkage of state expenditure and withdrawal from social welfare programs. Those cuts coupled with SAP’s fixed policies of deregulation and liberalization of markets, privatization of state-held affairs, compression of real earnings (i.e. elimination of correlating wages to domestic commodity prices), and promotion of exports by any means necessary, translated into the [current] escalation of child labor in India.

d. Increase in Child Labor

Today, child labor is widespread in India. According to statistics from the Indian government, there are 12.6 million child laborers in the country. However, other “estimates

23 Foil Pamphlet, supra note 10.
24 Foil, Appendix A, supra note 22. The UNDP criticized these policies “the IMF has exerted a strong influence over developing countries by setting stiff conditions on the loans it offers. This conditionality has generally been monetarist and deflationary, obliging governments to reduce their demand for imports by curtailing overall demand - - cutting back on both private and public spending. These cutbacks have often reduced consumption, investment, and employment -- and stifled economic growth.” Id. citing UNDP Report, 75 (New York, 1992).
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made by the majority of NGOs; they calculate the numbers between 44 and 100 million.”25 In its current Global Report on child labor, the ILO states “the global number of child labourers had declined from 222 million to 215 million” over the period of 2004 to 2008.26 It is debatable whether the ILO’s numbers are accurate, since the ILO obtains its statistics from directly from the governments, and currently, pursuant to the ILO website, India’s numbers are from its 2001 census.27 Children in India, between ages 5 and 14 labor in various trades including extremely hazardous industrial occupations such as textile, silk, and carpet factories, as well as diamond cutting, glass wear, construction and strenuous agriculture work. Young children that lack representation are vulnerable to many abuses and subject to manipulation and fear. Child laborers in India are essentially a voiceless class of people who are easily exploitable for cheap labor. They work long hours, for very low wages or none at all, and usually without any labor protections or health and safety considerations.

Many child laborers earn their wage per parcel of clothing embroidered, or per soccer ball stitched or, for example, by the cobble. Small children laboring over piles of sandstone and waste with a chisel in hand, earn a penny for every 8 square inches of cobble.28 Although bruises, cuts, and slices from the chisel are common in addition to silicosis, tuberculosis, and bronchitis from inhaling dust particles, child laborers are preferred for this kind of work because


of their “flexible hands and gentle pressure on the chisel.”

Other small children, appearing as young as 4 and 5 years old, work in construction, in exchange for merely food. At the construction site in front of the Jawaharlal Nehru Stadium, for the October 2010 Commonwealth Games, contractors, already behind schedule, coerce parents to bring their children to the site, promising payments of bread and milk in exchange for their labor.

In some cases, child laborers are not compensated at all, such as in bonded labor. Although children in bonded labor may exist in all industries, it is quite prevalent in the agriculture sector. Most child labor in India occurs in the rural parts of the country, where children toil either on family farms or in large-scale agribusiness outfits.

Near half a million children in India work on hybrid cottonseed farms for large national and multinational seed companies, and almost 200,000 of them are below 14 years of age. Most of the child laborers are girls, and are subject to highly labor-intensive conditions, including very long working hours and exposure to toxic pesticides.

Since its independence in 1947, India has undergone many changes, but most notably in the economic realm, which reflects the use of child labor. From the 1950s to the 1980s, India followed socialist-inspired policies, and child labor decreased dramatically compared to its pervasiveness during the British Raj era. Since the policy changes of 1991, India has seen a drastic increase in its GDP, ranking it the eleventh-largest economy in the world as of 2009.

Nevertheless, economic inequality in India has consistently grown and poverty has escalated to

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29 Id. Citing Rana Sengupta with the Mine Labor Protection Campaign (Trust) in Rajasthan.
31 Foil Pamphlet, supra note 10.
32 Davuluri Venkateswarlu, Seeds of Child Labour Signs of Hope, IRLF Report 8 (June 2010).
33 Id. at 3.
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record highs since liberalization.\textsuperscript{35} As demand for cheap labor increased, and the unemployment pool widened so did the use of child labor.

\section*{B. Traditional Explanations for the Existence of Child Labor}

The traditional explanations for the child labor phenomenon in India are (a) social attitude, (b) lack of compulsory education, and (c) poverty. Others have identified “seven cultural entrapments” that cause child labor in India.\textsuperscript{36} These seven entrapments virtually fall under the three traditional explanations. While the traditional explanations in fact, perpetuate child labor practices, they tend to justify the practice rather than define the origins for its existence.

\subsection*{a. Societal Attitudes}

Many commentators and activists claim that societal values determine whether children should work. In other words, certain societies find nothing wrong with the practice while others do. In the case of India, many activists blame India’s deeply imbedded caste system for the perpetuation of child labor. Those who adhere to the “seven cultural entrapments” theory describe the cultural expectations of children as contributors to the family income and the cultural discrimination against the female child cause child labor in India.\textsuperscript{37} Others claim that parents believe work provides valuable skills for the child and therefore deemphasize the importance of school. A similar notion is that uneducated parents believe women should be dependent on their husbands and thus discourage their daughters’ education.\textsuperscript{38}

\begin{footnotesize}
\textsuperscript{37} \textit{Id.}
\textsuperscript{38} \textit{Id.}
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Societal attitude or deeply imbedded cultural tradition as an explanation for why child labor exists in India is a weak generalization of a large population of people who indisputably hold differing positions on child labor practices. The fact that not every child in India is employed, and the fact that there is a plethora of evidence demonstrating that the vast majority of child laborers under 14 years of age, work to survive, suggests that India’s social or cultural attitude toward child labor is irrelevant to its cause. Few parents, presumably, are insensitive about the circumstances in which their children must labor, especially concerning small children of tender age.

Furthermore, India has been subject to exceptionally high rates of economic and social change, which make their present societies fairly unhinged and their futures imprecise. In recent years, India has transitioned from “age-old agricultural and village patterns of life to various forms of modern, industrial, and post-industrial conditions, all in a period of a few generations.” One figure of India’s Ministry of Labor declares, “Modern child labor, was not related to ‘Indian tradition’ or with ‘socio-cultural reasons,’ but more to do with the complex process known as the Industrial Revolution.” As international systems continuously, intrude on their way of life, making it ever more difficult for communities to maintain control over their own fates, India’s people live in a continual state of flux. Thus, societal norms and value systems tend to vary.

b. The Lack of Compulsory Education:

Another common contention by activists is that without compulsory education, children are fated to work. One of the seven cultural entrapments states “lack of effective enforcement of

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the right to free and compulsory elementary education, even where such rights exist under national laws and constitutions, is a cause of child labor.\textsuperscript{41} Conversely, others argue lack of education does not necessarily lead to child labor, that “there are a number of children in India today who while outside any system of education do not end up” as a child laborer.\textsuperscript{42}

It is not enough to claim that lack of compulsory education is the cause for child labor in India. Rather, one must link the cuts in social expenditures, beginning in the late 70s, with the state’s refusal to enforce laws that protect universal schooling, to the state's cooperation with the globalized processes initiated by the IMF.\textsuperscript{43} Therefore, to associate the incidence of child labor with lack of compulsory education, it is necessary to recognize this correlation in light of the India’s shift toward an export oriented economy and principles of political austerity.

c. Poverty & Overpopulation:

Most observers agree that the overwhelming poverty in India drives most child laborers into the workforce. The argument that poverty forces parents to send their small children out to work in harmful environments, is a logical explanation, but is incomplete. Poverty may also compel people to engage in crime, prostitution, drug and alcohol abuse, and homelessness. Hence, poverty is largely the explanation for most social ills in society. What is missing in this analysis is that poverty is also a mere effect of a larger structural cause, just as lack of education is, as well as the social attitudes among a people in a state of constant unrest.

Most Western spectators perceive poverty or “underdevelopment” in the Third World as an original historic condition.\textsuperscript{44} As if poverty always existed, such that India is poor because her

\begin{itemize}
\item[41] Agarwal, supra, note 36.
\item[42] Foil Pamphlet, supra note 10.
\item[43] Id.
\item[44] Parenti, supra note 1.
\end{itemize}
lands have always been fruitless and her people lazy or unproductive. On the contrary, this term “underdevelopment” is simply a set of social relations forcefully imposed on countries whom previously were victims of Western colonization. Third World nations such as India were “actually set back in their development sometimes for centuries.” Yet, India’s land has produced ample vegetation, abundant foods, minerals, and other valuable natural resources. The “Third World is rich. Only its people are poor—and it is because of the pillage they have endured.”

Poverty persists in Third World countries even post-colonization. The United Nations Conference on Trade and Development noted in its 2002 report that poverty is pervasive and persistent especially in countries that rely very heavily on commodity exports. The report mentions “the overall incidence of extreme poverty is increasing in the least developed countries as a whole, so the number of people living in extreme poverty has more than doubled over the last thirty years, from 138 million in the late 1960s to 307 million in the late 1990s.” This report indicates that the export oriented growth model, adopted by most Third World nations at the behest of the IMF and WB, is the cause of the rapid increase in extreme poverty.

Therefore, social attitudes, lack of education and poverty in India have not only been perpetuated the use of child labor, but like child labor, they are merely the effects of the causal structural developments in the international political economy.

II. THE MONSANTO EXAMPLE: TNC IMPACT ON INDIA’S RURAL ECONOMY & CHILD LABOR IN LARGE AGROBUSINESS OUTFITS

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45 Parenti, supra note 1.
46 Id.
47 Hendricks, supra, at 3.
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The Monsanto seed company in rural India provides an illustration of how TNCs influence the growth in inequality in India. The Monsanto example also demonstrates the relationship TNC agribusinesses have on the collapse of rural economies across India, the agrarian crisis, and the increase in child labor in the cottonseed industry.

A. MONSANTO: Seeds of Child Labor

a. Child Labor In Agriculture, The Untold Story

Child labor in the agriculture sector of India is not as familiar to the Western public in comparison to child labor in textile and garment industries such as with TNCs like Nike, Gap, and Wal-Mart. Not only is there very few publications or media on the topic, but even in the few articles that do mention child labor in agriculture, most are incredibly brief and general, or absolutely misinformed. Most child labor articles simply state that child labor is most prevalent in rural communities, or in agriculture, or on family farms, and that it why it so hard to enforce the laws against it. The typical article does not investigate further, as to why child labor is so prevalent in this area. Rather the typical article defers to the common justification that children from rural communities are usually poor, and systemic biases influence the belief that “rural and poor children [should] enter the workforce at an early age.” These typical articles tend to adopt the so-called societal or cultural attitude explanation for why child labor is so prevalent in the agriculture sector, which justifies the lack of further inquiry into the problem. One article did mention some revealing facts, that “India has approximately 60 million to 115 million children employed in agricultural, service, and small-scale industries...children are working in forced or bonded labor conditions …these industries include cottonseed production …children are sold or

48 Agarwal, supra note 36, at 687.
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traded by their families in order to relieve a debt.”49  However, this article focused on the shortfalls of India’s government as the source for such high numbers of child labor in this area.

b. Monsanto & Cottonseed

TNCs, such as Monsanto, Bayer, and DuPont own 121 (30.2%) of 400 farms in four Indian states, Andhra Pradesh, Tamil Nadu, Karnataka, and Gujarat.50  Monsanto is a US based TNC agricultural biotechnology (BT) corporation. It is the world’s leading producer of the herbicide glyphosate, marketed as “Roundup,” as well as the leading producer of genetically engineered (GE) seed.51  Monsanto has patented GE seeds from around the world including seeds from India. Monsanto (together with its joint company Mahyco) own 73 farms that produce cottonseed in India.52  Monsanto is also the sole manufacturer and distributor of BT hybrid cottonseeds in which 53 all-Indian cottonseed farmers purchase the BT cottonseed from Monsanto. These farmers produce the cotton on their farms and then sell it back to Monsanto. The BT seed is a GE seed that only produces one yield of cotton (if any) per season.

Since 1998, studies have been conducted on the nature and magnitude of child labor in the cottonseed industry. This is due to the increase of large-scale employment of children in this sector resulting from the increase of large-scale multinational seed companies entering India’s

49 Radha Vachhani, Cote D’Ivoire and India: Stricter Enforcement & Unanimous Compliance Required To End Child Labor, 15 New Eng. J. Int’l & Comp. L. 125, 131 (2009). This article is what stimulated my curiosity about the cottonseed industry.
50 Venkateswarlu, supra note 32, at 5. These rural states produce the majority of cottonseed in India, they are also the leading states that employ child labor including bonded labor.
52 Venkateswarlu, supra note 32, at 6.
cottonseed production. One of the major characteristics of child labor in this field is bondage labor. Bondage labor occurs when a parent offers the labor of his/her child as payment of a loan. The abuse that occurs in bondage labor, consists of employers exploiting the child’s labor beyond the price of the loan.

The relationship between child labor, specifically bondage labor and Monsanto is that most parents that engage in the bondage labor of their child, are small-farmers, who have fallen into debt because of the high cost of the BT seed and the low production of the seeds yield. Almost all of these small-scale family farms were contracted out by TNCs, primarily Monsanto, to produce cotton on the farmers own land with Monsanto’s BT seed. As result, thousands of farmers not only fell into severe debt due to the increased need of pesticides and higher cost of BT seeds all purchased from Monsanto, but also, their soil stop producing all together.

As a result, of mounting debt, parent-farmers began allowed their children to labor for the TNC cottonseed farms, such as Monsanto’s farms, as repayment on their debt. An important note to make however, is that these parents did not initiate the bargain of their child’s labor, nor did they offer-up their children up willingly. As the season approached for harvesting, TNCs would hire agents called ‘mates’ who are local tribal villagers to recruit children. These mates would come with money in hand (from the TNC) and offer it as a loan to the parent, for the employment of their child. Because of the massive amount of debt parent-farmers were in, they

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54 Venkateswarlu, supra note 32, at 3.
55 Id.
56 Venkateswarlu, supra note 32, at 3.
57 Id. at 18.
acquiesced to the offer. Thus, thousands of children have been placed in bondage labor due to this exact scenario for parents in these rural localities.

c. Farmers Mass Suicides

Jyothi Naga is cross-pollinating cottonseeds at a farm in Andhra Pradesh, in southern India, for the American Giant Monsanto. She works 12-hour days and earns about 20 cents an hour. The 15-year-old has been working in these fields for the past five years ever since her father, a cotton farmer, committed suicide after incurring huge debts.

The huge wave of farm suicides in Indian rural population from 1997 to 2007 totaled close to 200,000, according to official statistics. That number remains disputed, with some saying the true number is much higher. Government adopted policies that required economic reforms, result high portion of rural households getting into a debt cycle. Government encouraged farmers to switch to cash crops, in place of traditional food crops. This has resulted in an extraordinary increase in farm input costs, while market forces determined the price of the cash crop. Finally, a disproportionately large number of farm suicides occurred with cash crops, because with food crops such as rice, even if the price falls there is still food left to survive on.

d. Collapse of Rural Economies, The Agrarian Crisis, Growing Inequality

Professor Utsa Patnaik, India’s top economist on agriculture has also pointed out that since the economic reforms of the 1990s: Farm incomes have collapsed. Hunger has grown very fast. Public investment in agriculture shrank to nothing a long time ago. Employment has

58 Id.
59 Megha Bahree, supra note at 28.
61 Id.
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collapsed. Non-farm employment has stagnated.\textsuperscript{62} Millions move towards towns and cities where, too, there are few jobs to be found. The average poor family in 2007 has about 100 kg less food per year than it did in 1997\textsuperscript{62} In one estimate, over 85% of rural households are either landless, sub-marginal, marginal or small farmers. Or, nothing has happened in 15 years that has changed that situation for the better.\textsuperscript{63}

Much has happened to make it a lot worse. Those who have taken their lives were deep in debt – peasant households in debt doubled in the first decade of the neoliberal “economic reforms,” from 26% of farm households to 48.6%. Meanwhile, all along, India kept reducing investment in agriculture (standard neoliberal procedure). As of 2006, the government spends less than 0.2% of GDP on agriculture and less than 3% of GDP on education

Unfortunately, the human cost of the “liberalisation” has been very high. The Professor also points out that inequality has reached one of the highest rates India has ever seen. During the time when Public investment in agriculture shrank to 2% of the GDP, the nation suffered the worst agrarian crisis in decades, the same time as India became the nation of second highest number of dollar billionaires. Executive Director at Morgan Stanley, pointed out that there has been a wealth increase of close to $1 Trillion in the time frame of 2003-2007 in the Indian stock market, while only 4-7% of the Indian population hold any equity. The level of inequality has risen to extraordinary levels, when at the same time, hunger in India has reached its highest level in decades.

\textbf{III. LINK BETWEEN CHILD LABOR AND INDIA'S POLITICAL ECONOMY}

\textsuperscript{62} Id.
\textsuperscript{63} Foil Pamphlet, supra note 10.
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Common methods to ending child labor do not work because they do not recognize the structural causes of child labor in India. This part explains how certain international organizations heavily influence and safeguard political-economic systems in Developing countries such as India, that creates a race to the bottom and how many countries know what the effect of globalization will be.

A. Common Approaches to Reducing Child Labor in India

Evident by the relentless practice of child labor in India existing today, and absent proof of any significant reduction, proves that these common strategies, such as Legislation, litigation, Compulsory School/education or, International Intervention and labeling of product campaigns simply do not work. In the campaign against child labor, international organizations and activists from Developed Nations often appeal to legislative action, or international intervention such as aspirational conventions like the ILO, trade sanctions. Local laws are virtually unenforceable and the sovereignty of nations prevents international intervention to hold any weight. Not only are the laws not enforced, but they do not even reach all work places that involve child labors. For example, “The ICN report from 2002 revealed that stitching centers are exempt from the Factories Act of 1948, and are therefore denied the rights protected in this act.64

Product labeling is hopeful, but currently it is a small-scale movement not likely to be considerably effective especially with its lack in oversight. “India’s Ministry of Textiles, known as the Carpet Export Promotion Council, has a membership of 2,500 exporters who subscribe to a code that prohibits them from buying hand-knotted carpets known to have produced with child

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64 Soccer Ball Report 18.
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labor…However, it is believed that these initiatives only cover about 10% of all registered looms.”

Many activists plead for education and compulsory schooling as a combatant to child labor practices. Similarly, education and compulsory schooling seem like a logical cure, but only at first glance. Presently, this approach is quite impractical to be effective in discouraging child labor in India. In the literal context of most developing countries especially India where the majority of child laborers live in rural areas, the quality, cost, and proximity of schools are major barriers for formal educational access.

Therefore the reason why these approaches have not been very successful in combatting child labor in India is because they focus on the consequences of child labor and not its structural cause.

B. **Focus of on the Cause**

a. **Linking the Structural Cause of Child Labor in India to International Trade,**

Examining the changes of India’s political economy faced in the 1980’s, and 1990s links the structural causes of child labor in India to the system of international trade. What such an analysis does is place the explanatory variable ‘poverty’ in the context of the changes in a political economy and thus attempts at identifying the specificities of the structures that constitute poverty and attendant labor practices. The ‘poverty' of the nation, in relation to global relations of production, leads to an intensified use of child labor, notably in a phase when it undergoes a policy of stabilization under the overall guidance of the International Monetary Fund. This has recently been recognized by the ILO.

b. **System Creates A Race To The Bottom**

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66 Foil Pamphlet, supra note 10.
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This "development theory" or "modernization theory," bears little relation to what is actually happening the world. What has emerged in the Third World is an intensely exploitive form of dependent capitalism. Economic conditions have worsened drastically with the growth of transnational corporate investment. The problem is not poor lands or unproductive populations but foreign exploitation and class inequality. Investors go into a country not to uplift it but to profit for themselves. This so-called development theory, has destroyed whole societies in effect. “Self-sufficient peoples are forcibly transformed into disfranchised wage workers. Indigenous communities and folk cultures are replaced by mass-market, mass-media, consumer societies. Cooperative lands are supplanted by agribusiness factory farms, villages by desolate shanty towns, autonomous regions by centralized autocracies.” As a result, this development theory created a world economy that has little to do with the economic needs of the world's people.

IV. GRASSROOTS APPROACH, COMMON & CONSUMER POWER

Now that the structural cause of child labor has been addressed, actions can be suggested that may mitigate the problem of child labor in India.

A. Grass Roots Approach

One suggestion is a grassroots approach that should begin at the local level and tailored to the needs of that community.

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67 Parenti, supra note at 1.
68 Id.
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The State of Kerala in India has managed to end child labor, lower its birth rates by one third, and provide universal education for its children. Kerala enjoyed neither dramatic industrial expansion nor high per capita incomes nor extensive family planning programs. The factors that attributed to this were: Public education and health care, a reduction of economic inequality, improvements in women's rights, food subsidies, and in some cases land reform. In other words, child labor and poverty reduced, fertility rates were lowered, and education was provided, not by capitalist investments and economic growth as such but by socio-economic betterment. 69

Ending child labor in India must start at a grassroots level. That is not to suggest that India should implement this on its own. Instead, advocates and campaigns against child labor in India should work with India to end child labor. For instance, advocates can begin by working with the local government, the parents, and the children themselves. Then maybe engage the local media and perhaps even the local employers of child labors as well. For too long India’s children have been controlled by foreigners who do not care for well-being. For too long others (even with honest motives) have undermined India’s social and moral outlook because of the conditions India’s children are living.

In light of the economic structural cause of child labor in India, India and her children are those who truly have genuine interest in making their home a better place. Therefore, instead of trying to impact child labor in India from a Western perspective, and through Westernized approaches, advocates against child labor in India should serve the interests of India through the India herself.

B. Control Vonsumers Maintain, An Alternative Approach

69 Parenti, supra note 1.
The exploitation of modern child labor in developing countries persists in part because of consumers like us. For instance, you might be the type of consumer that insists on purchasing products, despite their inflated prices, just to sport the brand name or label. Take Nike for example, little children in India produce Nike products. They work under harsh conditions, They produce a max of 2 soccer balls a day and earn at best 7 cents per ball, which is 40 times less than the retail price. earning approximately forty times less producing the product, compared to the price Nike places on that same product and retails to consumers in the US. Alternatively, some consumers demand low prices for expendable and disposable goods, like Wal-Mart products for example. Wal-Mart’s cheap prices and cheap products come at the high cost of cheap labor. Wal-Mart exploits cheap labor around the world, including child labor, producing the cheap products Americans have come to love so much. This may not bother you, or at least not for very long since, you will soon forget about this piece of information and inevitably indulge in your faithful shopping habits once again. On the other hand, you might be flooded with emotions, mixed with guilt and compassion. If that is the case, wipe the tears away, because most Americans have consumed products made by children, and usually unknowingly. Why should we care anyway, after all, this is India’s problem. The reason may lie in the linkage between India’s manufacturing companies and American consumers. The link that bonds American consumers to India’s manufacturing companies and essentially to their child laborers, is the TNC. Accordingly, the image of small children working long hours in garment factories to produce stylish clothing for major US companies such as Gap, Levi Strauss, Disney,

70 (http://www1.american.edu/TED/nike.htm)
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H&M, and C&A for meager wages appears shameful. Some consumers become appalled when they learn of children in India, cramped in poorly lit rooms, suffer from continuous skin contact with industrial adhesives, and breathe vapors from glues to produce footwear for Nike and Adidas. Consumers may simply question the US companies who import glassware from India made by children exposed to deadly chemicals and severe heat from furnaces without proper ventilation, and suffer from tuberculosis, mental retardation, asthma, bronchitis, liver ailments, chronic anemia, untreated severe burns as well as fundamental damage to their genetic matter. Finally, people may find the disturbing linkage with the fact that the vast majority of child laborers in India toil long tiresome hours in the agricultural sector, including large-scale agribusiness outfits, like US corporate giant like Monsanto who reap the benefits from the sweat of little children.

While consumers may feel dominated by corporate giants like Monsanto and General Electric, consumers still maintain enormous control over most products they choose to consume. Consumer demand of certain products can essentially determine the survival of a company in a competitive market. Generally, consumers demand satisfaction with the purchases they make. What controls consumer satisfaction, is usually quality, price, and customer service. Equally important, however, is the product image, which incorporates business reputation and business practices. Naturally, a consumer wants to feel good about what she is spending her money on and to whom. Thus, a product can easily lose its value, if the company’s image is degraded. This is where consumers play a significant, but unacknowledged role in the global economy. With the help of generous media exposure of child labor abuses in India, informed consumers can have regular updates on companies who participate in such labor practices. Consumers can learn about the contracting factories hired by mega TNCs such as Gap, Levi Strauss, and Nike,

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72 (Foil Pamphlet #1).
73 Id.
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who engage in horrific child labor practices. The informed consumer can then make her product selection based on not only quality, price and service, but also guided by her awareness of the company’s participation in child labor, which will help shape the company’s image. Accordingly the consumer will not only take control over the products she buys, but she will also participate in the global economy.

CONCLUSION

Perhaps if consumers were to be exposed to these abuses, not just exposed, bombarded with information about this stuff through mass media, like hearing about the latest on Lindsay Lohan (look what child labor did to her) and her 90-day jail sentence or Mel Gibson and his psycho outbursts, maybe consumers would think twice before making their next purchase.

Conversely, consumers against child labor may want to begin at the grassroots level instead. Consumers, child advocates or activists against child labor may want to first learn what the needs of the particular people affected by the practice are first, before adopting a strategy that may have an impact on their livelihoods.

Finally, in considering Gandhi’s view of democracy, maybe that approach is what is best for the children of India. Gandhi ‘s perception of democracy is “not democracy as the right to go and buy what you want, but democracy as the responsibility to be accountable to everyone around you. Democracy begins with freedom from hunger, freedom from unemployment, freedom from fear, and freedom from hatred. To me, those are the real freedoms on the basis of which good human societies are based.”74

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