

Testimony of

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for the

**Public Hearing to Collect Information to Assist in the Development of the List of
Goods from Countries Produced by Child Labor or Forced Labor**

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Department of Labor

I would like to start by thanking the Department of Labor for providing the International Labor Rights Forum the opportunity to testify here today to help the Department in its efforts to educate the American public about the global scourge of child labor. We are here today to testify requesting the inclusion of particular products on the List of Products Produced by Forced Labor and Child Labor, which I will refer to as the Child Labor Product List. We look forward to working with the Department to develop the Child Labor Product List, and believe that this is an important opportunity to educate the American consumer about the widespread use of child labor in the production of goods that they consume every day. At this time, I hereby request that the Department of Labor take notice of the products listed in our March 2008 public filing, including cotton, cotton seed, cocoa, tobacco, sugar, rubber, granite and surgical instruments.

I'd also like to thank the Department for making public every filing concerning child-labor made products as ensuring openness and transparency in this process is vital to achieve the goal of bringing attention to the problems faced by child laborers. We hope that the Department of Labor, when making its final determinations as to which products are included on the list early next year, make publicly available or publicly identify all information it used in assessing each product.

Rather than focusing on information available in our public filing and the reports referred to therein, we would like to address in our comments today the importance of ensuring integrity and transparency in the process for listing goods on the Child Labor Product List, including those contained in our submissions. In particular, when evaluating whether "government, industry, or third-party actions are effective in significantly reducing" child labor or forced labor, the Department of Labor must examine each of the demand drivers that push children into producing products like those mentioned before.

First, when assessing whether national government policies to eliminate child labor are effective, the DOL must fully examine the range of government policies that exacerbate conditions for small farmers and reduce their already meager incomes.

While ILO-supported Child Labor Monitoring systems and Timebound programs are vital for developing a full understanding of the causes of child labor and give some direction on the national level for national governmental efforts to eliminate child and forced labor, they do not assess or address other structural hurdles in national government policies that promote the worst forms of child labor.

Not all governmental policies pushing children into work are as blatant as the forced labor scheme employed in Uzbekistan, where children are marched out of school and into the cotton fields. For example, in industries that are the lifeblood of a country, farmers face a heavy tax burden, where in some instances a farmer has to pay over 9 taxes and numerous other unofficial charges before their product is allowed to exit the port. The taxes are imposed on a local and a national level and result in the transfer of a significant portion of the farmer's income to the governments. These taxes minimize the struggling farmer's profits to just above production costs and can often lead to families employing their children to reduce labor costs.

Second, any third-party or industry actions efforts to significantly reduce child labor must address the industry's role in creating demand for goods produced by children.

One significant economic constraint that farmers in the developing world face is improved, direct access to the global markets. Access to these markets requires more than just adequate infrastructure to facilitate farm to market transportation. Rather, farmers need to be actively empowered to capture a larger share of the profits for their products. Instead, farmers are dependent on expensive middle-men to access complex trading systems.

In many industries, initiatives aimed at ending child labor have focused heavily on “educating” families about the hazards of child labor and improving children’s access to education, both vocational and formal. Missing from the discourse, however, is a discussion of the role that industry plays in assisting farmers to capture a larger share of the value of the product they grow, which will increase family income and drive down demand for child labor.

As has been noted by development experts in relation to African economic development, “The current form of globalization in Africa and elsewhere, in which capital relies on complex systems of subcontracting to shift the burden of production onto groups farther along the commodity chain, produces devastating effects for economies and societies.” In many cases, though, industry efforts to eliminate child labor are working in tandem with industry sourcing policies that encourage, or even mandate, that workers bring their children to help. In the case of tobacco, the industry, with support from the national governments, has been increasingly contracting directly with tenant farmers in Brazil, Malawi and Mexico. These efforts have created a peonage system trapping farmers into debt bondage. As a result, farmers are required to bring their children along to reduce labor costs in an effort to eke out a living. Plantation workers in Liberia, directly employed by a subsidiary of Bridgestone-Firestone, had to bring their children to work with them in order to meet increasing production quotas set by corporate management.

Any measures taken to eliminate child labor without also helping farmers improve their share of the profits will only be a half measure. To improve farmer incomes, industries need to be willing to reform their supply chain and sourcing policies to ensure that producers are receiving fair compensation for their labor. Any “standard set of business practice” resulting from this list must, at a minimum, include supply chain reforms.

The integrity of the listing process must be ensured so that industries are meaningfully engaged in ending the scourge of child labor.

Finally, we’d like to address the importance of ensuring that the process for listing a product is insulated from political influence. In its Federal Register notice, this agency has noted that “the primary purpose [of the list] is to promote ameliorative efforts at the national level.” While this is one of the important purposes of the list, the TVPRA makes clear that the list serves three additional purposes:

First, by requiring the list to be public in Section C, Congress intended the TVPRA to promote public awareness of the use of child labor in the production of so many products we find on the shelves of our stores. One of the fundamental purposes of producing this list

is to educate consumers that their economic decisions have significant ramifications to the lives of children around the world.

As one scholar has noted in regards to tobacco production in Malawi, “Consumers in affluent societies perpetuate the invisibility of laboring classes and corporate power in less developed countries through their unfamiliarity with or disinterest in the circumstances behind the low-priced products they utilize, and their uncritical stances toward industry controlled structures and practices that inform consumer behavior.”

Once the shroud of invisibility is lifted and consumers are given the information they need to make a meaningful choice between purchasing a good made with child labor, and one made without child labor, we believe that there will be a strong surge in demand for substitutes for child labor-made goods.

Second, according to Section D, the list is intended to identify industries where the DOL and others will work with private industries to change business practices and end the industry’s dependence on child labor.

Finally, according to Section E, the list is intended to focus U.S. Government efforts to end the global trade in child labor-made goods and bring an end to the demand for those goods.

In order to achieve each of these goals, it is imperative that the integrity of the listing process be protected from political considerations. The list must reflect the reality on the ground, and not be distracted by well-meaning programs that do not have a track record of success in eliminating the worst forms of child labor.

Of particular concern to the ILRF is the lessons learned by the DOL after its initial foray into creating a list of countries and products produced by child labor pursuant to President Clinton’s Executive Order 13126 in 1999. At that time, the Department of Labor was ordered to publish a list of goods that the DOL “ha[s] a reasonable basis to believe might have been produced by forced or indentured child labor.” However, the DOL utterly failed to uphold the “reasonable basis” standard established by the EO, which resulted in the listing of only eleven products from Burma and one from Pakistan, apparently reflecting predominant political considerations and concerns at the time.

This time around, the “reasonable basis” standard is essentially the same. However, the scope of the list is expanded to include the remaining worst forms of child labor, including the conditional forms that are “hazardous” to a child’s health and welfare. In order to ensure that the list accurately reflects the current on-the-ground conditions of child labor, a product and country must be listed if the DOL determines that it has “reason to believe” that a “pattern or practice” of child labor persists in a particular industry. Whether a government or other third party has engaged in ameliorative actions may be informative to help the DOL work with industries to establish a “standard set of practices”, these ameliorative efforts should not, by themselves, be sufficient to cause the DOL to choose not to list the product in the first place.

In the event that a government or third-party initiative is effective in reducing child labor in that industry, the product should remain on the list until the initiative has eliminated child

labor or reduced it to negligible levels. Simple reduction in child labor should not be enough because, as we have seen in regards to the child labor initiatives in the soccer ball industry in Sialkot, ameliorative efforts require constant vigilance or child labor could return to the industry.

While many industries and governments may initially fear the listing of products made by child labor, in the end, we believe that the systematic monitoring and publishing of this information can lead to a change in consumer behavior, which can help drive change in the economic systems currently put in place that exacerbate the causes of child labor. Market-based approaches to change must include the participation of all market actors, including consumers. And consumers can only actively participate if they are informed.

The Child Labor Product List takes the important step of creating a platform from which consumers and other market actors can fully participate, through advocacy or simply through their daily purchasing decisions, in informing companies and policy-makers of their desires over how to help meaningfully change the lives of child laborers for the better by promoting sustainable solutions for economic development through their own economic decisions.

Thank you.