The Politics of Negotiations: MVF and Multinational Corporations on Child Labor in Cottonseed Fields

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March, 2004
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I. Preface

The employment of children in cottonseed fields of Andhra Pradesh in India has become a global issue in recent years. As a result of media campaigns from numerous international lobbyists and efforts to eliminate child labor from local NGO’s, multinational corporations have been increasingly cooperative in negotiating and taking responsibility towards finding a solution to the issue. One local NGO based in Secunderabad, Mamadipudi Venkatarangaya Foundation (MVF), has taken the lead in not only raising awareness in local communities against child labor in cotton fields, but has also recently taken steps to negotiate with multinational corporations to eliminate the use of child laborers in their fields. The involvement of the corporations in the negotiations is critical in the progress towards a solution. MNCs can provide initiatives to eliminate some key factors perpetuating the employment of children (such as insufficient wages and lack of implementation of existing laws). It is the responsibility of the MNCs to ensure that human rights are not violated in any step of the line in the production of their products. MNCs, though slow to respond and take responsibility in earlier stages, have become active in ongoing negotiations. It is the methods and strategies that the NGOs have utilized in the progress of negotiations and the consequential shifts of the responsibilities taken by the MNCs that are being discussed in this report.

II. Varied Views of Child Labor Policies

Child labor has been an issue that has been tackled by various international organizations, namely UNICEF, UNESCO, World Bank, and ILO. Despite varying policies regarding child labor, the child labor involved in cottonseed production is condemned by each of the following international agencies. In negotiating with MNCs, it has been brought to their attention that each respective corporation is involved in the violation of human rights.

UNICEF is one of the few agencies that focus exclusively on children. It is one of the leaders responsible for basic education along with UNESCO and the World Bank.
UNICEF’s global policy on education was developed in 1995, and its global strategy for child labor was developed and documented in a paper “UNICEF: Towards a Global Strategy on Working Children” in 1997. According to this paper, it is evident that the main emphasis should be on the prevention of work that is detrimental to children¹.

UNESCO is a leading agency in advocating education, but has done little on the issue of child labor. It set up a program in 1992 entitled “Street and Working children” in response to children left out of the educational process. The eradication of child labor has not been an eminent priority for UNESCO thus far¹.

The World Bank has supported education since 1962 and is presently the largest external financier of education projects in the world. The World Bank has taken up a position on child labor recently, and in 1998 released a document entitled “Child Labor: Issues and Directions for the World Bank.” It has illustrated the agency’s stance on the issue. One concept is that poverty is the main cause of child labor, and that child labor is “not always harmful… the alternative may be deeper poverty².” It believes that education is vital, and it is crucial to adapt schools to accommodate children who can not attend schools. This implies that for children who “must” work, the access of schools should increase (such as allowing for flexible school schedules, and reducing the cost of attendance). The report also says that the most powerful force driving children to hazardous work is poverty.

The International Labor Organization (ILO) is a leading agency for policy development in child labor. Drawing on the previous convention numbers 138 and 182, the report identifies three categories of child labor to be abolished¹. The first is labor performed by children under “a minimum age specified in national legislation for that kind of labor³.” The second is labor that “jeopardizes the physical, mental, or moral well-being of a child, known as ‘hazardous work.’” The third is the unconditional worst forms of labor, including slavery, trafficking, debt bondage, and other forms of forced labor.

Each of these agencies share the common agenda that, not all forms of child labor, but specific forms that are deemed to infringe the rights of a child, should be abolished.
Few agencies take the broader approach of eradicating all forms of child labor and full-time education for all children, protecting the rights of all children.

MVF’s views prove to differ from the views of the aforementioned international agencies. The five “non-negotiables” that the NGO operates under are as follows:

1. All children must attend full-time formal day schools.
2. Any child out of school is a child laborer
3. All work/labor is hazardous and harms the overall growth of the child
4. There must be total abolition of child labor. Laws regulating child labor is unacceptable.
5. Any justification perpetuating the existence of child labor must be condemned.

In the past ten years, over 240,000 children (4,000 of which were bonded laborers) in 4,300 villages over eight district of Andhra Pradesh (including the “backward” region of Tellangana) have been taken out of labor and mainstreamed into schools. This success suggests that it is not poverty that causes child labor, but rather that child labor causes poverty. MVF does not compensate parents for withdrawing children from work and the resultant losses of income. In most cases, because their children were in schools, parents have worked more hours, gave up such luxuries as alcohol consumption, and gained more income as a result.

The failure of international agencies to condemn all forms of child labor stems from the myth that poverty is at the root of child labor. The success of MVF’s efforts has proved otherwise. Child labor involved in the cottonseed fields does indeed involve bonded labor. In the process of eliminating child labor in cottonseed production, it is essential for MNCs to understand that the employment of children is not justified by “cultural differences,” poverty, or even the myths perpetuated by international agencies working against child labor. MVF, along with these international agencies, has worked to inform MNCs that not taking responsibility against child labor in cottonseed production simply equates to violating children’s rights.

III. Introduction
A. Magnitude of the Problem

The introduction of the hybrid cotton seed has been successful in producing large amounts of quality cotton in India. It has also generated employment in the agricultural sector as well as increased the versatility and productivity of cotton.

The processes involved in production overshadow the benefits of the production of the hybrid cottonseed. Child labor in hybrid cottonseed fields has caused much attention locally and internationally. Inexpensive labor is crucial for the farmers, as 52% of the cost of production goes towards human labor alone. Unfortunately, 90% of the laborers are female children between the ages of seven and fourteen. In Andhra Pradesh alone, there are 250,000 female child laborers in the cotton fields.

The production and marketing is carried out by both private and public seed agencies. The public agencies include JKH and Savitha, Private agencies include Paras Brahma (Hindustan Lever Ltd), and Banny (Nuzeveeda seeds). Multinational seed corporations include Monsanto, Hindustan Lever, Advanta, Syngenta, Emergent Genetics, and Bayer/ProAgro.

Seed organizers, the middlemen between farmers and national/multinational corporations, have the responsibility of providing farmers with an advance before supplying seeds and setting the price of the seed before seed cultivation. The seed producers employ local and migrant children, many of whom are employed as a result of paying loans and advances to parents. These children work under a new form of bonded labor. They are paid low wages and are bound to the farmer by loans and advances paid to parents. This keeps them in a cycle of debt, requiring them to work on a long-term contract. The “new” form of bonded labor is characterized by offerings of gifts such as ribbons, jewelry, and snacks to the girls by the farmers. The children are technically exploited, as their conditions fit the criteria describing a bonded laborer by law.

The impact of literacy and health of the children prove to be quite grave. Out of 380 female children, 62% have dropped out, 29% have never attended school, and 9% have attended school for less than one year. The health of the children is reason for much concern as well. The children are constantly exposed to poisonous pesticides, which lead
to symptoms such as headaches, weakness, convulsions, respiratory depression, and irregular menstrual cycles. Pesticides such as Endosuphan have been shown to affect the nervous system. There have been two incidents of death among female child laborers between 1997 and 1998.

The arguments behind the employment of female-child labor further imply exploitation, as clearly illustrated in Mr. Davaluri Venkateswarlu’s study. First and foremost, children work for low wages. Secondly, they are more able to work long and arduous hours without tiring, and have more energy and thus work intensively and consistently for consecutive hours. Younger girls tend to be physically dexterous and have nimble fingers for faster and more efficient results. They are also willing to accept such gifts as ribbons and snacks, an inexpensive incentive to work. Another reason why female children are employed is that it is often deemed inauspicious for menstruating females to work on the fields.

This new form of bonded labor, named Jeetham, differs from its traditional counterpart of bonded labor, Vetti. Jeetham is arguably less exploitative, for the bondage is not hereditary (if the laborer passes away, his child does not inherit the debt). However, the Bonded Labor Act of 1976 has declared bonded labor illegal. The failure of implementation of the act became cause for action.

"BONDED LABOR IS A CRIME...Under the Bonded Labor Abolition Act (1976) demanding repayment of loans taken against bondage is liable to rigorous punishment...." A leaflet that is posted in various mandals of Andhra Pradesh warns the community.

B. Brief History of Negotiations

As an NGO working at the ground level, MVF’s priority is to withdraw the child laborers from the cotton fields and to mainstream them into schools. MVF has taken actions towards the elimination of child labor in the cotton fields of Andhra Pradesh. The reputation of the seed companies gradually decreased as a result of campaigns from the Netherlands and Germany against child labor in the cotton seed fields, which these
companies had stakes in. International organizations, such as Global March, have raised the issue of the level of the MNCs’ responsibility over the employment of children in cotton fields. Pressures on the companies mounted as they were accused of violating responsibilities, rules, and international guidelines. MNC’s began to negotiate.

Syngenta agreed to proceed with dialogues with MVF on March 7th, 2002. The company contacted MVF and expressed interest in working with local organizations to address child labor in the cottonseed fields. The company acknowledged that a problem existed and agreed to support the NGO’s activities to effectively address the problem.

In September 2003, a press release gave way to dialogues between such MNCs as Hindustani-Lever, Monsanto, Advanta, and MVF. Syngenta’s initial involvement motivated other corporations to follow suit. This was a landmark in the progress of ridding cotton fields of child labor. As the CEOs of the various companies attended a two-day consultative meeting, several progressive decisions were made. Concrete steps had finally been taken towards a resolution. The meeting resulted in a decision for a task force committee, and plans for implementation to take place within the following six months.

The following three months, however, did not prove to be promising. It was not until December when the proposed Join Task Committee finally held a meeting. Active steps had not been taken and the issue remained, once again, at a standstill.

Another dialogue took place in December wherein immediate steps to be taken were discussed once again. Meetings to motivate organizing and implementation were to be held regularly with seed farmers, seed organizers, and companies. Company material such as brochures and posters were to be issued in order to rouse awareness and sensitize the public about child labor in cotton fields. It proved promising, as companies such as Emergent Genetics and ProAgro initiated their own motivational meetings and workshops for seed farmers.

On February 19th, a consultative meeting took place with MNCs along with the MVF. It was a progressive meeting wherein concrete decisions were made to implement major changes. A Joint Monitoring Committee would be organized at the ground level. If child labor was employed in the fields, the state level Task Force Committee, as well as
the local labor department would be notified. No decisions were made regarding how MNC’s will act if violations took place.

Dialogues between MVF and the MNCs are steps crucial for the progress towards eliminating child labor in the hybrid cottonseed fields.

IV. Introducing the Players

Before discussing the methods MVF has utilized in negotiating with MNCs, we must first explore the role and level of responsibility each player of the line of production bears. The local government, the farmers, the financiers, and finally the MNC’s are all involved in the process of negotiations. Each of their roles is vital in the progress towards eradicating child labor in cottonseed fields.

A. The Local Government. The local governmental departments had consistently been urged by the MVF to implement the various existing laws designed for child rights. As a result of pressures from NGOs, the Labor Department began to campaign against the employment of children in cottonseed production. The Labor Department has gone as far as booking cases against cottonseed farmers in 1998 under the Minimum Wages Act. After having been fined for violating the Act, the farmers in the district sought support from the seed organizers (who have a strong political influence), to withdraw the cases. In Mahaboobnagar, in response to threats of being charged for violation of the Minimum Wages Act, seed employers mobilized funds in order to bribe officials from booking cases against them. Despite the fact that the governmental departments have agreed to promote child rights, corruptive behavior has left little room for improvements in the field.

Recently (March, 2004), MVF met with the district collector of Kurnool to ensure that the labor department understands the gravity of child labor, and to be ready to book cases if child-rights were violated. The district collector is keen on acting immediately on cases to be reported. He also agreed to send warning notices to the principal employers,
such as the MNCs as well as the farmers, in order to communicate to each level of production that child labor will not be tolerated.

*The Farmer.* Arguably, the farmer is at the source of the physical employment of children to work in the fields. He engages the child in bonded labor, providing loans and advances to poor parents for affordable child labor. The farmers are under contracts arranged by seed organizers to ensure that he sells back his seeds to the appropriate company. Under strict quality standards that must be met for seeds to be sold, the farmer resorts to affordable labor that is easily controlled.

*The Financier.* Financial institutions have played a crucial role in providing MNCs an incentive to proceed in negotiations for eliminating child labor in the fields. Public sector banks as well as new generation financial institutions advance loans to seed industries. Incidentally, these banks are highly selective in which companies to invest in. Human-rights practices are important criteria in discerning whether or not the company is an eligible candidate for investment. Divesting from seed companies can give companies incentive in the supervision of production capital and quality.

In August, 2003, ING Sustainability Fund, a branch of Dutch Bank, considered disinvesting from Unilever as a result of the ways in which the company had avoided negotiations towards a solution to the issue of child labor in the fields. A press release revealed counterarguments to the denials that HLL has made to ING regarding the employment of children.

In February, 2004, John Singh of SNS Asset Management Bank in the Netherlands (the leading social responsible asset manager in the country for institutional investors), questioned MVF regarding Unilever’s progress in eliminating child labor in cottonseed production via email. The question was posed to MVF in order to determine if the Bank would include or exclude Unilever “out of the investment universe.”
The MNC. According to a press release issued on the 14th of May, 2003, about 25,000 work an average of ten to thirteen hours a day for HLL. 17,000 children work for Monsanto and their Indian subsidiary MAHYCO. More than 11,000 children work for the MNC Syngenta (Swiss), Advanta (Dutch/British), and ProAgro (owned by Bayer from Germany).

It is true that in spite of the clauses that MNCs have included in the contracts, farmers have continued to engage children in labor. The corporations have failed to convey the message to the fields that child labor would not be tolerated in the production of their products. MNCs have networking capabilities to monitor the amount of pesticides and fertilizers used in their fields and to examine the quality and the prices of the seeds at each level of production. They do not, however, prove to have appropriate networks established to monitor if child labor is involved in the production of their product.

To further explore the role of the MNCs, it is essential to survey the responses of MNCs regarding the issue of child labor in cottonseed production to understand the level of accountability they undertook in the first stages of negotiations.

V. MNC Responses

Mr. Davaluri Venkateswarlu explains the ways in which every level of the line of production is interconnected. The corporations employ “seed organizers” who seek out the location of harvest along with the farmers who are willing to produce the seeds. The farmers are put under contract to entail that they sell their seeds to the specified company, who provides an advance that is 30-40% of the production cost. Under strict quality standards that must be met for seeds to be sold, the farmers resort to affordable labor that is easily controlled. Therefore, the companies have much control over the farmers’ incentive to employ child labor. Though it is the farmer who employs the children, it is widely accepted that corporations are responsible for violations of human rights and labor laws that may occur at every level in the line of production.

The responses of the MNC’s on the issue of child labor in the cotton fields have shifted throughout the course of negotiations. The following is a study of responses from various MNCs from May, 2003 to February, 2004.
A. Hindustan Lever, Ltd.

This company had been consistent in denying the use of child labor in their fields and had not acknowledged any responsibility of the employment of children in the production of cottonseeds. Gradually, however, their behavior regarding their accountability on the subject shifted. According to this survey, it is evident that the pressures from financiers have greatly influenced this shift.

May 14th, 2003. A press release states that Unilever had informed the Dutch press that it would like to help in finding a solution to the issue of children being employed in the production of cotton seeds. However, in a press release in May 5th, 2003, the company had rejected that the company used child labor. Unilever also stated that NGOs had not contacted HLL about the issue. However, in February, 2002, numerous organizations (India Committee of the Netherlands, Netherlands Confederation of Trade Unions, Novib, Amnesty International Netherlands, and MVF) discussed the issue with HLL. Unilever failed to meet with MVF for a follow-up discussion.

July 28th, 2003. Mary Cummeens, Director of LIW wrote a letter to M.K. Sharma of HLL. She states that although HLL had no financial stake in Paras Extra Growth Seeds by the first quarter of 2002, it was reported as early as December, 2001 that HLL was involved in the production of cottonseeds. She points to such evidence as the interviews of farmers producing seeds for HLL on December 31st, 2000, and January 1st, 2001 on BBC. Also, a UNDP document of farmers in AP producing seeds for HLL had been released. The AP Labor Department had booked cases against farmers producing seeds for Paras and HLL in 2000, 2001, and 2002 for violating child-labor laws. She proceeded to urge HLL to take responsibility.
August 20th, 2003. ING Sustainability Fund considers disinvesting in Unilever as a result of the cottonseed issue and how they have “handled” it.

August, 2003. Unilever sends a statement to ING claiming that the seed organizers “developed” the cotton seed. However in a press report issued by Unilever in 1997, it is clear that it is their foundation seed that is being multiplied. They also claimed that they do not have direct dealings with the farmers. However, in Business Line, 12 June, 2001, an article reports that HLL is one of 199 seed companies that have signed an MoU with the GoAP (agriculture). This ensures that if the seed does not germinate, companies must replace the seed free of cost in addition to appropriating RS 350 in compensation. They have also claimed to have made field visits, which would imply that they did not find any serious violations, when children were indeed being employed.

December, 2003. M.K. Sharma of HLL informs MVF of an income-generating project called “Shakti.” One may wonder why the company wishes to compensate for something in which they claim they are not responsible.

B. Bayer/Proagro

This MNC has also failed to acknowledge their responsibility regarding the issue of child labor in the fields. The following documents their perception of the level of accountability they have on the issue.

December, 2003. Cornelia of Germanwatch informs Ms. Shanta Sinha, secretary trustee of MVF, that Global March, Coordination Against Bayer-Danger, Germanwatch wrote a letter to Bayer to deal with the issue of child labor in the cotton fields, and asked to them implement measures as soon as possible. They asked Bayer to finance a project to bring children (previously employed in cotton fields) to school, as well as to increase wages for suppliers. They also informed Bayer that they were considering filing a complaint on
violating OECD guidelines. Two important German newspapers were writing an article on the issue of child labor and Bayer/Proagro.

January 12, 2004. Proagro conducted an awareness meeting at Kurnool which was attended by the Director of the National Child Labor Project, and 150-200 farmers. It was covered by the local and the national press (The Hindu). A calendar on anti-child labor was released here as well.

January 13th, 2004. In an article in the Hindu on the following day, it was reported that the Kurnool district collector, Ajay Jain, had called for serious efforts to eliminate child labor in the Kurnool district.

February, 2004. German NGO Germanwatch informs Ms. Sinha that they are willing to continue efforts to add pressure on Bayer. Bayer never said they were responsible for the child labor of their suppliers, yet they claim to be thinking of how to support the suppliers to rid of child labor, which implies that they do have control over labor practices. Cornelia of Germanwatch wishes to raise publicity of the issue by conducting a press conference.

February 24th, 2004. Dr. Gerhard Waitz of BayerCropScience writes to Rainer Kruse of Global March Against Child Labor. He says that they are “not obliged to engage children in our company.” He states that this also applies to ProAgro. He claims that ProAgro checked contracts with sub-companies regarding child labor and “tightened them up accordingly.” He also claims to have measures of indentifying bags of seeds with “appropriate” indications. He denies Mr. Venkateswarlu’s data in his study that the area of reproduction under contract was 40 up to 10,000 hectares. However

C. Advanta
The correspondences between Gerard Oonk of an NGO based in the Netherlands and Howard Morris, a regional director of Advanta reveal the shift of the company’s notion of the responsibility it has in the issue of child labor in the cottonseed fields.

June 19th, 2003. Mr. Oonk writes to Morris and reminds him that he has not contacted MVF in Andhra Pradesh about child labor in the cottonseed farms. He informs him that one other MNC has contacted and held discussions with MVF, government officials, ILO, UNICEF, etc. to work out a solution.

June 23rd, 2003. Mr. Morris writes to Mr. Oonk. Morris claims that Advanta India is a JV company and that Advanta BV holds a 50% share with the other 50% held by Agro Tech, an Indian company. He says that communications must go through the Board and the local management for any action to take place. He planned to discuss the issue in a board meeting in August.

August 20th, 2003. Mr Oonk replies and asks if he will consult MVF or Dr. Davaluri Venkateswarlu.

August 23rd, 2003. Mr. Morris writes to Mr. Oonk informing him that child labor was discussed in a Board meeting in Bangalore. Because Advanta is a small player in the hybrid cottonseed business in India, it is difficult to “cause any significant shifts in practices by itself.” He also says that they are concerned about ethics as well as “varying cultural values in the many countries in which [the] business operates.” Dr. Davaluri’s “Seeds of Bondage” perplexes him. He denies that children are working under bonded labor arrangements and believes that children working on the farms that produce cotton for Advanta are children of the farmers or from the local villages. He denies that children are kept out of school as a result of work on the farms. He does believe that children should be discouraged from working, regardless of where they are from, and agrees to
meet with MVF for discussions. He also assures that Advanta will monitor the situation via quarterly Board meetings.

August 23rd, 2003. Mr. Oonk responds to Mr. Morris and is very surprised at Mr. Morris’ denials of bonded labor in the cottonseed fields as well as at his disagreeing that children are denied schooling because they work in farms. The issue has been on the table since 2000 and the problem has been acknowledged by local seed industries. He provides examples of official recognition of the problem. 1. The UNDP is documenting Seeds of Burded (2000/2001) where stakeholders were speaking out. 2. ILO-IPEC’s project to tackle the issue, as reported by the Hindu newspaper, was also sent as an attachment. 3. He informs him that there has not yet been a counter report to Dr. Davaluri’s study by any other company.

September 24th, 2003. A press release states that seed multinationals, including Advanta, have agreed to cooperate with MVF towards a plan to eradicate child labor on cottonseed farms.

October 30th, 2003. Mr. Morris informs Mr. Oonk that his company is in support of working on a solution through a “working group of interested parties.” Because the working group consists of a diverse group with “deep philosophical differences in their core business/organizational objectives,” efforts were being made to achieve mutually agreeable solutions.

D. Monsanto/MAHYCO

A press release issued on May 14, 2003 reported that Monsanto, along with other multinationals, are involved in “large-scale child labour in India’s cotton seed production.” Even after such media attention, the company failed to make any efforts to negotiate with NGOs in order to work towards a solution.
September 24th, 2003. A press release is issued stating that ILRF (International Labor Rights Fund) wrote a letter saying that Monsanto has the “financial capability and the legal responsibility to [eliminate] the worst forms of child labor in supplier farms.” Because there was no reply, ILRF considers taking legal action.

September 18th, 2003. Hugh Grant, President of Monsanto writes to Dr. Bama Athreya, the Deputy Director of ILRF. He states that they are minority owners of MAHYCO, and they assure Monsanto that child labor is discouraged in accordance with labor laws.

E. Syngenta

This company was the first MNC to cooperate in dialogues with MVF. Even though it did not initially acknowledge the level of responsibility it had in the issue, the company was willing to negotiate towards a solution.

March 7th, 2002. Syngenta meets with MVF in Secunderabad in order to negotiate a solution to the issue of child labor in the cottonseed fields. The company agrees to negotiate with other seed companies and facilitate a dialogue between seed companies and local NGOs. It also agreed to strengthen its monitoring system to ensure that child labor is not involved in the supply chain.

June 16th, 2003. In a seminar involving MVF, UNICEF, CRPC members, and others, Michael Stopford (Global Public Affairs and Government Relations, Syngenta) says that “Syngenta is a small… actor in the field.” He proceeds to claim that the company is not a major player, but a small investor and does not avoid the issue. He believes that the press reports have been too negative.

In the same meeting, Syngenta agreed to take responsibility despite “larger socio-economic problems.” Though the company reiterates that it is a small player in the
field, it has taken initiatives to work as a team with NGO’s, UNICEF, the government and the private sector, as well as other seed companies to work towards a responsible and effective solution. NOTES* by Sanne van der Kaaij on SEMINAR “Bonded Labour in production of Hybrid Seed Cotton in Andhra Pradesh.” June 16th, 2003, Hyderabad. *

F. Emergent Genetics

This company has also been cooperative in dialogues with local NGOs. It has been involved in extensive negotiations with MVF in order to relieve the chain of production from child labor.

August 3rd, 2002. A press release issued in September, 2003 states that the present director of Paras Extra Growth Seeds and the Vice President of Emergent Genetics acknowledged the problem of child labor in the production of hybrid cotton seeds. Meetings were conducted with the MVF involving members of the ASI to work towards a solution to the problem.

December 13, 2003. The company informs NGO and CLEG that it has conducted a meeting to increase awareness against child labor.

The general trend of MNC responses has generally been one of neglect and avoidance of responsibility. Despite pressures from various lobbyists and financiers, MNC’s have failed to show any real acknowledgement in the level of accountability they held in the issue. As a result of certain strategic methods undertaken by NGO’s and various lobbyist groups over time, however, MNCs gradually began to show cooperation in working towards a common solution.

VI. Successful Approaches: A Balancing Act

The approaches in negotiating with MNCs to effectively solve the issue of child labor in cottonseed production include four key facets. First and foremost, the NGO
mobilizes the local community, heightening local awareness and sensitizing the people involved in cottonseed production of the perils of child labor as well as the alternatives of it. The second tactic is the avoidance of sensationalist forms of lobbying such as boycotting and raiding. The third strategy involves choosing its allies cautiously. The fourth is conducting follow-up meetings with MNCs to ensure the implementation of agreed-upon decisions and to urge MNCs to send a clear message down the line of cottonseed production to convey the gravity of child labor and facilitate local activities.

Each of these methods is utilized in order to maintain control and balance over the issue. It is vital to avoid over-sensationalization. This “balancing-act” has provided sustainable and effective results in the course of negotiations.

A. Efforts Made at the Local Level

i. History of local efforts

Before the negotiations between MNCs and NGO’s began, globalizing the issue of cottonseed child labor in Andhra Pradesh, the local NGO (MVF) has made efforts on the ground to eradicate child labor in the cotton fields. MVF has made significant changes in local mandals, initiating campaigns that have stopped children from working. However, many seed farmers have moved to new areas where MVF does not operate in. In this way, efforts made on the ground have had geographically and strategically limited results, calling for global and corporate attention.

MVF has played an important and dedicated role in eliminating child labor in 4,300 villages of Andhra Pradesh. It has been successful in bringing 250,000 children out of the work force and mainstreaming them into formal schools. With over 80,000 volunteers working for this NGO, extensive and cooperative efforts have brought about drastic changes in the state, converting not only the mindset of society, but changing the counter-productive societal norms that only perpetuate the causes of poverty as well.

In the Pargi mandal of the Ranga Reddy district, MVF organized a public protest in 1998 against child labor as well as against female child labor in cottonseed production. 
It had been organized in response to a death of a female child laborer that was caused by inhaling pesticides used in the cottonseed fields. In the mandals of Pargi, Pudur, Kalkacharla, and Doma of the Ranga Reddy district (where cottonseed production is concentrated), MVF’s extensive campaigning efforts against child labor resulted in a significant decrease of the employment of children in the last four years. Provisions were made for the newly unemployed children to be mainstreamed into schools. However, local efforts were not enough. In districts where cottonseed production is dense, such as Mahaboobnagar and Kurnool, NGOs have been slow to respond. Actions had to be taken from above to provide initiatives for the farmers to cease the employment of girls in cottonseed fields.

In 2000, Dr. Davaluri Ventaswarly’s study “Seeds of Bondage” triggered much international attention. Lobbyists from abroad, such as Germany, the Netherlands, and the USA, started adding pressure on MNCs.

A press release on May 14th, 2003, in the Netherlands announced that the MNCs “unilaterally fix a price for the farmers that make it almost impossible for them to employ adults,” as a child earns 30% less than a woman and 55% less than a man. Though MNCs had started cooperating in dialogues after the press release, most were still in denial that they had any responsibility over the matter.

The local governmental departments had consistently been urged by the MVF to implement the various existing laws designed for child rights. As a result of pressures from NGOs, the Labor Department began to campaign against the employment of children in cottonseed production. The Labor Department has gone as far as booking cases against cottonseed farmers in 1998 under the Minimum Wages Act. After having been fined for violating the Act, the farmers in the district sought support from the seed organizers (who have a strong political influence), to withdraw the cases. In Mahaboobnagar, in response to threats of being charged for violation of the Minimum Wages Act, seed employers mobilized funds in order to bribe officials from booking cases against them. Despite the fact that the governmental departments have agreed to promote child rights, corruptive behavior has left little room for improvements in the field.
In Kurnool, the government has gotten involved in working on the awareness of child rights through various projects and campaigns. The RPRP (Rural Poverty Reduction Program) or Belugu, has initiated projects in recent years to promote conscientiousness on the local level\textsuperscript{7}. Also, the DWMA (District Watershed Management Agency), a government program in Kurnool, has also been active in working in the field to sensitize and empower the public to work against child labor.

MVF’s efforts to mobilize the community to build an atmosphere condemning child labor have proved successful in Dhone. After having visited eight out of seventy CRPC members in the village of Dhone, a village of Kurnool, I gained an understanding of the nature of the odds they had been up against to stop the employment of the children in the fields. The Child Rights Protection Committee (CRPC) of Dhone made frequent visits to the employers of the children, as well as the parents of the employees, only to be turned away forcefully time and time again. They were faced with parents that accused them of trying to destroy their livelihoods and reportedly beating them upon their continuous return visits. In this village, the tactics have been successful. Dhone boasts having virtually eliminated child labor in cotton seed fields. In fact, two years ago, a mandal-level meeting was held here between Sarpanches, youth groups, CRPC members, as well as cotton field farmers themselves to see to the elimination of child labor in the area.

The example of the success in Dhone exposes the further possibility of widespread success in eliminating child labor through local mobilization.

\textit{ii. Recent Developments}

After negotiations between the grassroots level and MNCs have been initiated, the gravity of the employment of children and the consequences of it has started being communicated throughout the chain of production. The farmers were enduring pressures not only locally, but were under the surveillance of local activists who would notify MNCs to bring about consequences if contracts were violated.
On February 19th, 2004, a convention was held in Kurnool in which representatives of various MNCs, Child Labor Elimination Group (CLEG), and MVF attended. The meeting tightened the gaps along the chain of production. It was suggested that MNCs should only be able to buy seeds from farmers after the bags had been certified by local agencies (activists, etc) that child labor had not been used during the process of production. This decision is still pending*

Leaflets addressing farmers were widely distributed after the convention. It was addressed to farmers and written by cottonseed producers to recognize that upholding child rights is a non-negotiable principle, and that employing children is a crime prohibited by the constitution itself. It announced that the AP government declared unanimously to end the system of child labor in March 2000, and was approved by all political parties. It also informs farmers about the aforementioned meeting, after which a core group working against child labor had been formed to implement the agenda that children shall not be employed from the following season on.

MVF has been active in speaking with Sarpanches and meeting with volunteers who act as agents on the ground. During March of 2004, a training program took place in Kurnool. Each mandal was visited door to door by 75 to 100 volunteers in order to campaign against child labor in each area.

In March, 2004, MVF met with the district collector of Kurnool to ensure that the labor department understands the gravity of child labor, and to be ready to book cases if child-rights were violated. The district collector is keen on acting immediately on cases to be reported. He also agreed to send warning notices to the principal employers, such as the MNCs as well as the farmers, in order to communicate to each level of production that child labor would not be tolerated.

In the same month, MVF designed campaign posters to be posted in mandals. They were given to the local government, who along with the Child Labor Department sponsored the posters and fliers to be distributed. The leaflets address employers of child labor to remind them that they are punishable under the AP Shops and Establishment Act of 1988 as well as the Child Labor Prohibition and Regulation Act of 1986. Some are also addressed to government employees to notify them that if they employ children, they are
punishable under the AP Civil Services Code of Conduct Rules passed in 1964. Another addresses all youths to join the campaign for taking children out of work and into schools.

The success of all these efforts can only be measured once the season starts and children are found employed in the fields. How successful the mobilization efforts on the ground are, and how effectively the message from the MNCs is being communicated, can be gauged by the actions that will take place once children are found in the fields.

B. *Avoiding Over-Sensationalization*

Rugmark Initiative was an effort to extend to consumers a label for carpets that has not been made by children. It is internationally acclaimed for its success in bringing global attention to child labor taking place in third world countries. The process of sensationalizing the issue of child labor in loomsheds, however, gave way to much controversy. Rugmark inspectors reportedly raided loomsheds in garment industries to expose the employment of children. The inspectors were only tasked with assessing facts\(^8\). The raiding of the loomsheds left many children with no alternatives. There was no center for rehabilitation after they were uprooted from work. There was no community mobilization designed to support the children\(^8\). In many cases, the locations of looms shifted to private households, further limiting the access to employers of children. These uncoordinated actions taken on by Rugmark were weak methods to eliminate child labor.

Taking children out of a workplace requires much planning, mobilization, and coordination within the community to be prepared to handle the children in transition. Simply uprooting children from labor is not only hazardous, but adverse in effectiveness as well.

A “shock and awe” approach does not always result in success in the long run. If not careful about rationalizing and balancing every step of negotiations, MVF fears over-sensationalization, which does not leave room for effective and coordinated discussions, leaving the overall effect to be counter-productive.

C. *MVF’s Alliances*
Maintaining control over the agenda requires a consistent vision towards the manifestation of a resolution. Maintaining control necessarily entails maintaining responsibility and concern over the issue within the local community. This responsibility can not simply be shifted to the international arena in hopes of bigger, better, faster results. Pressures acting on the MNC’s locally as well as creating a community-based and personal goal working against child labor are crucial. Local level efforts are not enough in spurring the MNCs into action. The involvement of international lobbyists raising global attentions on the issue has been indispensable in the progress of MNCs towards taking responsibility.

MVF has been apprehensive regarding the involvement of various international organizations (including NGOs and legislatures) in dealing with the cottonseed issue. It has chosen its partners with discretion. Though strong alliances are pertinent in confronting the issues at hand, it is crucial that participants plan and act uniformly under a common agenda.

*Landelijke India Group (LIG)* has worked successfully with MVF, as they have common goals and philosophies in the area of child labor. Correspondences between the group and MNCs have resulted in MNCs taking steps towards a solution. The subtle yet firm pressures from LIG, along with MVF, have resulted in considerable shifts in the level of responsibility of the MNCs to take direct, effective actions.

Another NGO that MVF has allied with is the non-profit NGO based in Washington, *International Labor Rights Fund (ILRF)*. It has specifically aided in pressuring the American MNC, Monsanto, to join talks and to take action. The group has coordinated press conferences in the USA to raise international publicity on the issue.

The National Labor Committee has also been involved in building pressures to protect workers’ and child’s rights. In a letter to Mr. Kernaghan of ILRF, Ms. Shanta Sinha or MVF writes that she is glad that he is also not for “boycott[ing] or other forms of punitive action that results in flight of capital or… more discreet forms of exploitation.”

*Germanwatch*, a German NGO, has also been keenly involved in the cottonseed issue. It has mainly negotiated with Bayer to take responsibility over the employment of children in cottonseed production. The methodologies of this NGO have proved to be
more aggressive than those of MVF. Instead of coordinating pressures against MNC’s
and supporting the methods of MVF, Germanwatch has often suggested firmer and more
abrasive approaches, which MVF has not undertaken.

ILO has been active in bringing cottonseed industries together as well as working
on a project on child labor in the production of cottonseeds in Mahaboobnagar. ILO is an
important participant in adding pressure to MNC’s. Their presence has aided in
convincing MNC’s of the gravity of child labor. Aside from this, their project
International Program for Elimination of Child Labor (IPEC) gives incentives to parents to
send children to school. However, they work only with children working in hazardous
industries. In Pargi, the provisions of incentives to parents have caused much disruption
to the community. Children already attending schools began to work in order to receive
concessions from ILO. Though ILO’s philosophies of the issue of child labor and
education differ from MVF’s, ILO has been working with the NGO to add pressure on
MNC’s.

UNICEF is another active participant in meetings and seminars with MVF to add
pressure to MNCs. Their presence in negotiations has further communicated the gravity
of child labor and MNC’s responsibility over the issue in the production of cottonseeds.

“...the actors responsible for all the decisions regarding the production
cycle and its financiers were beyond the local [level].” Ms. Shanta Sinha of

D. Meetings with Seed Companies

In hopes of clearly communicating to the farmers that employing children is not
acceptable by not only the local community and government, but by the very company
they work for as well, attention was called to the MNCs to take decisive measures to
eliminate child labor in the chain of cottonseed production.

The initial negligence of the MNCs to take responsible actions to eliminate
bonded/child labor in the fields was eventually followed by acknowledgement and
cooperation in tackling the issue. The cause of the change of attitude can be traced to the efforts of lobbyists, who widely publicized the issue through the media; the extensive efforts made on the ground by local MVF, as well as their consistency in measures to negotiate with MNCs; and the pressures from financial institutions, which provided incentive to follow labor laws. The mounting pressures gave MNCs initiatives to cooperatively work towards a solution.

(In corresponding with HLL in May, 2003, MVF made it clear that the NGO was not targeting any particular employer and that it does not view employers as an evil force making profits at the cost of children’s rights. In this manner, it recognized the notion that the MNs were not intentionally at fault and urges them to cooperate together for a common and effective solution. MVF also informs him that the attention of international NGOs has been drawn to the issues and that MVF “would not object if they took to bring pressure on the MNCs.” The NGO thus warns him of pending media attention.)

March 7th, 2002. MVF Office. Syngenta and MVF.

This was the first meeting involving discussions between MVF and an MNC. Syngenta acknowledged the problem of child labor in the cottonseed fields and was willing to work with various agents to work towards a solution.

- Syngenta agreed to contact other MNCs to facilitate in dialogues.


A meeting was conducted between Syngenta, Emergent Genetics, Seedsmen Association, MVF, ILO, SERP, and UNICEF. The issue of child labor in the production of cottonseeds was discussed. The following were decided

- The “No Child Labor” clause was to be added into the contracts between seed companies and farmers.
- Sensitization and awareness programs were to be undertaken among representatives of seed industries through exposure visits.
- Terms of contract between seed companies and farmers on the non-employment of children were to be publicized.

Syngenta, MVF, SERP, and UNICEF held a meeting to review the progress of the Association of Seed Industries (ASI).

- Syngenta agrees to discuss the problem with other MNCs.
- Syngenta agrees to facilitate a meeting between representatives of ASI and MVF.

September 9th, 2003. Meeting with ASI and MVF

Before the meeting took place between the representatives of the Association of Seed Industries and MVF, an “exposure” visit to the Ranga Reddy district was organized on the 7th of September in order to interact with the children withdrawn from the cotton fields and attending the MVF bridge course camps.

The meeting was held in the SERP office of Hyderabad. Discussions were held regarding the methods of collaboration and information-sharing between seed industries and local NGOs.

- Child Labor Eradication Group (CLEG) constituted between ASI.
- The ASI agreed to include a separate clause in the contracts with the farmers against child labor. Constant monitoring was to take place as well.
- By the third week of September, 2003, another meeting was to be held, and a resolution against child labor in seed production was to be passed.
- A separate committee was to be constituted (Join Task Committee) with representatives of Syngenta, Advanta, Monsanta, Ankur, Pioneer, Pragro, MAHYCO, and Nuzveed. They were to function as an internal monitoring body of ASI, reviewing the situation and reporting to the association if violations of the contract were to be found. The ASI was also to cooperate with external organizations to form a Joint Child Labor Monitoring Committee to design collaborative action plans.
- It was agreed that proper quantifiable parameters were to be used to judge the progress of work.
Sensitization efforts were to be made such as exposure visits, workshops, and public meetings. The committees would not act as penalizing and policing agencies. The next consultative meeting was to be held in March 2004.


The meeting was held in Hyderabad including representatives of MAHYCO, ProAgro, Paras/Emergenetics, Syngenta, and Nuzveed. Representatives claimed that they wanted the Joint Action Committee to be involved in meetings and work out the plan as decided.

- A decision was made to hold a meeting at the district level with MVF and the seed organizers by the end of January, 2003.
- Campaign material such as posters and pamphlets were to be printed by December.

- Workshops for members of block-level seed organizers, the CRPC, and the Graham Panchayats were to be held regarding actions to be taken on specific cases of child rights violations and the consequences for the farmers.

Syngenta offered funds for MVF. MVF declines and offers to suggest another NGO the company can work with for social mobilization and bridge course camps.

February 14th, 2004.

A CLEG meeting was held in Hyderabad where representatives of Advanta India LTD, Emergent Genetics, Syngenta Seeds, MAHYCO/Monsanto, and Proagro Seeds attended.

It began by a review of the events of the previous meeting.

- The discussions included methods of how the field group of Kurnool would formulate a “No Child Labor” program. The proposals included details of school supply distribution such as uniforms and books.
• It was decided that there would be a chairperson and a convenor of this convention program on the 19th of February.

• Another agreement was made calling for steps to be taken in Gujurat, Maharashtra, and Karnataka to promote the elimination of child labor with local NGO’s.


CLEG and MVF conducted the convention including representatives of MNCs and MVF, involved the making of comprehensive agreements with provisions of implementation. MNC representatives visited Kurnool to meet with some of the farmers working in the production of cottonseeds.

This convention was conducted as a result of negotiations made between MVF and Dr. Raman Modi of Proagro Seeds and Mr. Deepak Mullick of Advanta. MVF and CLEG refused to conduct the convention unless Dr. Modi and Mr. Mullick changed the program of the meeting. Ms. Shanta Sinha replied that it must begin with a statement by the CLEG about removing children from work, the proposed actions to ensure that no child would be employed after March, and the actions that will be taken by the Association of Seed Industry if cases of employed children had been booked. She also informed him that the program must involve a discussion about the formation of CLEG at the mandal level, constituting members of CRPC, MVF, and seed supervisors. Afterwards, there was to be a response from the district officials of education, NCCP, and the labor department, who would address the modes of mainstreaming the children. The following session would involve responses from the participants, such as MVF, the farmers, members of CRPC, etc. Finally, the District Collector would have to give his final remarks. Had the representatives of Proagro and Advanta failed to make these amendments, Ms. Shanta assured them that the meeting would not be conducted by MVF and CLEG, but by ASI alone.

• It was agreed that a Joint Monitoring Committee should be organized at the field level. This committee would consist of MVF volunteers, seed companies, and community representatives.
• The JMC would monitor the situation at the ground level. If child labor was found, it would be reported to the state-level task Force Committee Representatives.

• The MNCs agreed to enhance the wages of the farmers so that they could afford to employ adults.

• MNCs would withdraw their contracts with the farmers if child labor in the fields continued.

The debate remains whether or not the contracts would be withdrawn immediately or in the season following the violation of the contract. MVF presses for an immediate termination of the contract and not in the following season. Terminating the contracts too late would not communicate a serious message against the perils of child labor. The MNCs, however, fear that the farmers would sell seeds to other companies if the contracts are terminated immediately.

February 27th, 2004 Meeting with Mr. Peggs of ProAgro

A meeting was held in Secunderabad including MVF and Mr. Clive J. Peggs, managing director Proagro Seed Company located in Gurgaon, New Delhi. Peggs stated that he was aware of the problem and that his company considers the employment of children in the production of cottonseeds as a serious issue, which has been publicized to even the Supervisory Board in Germany.

• He agreed that farmers would need more pay and that children should go to schools. MVF suggested that they should take a stronger stance on the issue, showing that they are intolerant of children working on the fields.

• It was agreed that ASI was to convene public meetings in all the mandals with the farmers they’ve entered contracts with.

• Peggs was also asked to report to the Press to make an announcement informing that no children are to be employed from next season on.

• If children were employed even after this declaration, the labor department will book a case against the farmers.
• All of those involved in the chain of production would be held responsible. He was informed that the education department, the labor department, and the bridge camps were prepared for the unemployment of children, and were ready to take consequential actions. MVF would act as vigilantes.

• Peggs assured MVF that Proagro would discontinue contracts with seed farmers if children were employed.

March 1st, 2004 Meeting with Mr. Sharma of HLL

M.K. Sharma of HLL attended a meeting with MVF in Secunderabad. MVF informed him that as a result of Davuluri’s study and its revelation of the lack of MNC’s involvement, the lobbyists in Europe were spurred to action. Sharma was informed that all possible efforts were made within the community, including the Indian government of all levels. HLL’s job was to make firmer commitments towards the elimination of child labor in the cotton fields. The line of communication from the top to the bottom of the chain must remain clear. Simply adding clauses to the contracts with the farmers was not a successful measure, as implementation was scarce in the previous year. It was discussed that it was the corporations’ job to communicate the serious message that child labor would not be tolerated in the fields.

• The decisions that were made included M.K. Sharma’s visit to Kurnool at the end of March to address a convention with all the farmers under their contract to ensure that children were not to be employed.

• This is to be covered widely by the press. Also, other Chief Executives of all the firms are to join the convention.

• The Child Labor Eradication Group (CLEG) is to be constituted with MVF, seed contractors, and the community mandals.

• MVF is to prepare the Education Department and the Labor Department to take immediate actions to implement a No Child Labor agenda.

The act of bringing the MNCs to the table involved strenuous negotiations and pressures from various agents. It is apparent that through the course of dialogues
conducted between NGOs and MNCs that the importance of taking responsibility for the violation of human rights along the chain of production has been communicated. The effectiveness of these efforts can not be gauged at the present time. However, it is apparent that MNCs have begun to accept the level of accountability they have in the issue. They have shown willingness to cooperate towards a viable solution.

**Globalizing a Local Issue**

It is important at this point to reflect on the crucial aspect of sensationalizing an issue such as this. At what point in the process of resolution does calling attention to the higher end of the chain become affective? To what extent must it be sensationalized while at the same time keeping control over the situation at the local level?

The processes of negotiations that MVF has conducted provide proof that such a balancing act is delicately handled. In conversing with Dipa Sinha* and Himanshu*, the importance of maintaining control over a local issue on the ground became evident. Avoiding shifting the full responsibility to higher levels (national, global) provides opportunities for progression.

The process of sensationalizing a local effort takes much coordination. On the local level, without handling an issue such as child labor delicately, it is bound to create rifts within the community. It is important to keep from polarizing the issue and instead keeping an inclusive agenda (Dipa Sinha). If the local community is mobilized under the common agenda, it facilitates the process of implementing such goals as the elimination of child labor.

This must be taken up cautiously. It is important to avoid creating a scapegoat in the process of campaigning. In this case, if the farmer who employs children was villainized, he would not be left any room for cooperation, isolating him from society (Himanshu). When the community, including the farmer, is informed and mobilized under a common theme, the only “scapegoat” becomes child labor itself; not the individual perpetrating it.

Many employers of children on the cottonseed farms in Ranga Reddy have moved to other mandals where local NGOs do not operate. This is when the attention of
international agents and corporate responsibility are called upon. On an international level, the basic philosophies remain consistent. If mobilized under a universal ideal, it is simply easier to attain support from international agents to stand behind the issue at hand. The example of the child labor in cottonseed fields may not have attracted any international lobbyists. However, presenting the problem as a universal one that involves certain and serious violations of human rights and child education facilitates the process of gaining a strong international network.

Also, in globalizing a local issue, it is vital to avoid such punitive actions as boycotts that only bring short-term results and, in many cases, adverse effects. MVF has been active in pressuring international lobbyists involved in the agenda to avoid sensationalizing the issue of child labor in cottonseed production. MVF also drives involved lobbyists to accept MVF’s style of motivation.

The tactics utilized by MVF has proved to be sustainable and viable in the local arena. The NGO has successfully mobilized whole communities behind the agenda of eradicating child labor and mainstreaming all children to school. In the international forum, MVF has been active in fomenting dialogues with multinational corporations for the cause of local issues. With pressures from various lobbyists and financiers, it has succeeded in bringing about MNC’s to the table for negotiations. It has even been productive in getting MNCs to gain momentum towards finding a solution as a result of the combined efforts. The level of it effectiveness can not be discerned at this point in time, as the cottonseed season has not yet begun. However, in discussing the level of success the local NGO has had in negotiations with MNC’s, it is clear that positive changes have been made. The pressure from below has gradually and effectively facilitated MNCs in taking corporate responsibility, provided an international network to ensure implementation of decisions, and thus sensitized the multinationals of the significance of eliminating violations of labor laws and human rights in the production of their respective products.

References


8. Rugmark After One Year. October 1996.