



TAINTED CARPETS

SLAVERY AND CHILD LABOR IN
INDIA'S HAND-MADE CARPET SECTOR

Siddharth Kara

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FXB Center for Health and Human Rights
Harvard School of Public Health // Harvard University

ACKNOWLEDGMENTS

This report is the culmination of the tireless efforts of numerous individuals. Eight field researchers in India braved extremely challenging and on occasion dangerous conditions in order to gather the data that is presented. Some of these researchers endured verbal and physical abuse during this project. In order to ensure their safety, their names have been withheld; however, they each have my utmost gratitude and admiration.

Several colleagues also provided invaluable assistance during this project. Mathew John and Swami Agnivesh offered logistical support and local guidance during the field research. Jennifer Leaning, Jacqueline Bhabha, Arlan Fuller, Charlie Clements, David Yanagizawa-Drott, and my colleagues at Harvard University similarly provided tremendous support for this research as well as a fertile intellectual environment in which to design and execute this substantial undertaking. The project itself was made possible through the generous support of **Google.org**.

Above all, I am deeply grateful to all the individuals who bravely shared their stories with the researchers. These individuals spoke out despite the risks, in the hopes that their otherwise silent voices would be heard and might motivate others to take action to ameliorate their suffering. There remains an excruciating degree of servitude and suffering in India’s hand-made carpet sector, let alone the rest of the country’s informal economy. I am confident I speak on behalf of everyone involved in this project that we hope the information presented in this report will stimulate a swift and sustained commitment by key stakeholders to see these offences eliminated.

—*Siddharth Kara*

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1. EXECUTIVE SUMMARY

We work from seven in the morning until 10 at night. I sleep on that mat over there. I miss my family. I want to go home but the owner will not let us leave.

— MALE CARPET WEAVER, AGE 14, BIHAR

THIS RESEARCH PROJECT IS:

- 1. The largest ever investigation into slavery and child labor in the hand-made carpet sector of India;
- 2. The largest single first-hand investigation of slavery and child labor of any kind conducted to date;
- 3. The largest single first-hand investigation of slavery and child labor in a commodity’s supply chain conducted to date; and
- 4. A fully replicable model for future investigations into slavery and child labor in the supply chains of dozens of commodities that may also be tainted by these offences.



The issue of child labor in India’s hand-made carpet sector has received extensive attention since the early 1990s. This is in large part due to the fact that India is the largest exporter of hand-made carpets in the world. Numerous investigations have been conducted by academic and NGO researchers, which have consistently demonstrated some level of child labor in India’s carpet sector. Most of these studies have targeted the traditional “Carpet Belt” region of Uttar Pradesh that encapsulates the three cities of Bhadohi, Mirzapur, and Varanasi, sampling a few dozen to at most a few hundred cases. Other modes of servile labor exploitation such as bonded labor and human trafficking have not been investigated as extensively, and few, if any, investigations have extended beyond the traditional Carpet Belt area. Finally, very little, if any, supply chain tracing of tainted carpets has previously been conducted.

This investigation seeks to fill these crucial lacunae in previous investigations into India’s hand-made carpet sector by: 1) documenting over 3,200 total cases, 2) exploring well beyond the traditional Carpet Belt across nine states in northern India, 3) investigating all modes of slave-like labor exploitation found in the carpet sector, and 4) documenting the supply chain of tainted carpets from the point of production to the point of retail sale in the United States.

The **Summary Findings** of the research are as follows:

- 3,215 cases of forced labor under Indian law; est. 45% industry prevalence
- 2,612 cases of forced labor under international law; est. 37% industry prevalence
- 2,010 cases of bonded labor; est. 28% industry prevalence
- 1,406 cases of child labor; est. 20% industry prevalence
- 286 cases of human trafficking; est. four percent industry prevalence
- Production sites of 172 Indian carpet exporters documented
- Average hourly wage for carpet workers of \$0.21¹
- Chronic underpayment of minimum wages by 40% to 65%
- Women and children paid 12% to 32% less than adult males
- 99.9% of cases belong to minority ethnicities or low caste groups
- 60%/40% ratio between males and females (sharper gender divisions by geography)
- 18% of workers owned dwelling or land
- 10% of workers were migrants
- Age of workers ranged from eight to 80 years
- Average work day is 10 to 12 hours, six to seven days a week
- 2,675 cases in hand-knotted carpet production; 540 in hand-tufted
- 80% of loans in bonded labor cases were taken for basic consumption

Beyond these summary findings, numerous nuances and key insights are discussed in the sections that follow. In particular, it must be noted at the outset that the child labor cases were extremely difficult to document due to the defensiveness of guards and factory owners. The researchers could have documented many more cases of child labor, except that they were denied access to scores of production sites, often aggressively so. The researchers could also have documented many more cases of human trafficking, but access was similarly denied. In short, the cases that were successfully documented are only the tip of the iceberg. Indeed, the conditions at production sites used by exporters that were inaccessible to the researchers could very well be as bad or even worse than those that were successfully documented.

As to the cases that were documented, the working conditions uncovered were nothing short of sub-human. Factories and shacks were cramped, filthy, unbearably hot and humid, imperiled with stray electrical wires and rusty nails, filled with stagnant and dust-filled air, and contaminated with grime and mold. Some sites were so filthy, pungent, and dangerous that the researchers were afraid to enter due to the risk to their safety. Sometimes they pushed forward and endured the wretched conditions; other times they simply had to leave a site unexplored. Physical and verbal violence against the workers was all too common. On occasion, it was an issue faced by the researchers as well.

Some of the most alarming findings of this project include:

- A “New Carpet Belt” of child labor in northwestern Uttar Pradesh
- Entire Muslim villages held in debt bondage for carpet weaving in rural areas near Shahjahanpur (Uttar Pradesh), and Morena and Gwalior (Madhya Pradesh)
- Human trafficking and child slavery near Panipat, Haryana
- Numerous cases of children being sold into outright slavery near Patna, Bihar
- Extensive child labor near Bhadohi (Uttar Pradesh), Sawai Madhopur (Rajasthan), and Gangtok (Sikkim)

As detailed in the sections that follow, this investigation into India’s hand-knotted and hand-tufted carpet sector has exposed a shocking level of slave-like labor exploitation in the production of carpets that are exported to the United States (and around the world) and end up being sold in major retail chains² including: Macy’s, Neiman Marcus, Bloomingdale’s, Target, Sears, Crate & Barrel, Williams-Sonoma, Pottery Barn, Ethan Allen, IKEA, Home Depot, Wal-Mart, JC Penny, Pier 1 Imports, ABC Carpet and Home, Cost-Plus, as well as countless other retailers across the country. These abuses are

of considerable interest, since \$306 million (declared import value) in hand-made carpets were imported by the United States from India in 2012 (representing 46% of total hand-made carpet imports), which amounts to a retail value between \$1.8 and \$3.1 billion. The brutish, hazardous, and deeply exploitative conditions are a direct result of poverty, corruption, intransigence, and a willful disregard for the humanity of minority and low caste workers at the bottom of the supply chain. Indeed, the conditions faced by the workers in India’s hand-made carpet sector offer a glimpse into the conditions of extreme distress, disenfranchisement, and exploitation faced by all of India’s marginalized and vulnerable populations. While numerous NGOs and activists have made tremendous efforts to address these abuses across the last few decades, the abuses nonetheless persist.

The results presented in this report are solely intended to catalyze new initiatives to reduce the suffering that exists in a significant portion of carpet production in India, as well as the country’s informal economy at large. The results will hopefully also demonstrate conclusively that rigorous, first-hand data gathering of slavery and child labor, along with detailed supply chain tracing, is fully achievable and should be conducted by expert teams focused on dozens of commodities around the world. Doing so promises to provide the optimal foundation on which to build a new era of more effective efforts to tackle human bondage and to alleviate much of the suffering endured by countless workers who toil as the expendable underclass of the global economy.

THE WORKING
CONDITIONS
UNCOVERED
WERE
NOTHING
SHORT OF
SUB-HUMAN.



II. OVERVIEW OF RESEARCH

The conditions are so bad. I am sick all the time, but I must keep working or the guards will abuse us.
— FEMALE CARPET WEAVER, AGE 15, HARYANA

A. RESEARCH OBJECTIVES:

The research project was undertaken through the François-Xavier Bagnoud Center for Health and Human Rights at the Harvard School of Public Health. The Principal Investigator (PI) was Siddharth Kara.

The primary aim of this study was to document the incidence of severe or slave-like labor exploitation in the hand-knotted and hand-tufted carpet industry of India. The secondary aim of this study was to analyze the hand-made carpet supply chain from the point of production in India to the point of retail sale in the United States.

The researchers established the five modes of severe labor exploitation under the laws and constitution of India and under international conventions to which India is a signatory, when any of the following criteria were met:

- 1. Forced labor under Indian law: Any payment of wages less than the minimum wage or a system of deductions or chronic delays in wage payments.
- 2. Forced labor under ILO Convention (no. 29): Involuntariness and coercion of labor.
- 3. Bonded labor: Pledged labor in exchange for an economic advance of any kind.
- 4. Human trafficking: The presence of force, fraud, or coercion in the worker recruitment process that results in the worker migrating for forced labor.
- 5. Child labor: The identification of any full-time carpet laborer under the age of 18.

B. INSTITUTIONAL REVIEW BOARD (IRB):

Because the research involved interaction with human subjects, Institutional Review Board (IRB) approval was secured in advance of any field research being conducted. Extensive documentation of the research objectives, methodology, procedures, and questionnaires was submitted to the IRB at the Harvard School of Public Health. In order to ensure safety for all potential interviewees, rigorous procedures were followed to protect all confidential information and personal identifying information throughout the research process.

In addition to securing IRB approval, a Community Advisory Board (CAB) of experts in India was assembled to advise on all aspects of the field research. The CAB members were selected from a mix of local NGOs and academic institutions.

C. SOURCES OF DATA:

To obtain information on severe labor exploitation in the hand-knotted and hand-tufted carpet sector of India, both primary sources and secondary data were used. Qualitative and quantitative data were collected through individual interviews with laborers in the carpet sector. Semi-structured interview questionnaires were used for discussion with key informants to gather information on the nature of their work in the carpet industry. Secondary information was obtained from a review of existing literature as well as relevant law and conventions relating to child labor, forced labor, bonded labor, and human trafficking. Most literature on the subject was focused on child labor in the carpet sector as opposed to other forms of servile labor exploitation (i.e. bonded labor, human trafficking, etc.).³ A list of these resources can be found in the Bibliography.

D. DATA MANAGEMENT:

Interviews were conducted with the utmost attention to security. Each field researcher collected data in bound soft notebooks. Checklists of five to six pages each were filled out for each individual case that was documented. All checklists were kept in hardcover binders. While in the field, researchers kept their notebooks and binders on their person at all times.

At weekly intervals, all materials were handed over to a local CAB member who arranged for periodic shipments of the materials to the PI at the Harvard School of Public Health. The PI alone reviewed all checklists individually and entered key information into a spreadsheet for further analysis. Electronic data based on the research materials is accessible only by other members of the study team at the FXB Center through a password-protected folder. The paper-based data will be kept in a secure location at the FXB Center for seven years after the study closure and then will be destroyed.

E. THE RESEARCHERS:

In addition to research conducted directly by the PI, the PI also selected and trained a total of eight field researchers. Six of these researchers were male; two were female. Four researchers were Hindu; four were Muslim. All researchers were fluent Hindi speakers from India, had experience conducting labor exploitation research, and had experience with research in the carpet sector. For their protection, the identities of the field researchers are kept confidential.

All researchers received in-person training from the PI on how to conduct the research and document their results. The researchers were divided into teams of two and were assigned specific geographic areas by the PI. Some of the procedures that the researchers were required to follow include:

- Obtaining and documenting consent to speak with the interviewee prior to conducting any discussions;
- In the case of minors, obtaining consent from adults who were responsible for the minor; if no adults were present, researchers explained the project to the child and asked if they were comfortable speaking; if not, the researchers did not interview the child;
- Interviewee names were never documented; each subject was identified numerically by the order in which they were interviewed at a specific site on a specific day;
- No photographs, audio recordings, or video recordings were taken by any of the researchers; the PI took a small number of photographs, some of which are included in this report;
- No payments were allowed for interviews, but a small amount of food or beverage during the conversation was permitted.

Researchers were asked to memorize the questionnaire and conduct interviews as casual conversations during which they elicited the information required, rather than following a formal list of questions. Researchers were allowed to take notes during their conversations with the subjects, which they later used to fill out the checklists for each subject they documented.

If consent was not provided, the individual was not documented. If at any point during the conversation the subject asked not to continue, the conversation was terminated immediately. Only fully documented cases have been included in the results presented in this report.

F. PHASES OF THE RESEARCH:

The research was carried out in four phases. Phase one was a pilot stage, followed by three phases of full research. The aggregate pilot and research period spanned July 13, 2012 to May 26, 2013.

During the pilot stage, a team of two researchers was tasked with testing the questionnaire and interview process in target production areas in the state of Uttar Pradesh. The purpose of the pilot stage was to learn whether there were any key deficiencies in the data gathering process.

The remaining three research phases involved all the researchers. There were break periods between each phase during which the PI analyzed the results and refined site selection. Throughout the research process the PI was in regular contact with the other field researchers.

G. SITE SELECTION:

The study utilized a purposive network and snowball sampling to identify survey participants located in nine states across northern India. Those states are: Rajasthan, Haryana, Uttar Pradesh, Madhya Pradesh, Bihar, Sikkim, West Bengal, Jharkhand, and Odisha.

Due to the hidden and dynamic nature of exploitation, trafficking, and child labor in the Indian carpet industry, it was necessary to use non-probabilistic sampling techniques to:

- 1. Gain access to study participants through trusted networks;
- 2. Recruit a sufficient sample size to draw generalizable and actionable results;
- 3. Overcome the absence of a sampling frame from which to draw participants.

Network sampling was used to identify key individuals with access to carpet weaving sites (“nodes”), whose relationships within the industry (“links”) were utilized to gain entry into networks of carpet weavers. Network sampling was complemented by snowball sampling once study teams accessed carpet weaving networks, whereby network nodes introduced researchers to potential participants. These participants subsequently referred researchers to additional participants. Snowball sampling additionally allows for network mapping and supply chain tracing. Finally, in each site, the researchers documented the total number of individuals working at the site against the number they were able to document, allowing for the extrapolation of a prevalence estimate.

All key informant interviews were identified and recruited through the following mechanisms:

- 1. Informal discussions with community members living in areas known for exploitation of carpet-weavers (i.e. “hot spots”);
- 2. Snowball sampling which occurred if one key informant recommended interviewing other people as part of the study;
- 3. Guidance from non-governmental organizations with expertise on labor exploitation in the carpet

sector, such as GoodWeave, Human Welfare Association, and Bandhua Mukti Morcha.

Researchers traveled to the carpet weaving locations to identify potential participants. The researchers introduced the study as general research into the carpet weaving industry. If prospective participants were interested in participating and did not exhibit exclusion criteria (see below), the informed consent/ assent script was spoken aloud to them.

In all cases, researchers emphasized that there was no compensation or direct benefits to the participants and no penalty for non-participation or withdrawal. Upon completion of the interview, participants were invited to refer the researchers to other potential participants. The researchers emphasized that such referral was voluntary, confidential, and referral or non-referral would not result in any form of compensation, benefit, or penalty.

Most of the sites documented were deep in rural areas located within 105km of a city. Factories in cities such as Panipat, Bhadohi, and Mirzapur were also documented.

H. INCLUSION AND EXCLUSION CRITERIA:

For children, inclusion criteria included: being under 18 years of age (by self report); presently working full-time in the hand-made carpet sector (by observation and/or self report); speaking Hindi and having no severe cognitive impairments that would inhibit their ability to understand the questions and thus give informed assent or participate in the study (per judgment of study staff).

Exclusion criteria for children included: being 18 years or older; having a profound cognitive impairment that would prevent their participation in the study; inability to speak Hindi or not presently working full-time in the hand-made carpet sector (by observation and/or self-report).

For adults, inclusion criteria included: presently working full-time in the hand-made carpet sector (by observation and/or self report); speaking Hindi and having no severe cognitive impairments that would inhibit their ability to understand the questions and thus give informed consent or participate in the study (per judgment of study staff).

Exclusion criteria for adults included: having a profound cognitive impairment that would prevent their participation in the study; inability to speak Hindi or not presently working full-time in the hand-made carpet sector (by self-report).

I. REFERRAL NETWORK:

Many of the individuals who were documented for

this project were in varying states of physical and/or mental distress as a result of the exploitative labor conditions they were enduring. While the researchers themselves were not in a position to provide medical or mental health care for distressed informants, a referral network of trusted NGO's was established to respond as best as possible to these issues. When the researchers documented key informants who exhibited serious ailments resulting from carpet weaving without any alternate provision for professional care, the researchers referred these cases to NGOs that have experience dealing with medical and psychological care in the carpet sector as well as other sectors in the informal economy. However, these NGOs understandably have limited capacity and were not always in a position to respond to potential problems, especially given the vast number of cases that were documented, as well as the remoteness of the areas in which many of the cases were documented. It goes without saying that these and other NGOs require significant increases in resources to respond in a timely and effective manner to the immense number of distressed workers in India's carpet sector, let alone the rest of the country's informal economy.

In addition to this referral network, the PI has referred cases involving child labor to the ChildLine India Foundation, which contracts with 540 partner organizations across India to intervene in cases involving the exploitation or abuse of vulnerable children. Despite its extensive network, ChildLine and its partner organizations do not serve all of the areas covered in this project.

In all cases, individual identities have not been provided to the referral network or to ChildLine, but rather specific geographies and case details have been provided so that the confidentiality of the informant is protected while efforts are made to ameliorate their distress.

J. DIFFICULTIES ENCOUNTERED:

The researchers encountered several challenges during the course of the research project.

First and foremost, establishing a trusted network of local guides, security, and other agents who could assist with access to carpet production sites across hundreds of locations primarily located in rural areas across nine states in India was difficult. The PI had fortunately already spent several years building this network across northern India during the course of his own research, saving considerable time, expense, risk, and false starts for this project.

Second, identifying reliable and experienced researchers with an adequate blend of local knowledge, ethical standards, and academic rigor to conduct research into slavery and child labor was also a challenge. There is a critical dearth of properly

trained field researchers who can conduct first-hand data gathering on slavery and human trafficking around the world. Again, the PI had fortunately worked with and trained local colleagues in this kind of research, who were in turn able to help with the identification of additional researchers who required minimal additional training in order to conduct the requisite research.

The third challenge faced during this research project was conducting the research itself. As previously mentioned, locations in which child laborers or trafficked laborers were locked in shacks were the most challenging to access. These sites were often far off the beaten path in rural areas and access was forbidden by violent guards. Extreme care was used to avoid any dangerous circumstances, but certain negative outcomes were impossible to avoid. On numerous occasions, researchers were verbally abused. After one such encounter, one of the female researchers reported, "It was the first time we heard such insulting words which were against our self esteem and dignity." Other researchers reported being "insulted numerous times," or being warned never to approach the carpet factory again. Other challenges with access related to gender issues. In several instances where a factory only contained female workers, the male researchers were not allowed inside. These locales were two or three day's journey from home for the researchers, and it was impossible to send female researchers on overnight trips due to risks to their safety.

There were a few instances of mild physical violence (shoving, grappling, etc) against the researchers, requiring minor medical attention. The violence was committed against males as well as females. In addition, one vehicle was damaged by guards during investigation into a child labor carpet factory, leaving the team stranded for several hours. On other occasions, guards or factory owners would insist on being present during interviews, which of course corrupted results (data from these interviews was not used in this report). Some guards or factory owners also forbade the researchers from speaking with the child workers inside a factory, only with adults. Some owners even took the researcher's presence as an opportunity to complain about the challenges they faced, from crooked contractors to unfair wholesale pricing for finished carpets. In rural areas, Muslim and Hindu researchers explored areas of their same ethnic backgrounds, as access of Muslims to Hindu areas and Hindus to Muslim areas was generally not possible.

The fourth challenge faced by the researchers involved safety within the research sites. Many sites were exceedingly hot, filthy, unpleasant in odor, and dangerous. The researchers often noted that conducting the interviews in such conditions was difficult for them. The research also took an emotional toll on the researchers. The researchers

reported being disturbed by the miserable conditions they documented, and also feeling discomfort as they watched destitute children weaving carpets with racing car designs that would one day adorn the bedrooms of affluent children around the world. Psychological counseling was offered to the researchers after completion of the project, though none accepted the offer.

Finally, the researchers worked five to six days a week throughout the research process. The days were often long, as it could take several hours to venture deep into a rural area before investigations could begin. The perseverance and courage of the researchers in the face of all these challenges cannot be overstated.

“IT WAS THE FIRST TIME WE HEARD SUCH INSULTING WORDS WHICH WERE AGAINST OUR SELF ESTEEM AND DIGNITY.”



III. OVERVIEW OF CARPET WEAVING IN INDIA

I came to Bhadohi from Jharkhand with my brother. The contractor promised we would earn Rs. 200 [\$3.62] each day and that we would have food and clean quarters. Now we are locked inside this factory and we are only paid Rs. 100 [\$1.81] for twelve hours work. I did not want to leave my home, but there was no other option.

— MALE CARPET WEAVER, AGE 25, UTTAR PRADESH

A. HISTORY AND MARKET SIZE:

Carpet weaving in South Asia commenced under the Mughal emperor Akbar, who brought Persian carpet weavers to the subcontinent during the sixteenth century. Royal patronage helped the industry establish a firm footing throughout the Indian subcontinent. Today, India, Pakistan, and Nepal are responsible for roughly 55 percent of the global market of hand-woven carpets.⁴ The other major exporters include Iran, China, Turkey, and Afghanistan. The contemporary carpet-weaving sector in India is largely a cottage industry, with production spanning tens of thousands of village huts, rural shacks, and makeshift carpet factories. Loom owners and contractors sell the carpets to a plethora of purchasing agents and exporters, who arrange for shipment to foreign markets. The vast majority of hand-knotted and hand-tufted carpets produced in India are exported abroad.

The United States is the world’s largest importer of hand-made carpets in the world. Table 1 lists key data on the size of carpet imports from top exporting countries:

⁴⁾ Iran was the third largest source of imported carpets for the US in 2010, after which economic sanctions eliminated all imports.

(\$ millions)							
Country	1991	2010	2011	2012	% of Total (2012)	1991-2012 Growth Rate	2010-2012 Growth Rate
India	129.6	250.2	301.8	305.8	46.2%	136.0%	22.2%
China	80.6	87.7	93.3	100.1	15.1%	24.2%	14.1%
Iran ⁴⁾	NA	71.4	0	0			
Pakistan	62.7	51.2	54.3	66	10.0%	5.3%	28.9%
Turkey	24.2	22.5	29	31.4	4.7%	29.8%	39.6%
Nepal	2.5	18.6	26	27	4.1%	980.0%	45.2%
All Others	12.5	105.6	112.4	131.6	19.9%	952.8%	24.6%
TOTAL	312.1	607.2	616.8	661.9	100.0%	112.1%	9.0%

The data in Table 1 show that India is by far the largest exporter of hand-made carpets to the United States, with almost half of all imports during 2012. The declared import value of these carpets from India in 2012 was approximately \$306 million. The retail value would be six to ten times this amount, or \$1.8 to \$3.1 billion. The data also show that India is the fastest-growing major exporter of carpets to the United States. From 1991 to 2012, imports of carpets from India to the U.S. grew 136%. Only Nepal grew faster, but this is because it began from a much smaller base amount in 1991. As of last year, Nepal remains less than 10% the size of India in terms of total exports to the United States. Given the size and rapid growth of carpet exports from India to the U.S., the issue of severe labor exploitation in the production of these carpets is of major importance.

B. MANUFACTURE PROCESS:

Hand weaving of knotted carpets is an exceedingly labor-intensive process, especially for more thickly knotted carpets. It can take four people working twelve hours a day at a single loom up to two months to complete a large five-meter-by-five-meter carpet with two hundred knots per square meter. The looms consist of two wooden or steel horizontal rods attached to vertical poles on either side. Hundreds of vertical cords are attached to the horizontal rods, and

the weavers follow a pattern usually printed on plastic to work their way from the bottom of the loom up by pulling yarn of various colors down the vertical cords.

The weavers use a dangerously sharp claw tool to pull the yarn down the cords, then pack the yarn down tightly against the previous layer with a more blunt metal tool. Scissors are used to trim away excess yarn.



A typical carpet loom in India



Carpet weaving tools



Hand-tufting gun

A small proportion of the carpets produced in India are also “hand tufted.” This process involves the use of a screwdriver-shaped, hand-operated “gun” that punches yarn into a canvas stretched on a frame. Though similar in appearance to knotted carpets, hand-tufted carpets can be made much more quickly. These carpets are less durable and less expensive than knotted carpets.

Once the carpets are completed, the contractor or loom owner transports them to a finisher or exporter. The exporter performs a chemical washing of the carpet before shipment abroad. This process involves cleaning the carpets and setting the colors through a rinse that usually includes solutions of diluted sulfuric acid, followed by water. The carpets then dry

and may be further clipped into a final shape before shipment.

Most of the severe labor exploitation in the carpet sector takes place at the weaving stage. This is also the stage that is the most hazardous for the laborers.

C. HAZARDS FACED BY CARPET WEAVERS:

Carpet weavers, especially children, face numerous health ailments as a result of hazardous working conditions, particularly in situations of severe labor exploitation. Forced laborers and those in similar conditions are often coerced to work twelve or more hours a day, allowed to eat only two meals a day, live and sleep in the same place as they work, suffer

beatings and abuse, and are frequently injured with the sharp claw tool or scissors used in the weaving process. Common ailments for these workers include:

- Eye disease or loss of vision due to insufficient light
- Spinal deformation due to being hunched over the loom for extended periods
- Muscle pain and atrophy
- Headaches
- Malnutrition
- Pulmonary disease due to thread dust inhalation
- Cuts and infections
- Psychological trauma

Even in supposedly lawful looms that pay a reasonable wage and do not coerce adults or children, the conditions in the workplace are exceedingly dangerous, filthy, and pose serious health risks to the carpet weavers and their families. Infants are often present, inhaling thread-dust all day, and children of adult workers may play in the looms amid stray electrical wires, rusty tools, and exposed nails. In several cases, researchers saw young women weaving while babies slept in their laps, exposing the infants at a minimum to substantial risks of pulmonary ailments.



IV. DISCUSSION OF RELEVANT LAW

I had to send my child with the agent. I wish I could send him to school, but it is not possible for us. We can barely survive as it is.

— MALE CARPET WEAVER, AGE 40, ODISHA

THE FOLLOWING SECTION DETAILS THE RELEVANT LAW AND CONVENTIONS THAT ESTABLISH EACH FORM OF SEVERE LABOR EXPLOITATION DOCUMENTED DURING THIS RESEARCH PROJECT. FOR EACH TYPE OF LABOR EXPLOITATION, THE RESEARCHERS ASKED SPECIFIC QUESTIONS THAT WOULD ESTABLISH THE RELEVANT MODE OF EXPLOITATION UNDER THE APPROPRIATE LAW OR CONVENTION.

A. FORCED LABOR UNDER INDIAN LAW:

The Constitution of India, Article 23 includes a prohibition against traffic in human beings and forced labor. While the Constitution of India does not define forced labor, the Supreme Court of India has provided specific guidance on the definition of forced labor under the laws of India.

In the case of *People’s Union for Democratic Rights vs. Union of India and Others, 1982*, the Supreme Court of India determined that forced labor should be defined as any labor for which the worker receives less than the government-stipulated minimum wage:

*Ordinarily no one would willingly supply labor or service to another for less than the minimum wage... [unless] he is acting under the force of some compulsion which drives him to work though he is paid less than what he is entitled under law to receive.*⁶

The researchers asked three questions that focused on verifying a chronic underpayment of minimum wages as well as chronic delays in wage payments in order to establish forced labor under Indian law.

B. FORCED LABOR UNDER ILO CONVENTION (NO. 29):

ILO Forced Labor Convention (no. 29), of which India is a signatory, defines forced labor as, “Work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily.”

The key elements to establishing forced labor under the Convention are that the labor must be both: 1) Involuntary, and 2) Coerced.

The Convention does not define these conditions, but subsequent jurisprudence has upheld the absences of freedom of movement and freedom of employment as central to the concept of forced labor. There are of course degrees of involuntariness and coercion, so an array of questions must be asked in order to establish whether the conditions pass a threshold to establish

forced labor.

The researchers asked a total of 11 questions in order to establish the conditions for involuntariness under ILO Convention (no. 29). The primary questions focused on establishing unlawful restrictions on movement and employment. Additional questions were asked to establish an excessive work schedule, unpaid overtime, lack of safety equipment and meals, lack of medical care in case of injury, and other conditions that reveal involuntariness of labor.

The researchers asked a total of six questions in order to establish the conditions for coercion under the Convention. These questions focused on threats, punishments, confiscation of documents, excessive surveillance, and other factors that demonstrated coercion of labor.

Only if **both** conditions of involuntariness and coercion were simultaneously established was a subject deemed to be a victim of forced labor under ILO Convention (no. 29).

C. BONDED LABOR:

Bonded labor under Indian law is defined in the Bonded Labour System (Abolition) Act, 1976:

*Bonded labor is defined as a system of forced or partly forced labor under which a debtor accepts an advance of cash or in-kind in exchange for a pledge of his or any family member’s or other dependant’s labor or service to, or for the benefit of, the creditor. The agreement can be oral or in writing or some mix therein; of a fixed duration of time, or not; and with or without wages paid. An individual born into such an agreement made by an ascendant is included, and any forfeiture of the freedom of movement, employment, or the right to sell any product of the labor during the agreement at market value constitutes bonded labor.*⁷

Under this definition, bonded labor can be established

if an individual takes an advance in exchange for his or any dependent’s pledged labor or service and is confined to a specific geographic area, **or** cannot work for someone else, **or** is not allowed to sell his labor or goods at market value.

The researchers asked a total of six questions in order to establish the conditions for bonded labor under the Bonded Labour System (Abolition) Act, 1976. In particular, questions focused on whether an advance had been taken in exchange for pledged labor, and whether any wage deductions were made pursuant to repayment of the debt. These “deductions” could also be made for provision of food or supplies, errors committed during the work, or for tenancy. They could also take the form of coercion of other family member to work to repay the debt, as well as excessive interest rates that are used to perpetuate a worker’s state of indebtedness.

D. CHILD LABOR:

The Constitution of India, Article 24 includes a prohibition against the employment of children in factories and other hazardous settings.

The Child Labor (Prohibition and Regulation) Act, 1986 defines a child as being 14 years of age. Section 3 of the Act includes the prohibition against child labor in certain hazardous occupations, including carpet weaving (listed in Part B of the Act). Section 7 of the Act includes, *inter alia*, the prohibition of child labor of any kind for greater than six hours per day.

Under international law, the ILO Convention Concerning Minimum Age for Admission to Employment or Work (no. 138) stipulates that hazardous work such as carpet weaving should not commence until 18 years, including in developing nations. The basic minimum age to work is set at 15 years, 14 years in developing nations.

The ILO Worst Forms of Child Labour Convention (no. 182) stipulates that a child is any person less than 18 years. Worst forms of child labor include slavery, trafficking, or any work that “is likely to harm the health, safety or morals of children.”

Further under these Conventions, consent is irrelevant for children under 18 years of age. This is because coercion can be applied to parents or family members, and even where there may be no obvious coercion, children are deemed unable to consent to hazardous labor.

India has **not** ratified either ILO Convention (no. 138) or (no. 182), however, each of the sites documented in this project to have cases of child labor were linked to companies that export to countries that are signatory to these ILO Conventions.

Under the laws of India and international conventions,

the researchers established child labor for the purpose of carpet weaving by documenting any child who self-reported or was reported by an adult to be less than 18 years of age and working full-time (at least eight hours per day) in the carpet sector. In all cases of child labor that were documented, the child was also not attending school.

E. HUMAN TRAFFICKING:

Human trafficking is defined in numerous international conventions and domestic laws. The first international definition for human trafficking was provided by the 2000 United Nations “Palermo Protocol.” India ratified the Protocol in May 2011. Article 3 of the Protocol defines human trafficking as:

“Trafficking in persons” shall mean the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation. Exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labour or services, slavery or practices similar to slavery, servitude or the removal of organs.

In India, the Immoral Traffic (Prevention) Act, 1986 focuses on trafficking and exploitation in the commercial sex sector. More recently, the Criminal Law (Amendment) Act, 2013 added certain anti-trafficking provisions to the Indian Penal Code intended to conform to the definition of human trafficking found in the Palermo Protocol.

Under international law, where the researchers established the conditions for forced labor, bonded labor, or child labor, human trafficking was also established if the labor exploitation occurred in the context of internal or cross-border migration expressly undertaken to secure the job and was facilitated by a third party under fraudulent or coercive circumstances for the purpose of exploiting the worker or having the worker exploited. Those cases classified as human trafficking in this report involved travel of distances between 400km and 1,000km.

The researchers asked a total of six questions in order to establish the conditions for human trafficking, where forced labor, bonded labor, or child labor had already been established. These questions focused on determining the presence of a third-party recruiter, the distance traveled for the work opportunity, as well as misrepresentations or other fraud committed by the recruiter in order to entice the worker. The payment of fees and the recruitment of other family members were also queried.



V. DISCUSSION OF RESULTS

Of course I would rather do something else! This work is very difficult and we are not paid properly. I know what the minimum wage is, but I have never seen that wage in my life.

— MALE CARPET WEAVER, AGE 30, WEST BENGAL

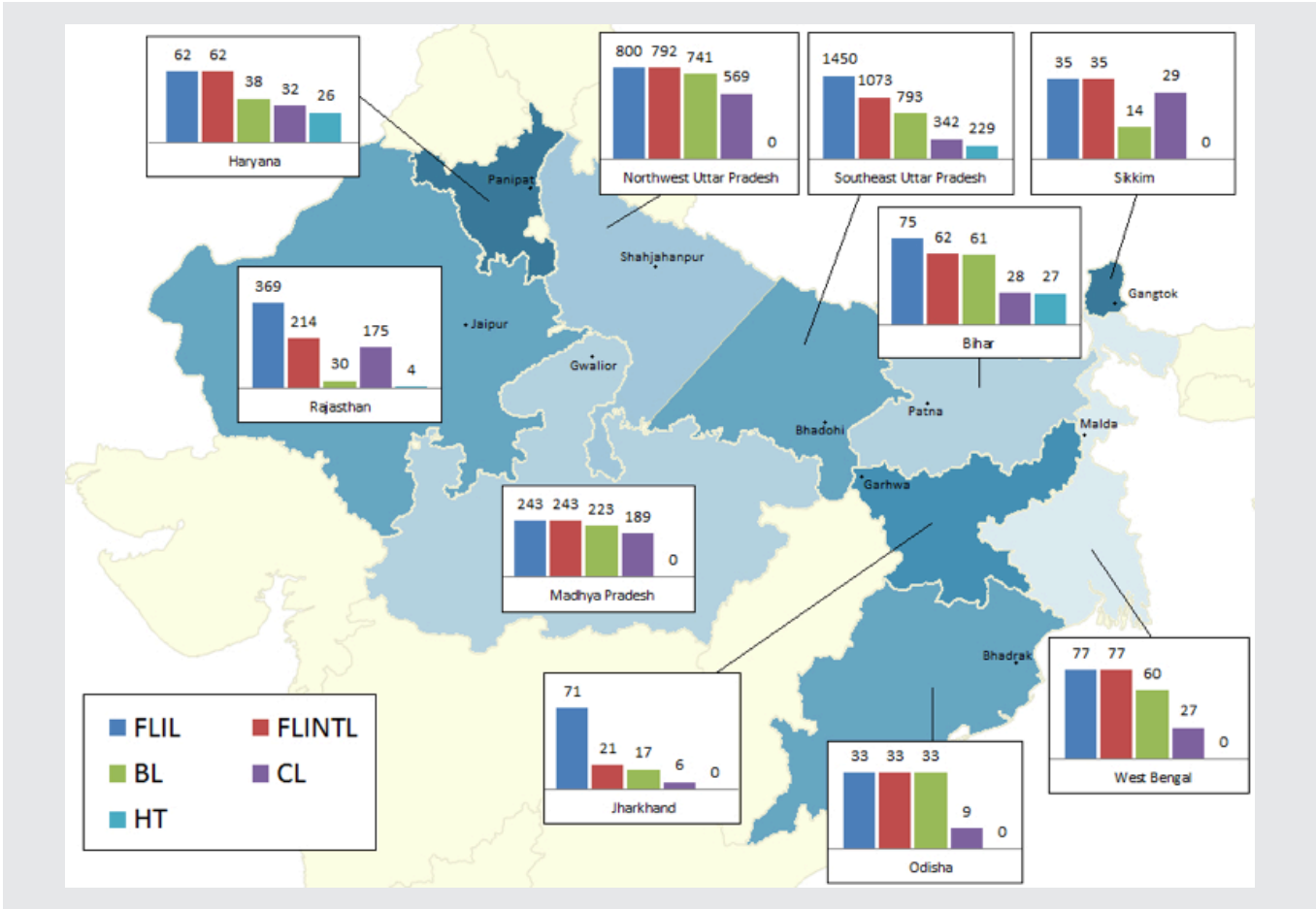
A. CASES DOCUMENTED:

Appendix Table 1 lists the total cases documented within 105km of each city that was investigated. These cases fell into five categories:

- 1. Forced Labor under Indian Law (FLIL)
- 2. Forced Labor under International Law (FLINTL)
- 3. Bonded Labor (BL)
- 4. Child Labor (CL)
- 5. Human Trafficking (HT)

Map 1 provides a pictorial representation of the spread of cases documented across northern India.

MAP 1: Cases Documented by State



1. Forced Labor under Indian Law

A total of **3,215** cases of forced labor under Indian law were documented. All cases documented met at *least* this level of exploitation, while subsets of these cases also met the criteria for other modes of exploitation (i.e. bonded labor and child labor). Forced labor under Indian law was the least challenging form of exploitation to document for two reasons. First, the chronic underpayment of minimum wages is highly pervasive throughout the carpet sector in India (and most other unskilled and semi-skilled professions). It is safe to say that roughly half (if not more) of the workers in the carpet sector do not receive the state stipulated minimum wages for their work. The second reason these cases were less challenging to document is because loom owners perceived virtually no risk in not paying minimum wages. There is almost no enforcement of minimum wage laws in the carpet sector or most other sectors in India’s informal economy.

The most common scenario encountered by the researchers was that workers had to toil 10 to 14 hours a day in order to receive the minimum wage for an eight-hour workday. Carpet weaving is stipulated as semi-skilled work in India. Semi-skilled minimum wages for carpet weaving differ by state. Appendix Table 2 lists the average wages documented in and around each city that was investigated. Summary information is included in Table 2 below.

Table 2 reveals significant underpayment of minimum wages across all nine states in which the research was conducted. Minimum wages are listed by state as a day wage based on an eight-hour workday. Stipulated minimum wages range from \$0.37 per hour in Jharkhand to \$0.50 per hour in Sikkim and West Bengal. Underpayment of wages in Jharkhand was *only* 24%, whereas in all other states underpayments ranged from 41% to 66%. In short, the carpet weavers who were documented across

India are essentially paid half or less of what they are supposed to earn for eight hours of work. Add to this the fact that wages are chronically delayed by a few weeks to up to three months, and it is immediately apparent that wage underpayment is a pernicious reality for the preponderance of workers in the carpet sector. **Crucially, these severe levels of chronic underpayment of wages are almost always the starting point to other modes of exploitation.** Due to the underpayment of wages, adults do not earn sufficient income to meet basic needs and may have to take a loan to meet short-term consumption requirements or for medicines or other emergencies, often resulting in debt bondage for the entire family. Or, adults may have to send children to work instead of to school in order to bridge the wage gap. Finally, adults may migrate in the hopes of securing better wage opportunities, which leaves them vulnerable to human trafficking and forced labor. The researchers always asked the workers if they were content to receive the underpayment of wages and whether they would rather have another job that would pay them the full wage. The workers unanimously replied that they would rather be paid their full wage in carpet weaving or any other job, but that there was simply **no alternative** for people like them. They were forced either to accept the severe wage underpayments, or to receive no income at all.

This lack of alternate opportunity further demonstrates the thin line between forced labor under Indian law and forced labor under international law. Indeed, there may be a persuasive argument for collapsing these two categories into one. For example, in the context of underpaid minimum wages, if one were to deem that utter destitution is sufficient to meet the burden of categorizing the labor as coerced (due to poverty) and the lack of any other opportunity to earn a reasonable wage is sufficient to meet the burden of categorizing the labor as involuntary (due to the lack of alternative), **then one could argue that all cases of forced labor under Indian law could be equally categorized as forced labor under international law.** In this scenario, the project would have documented 3,215 cases of

TABLE 2: Minimum Wages for Carpet Weaving by State and as Documented^a

State	Stipulated Min Wage (\$ Daily)	Stipulated Min Wage (\$ Hourly)	Avg Wage Documented (\$ Daily)	Avg Wage Documented (\$ Hourly)	Underpayment (%)
Bihar	3.02	0.38	1.78	0.22	41%
Haryana	3.55	0.44	1.20	0.15	66%
Jharkhand	2.97	0.37	2.27	0.28	24%
Madhya Pradesh	3.08	0.38	1.42	0.18	54%
Odisha	3.00	0.38	1.70	0.21	43%
Rajasthan	3.04	0.38	1.61	0.20	47%
Sikkim	3.98	0.50	1.37	0.17	66%
Uttar Pradesh	3.60	0.45	1.69	0.21	53%
West Bengal	3.98	0.50	1.93	0.24	51%

internationally recognized forced labor. As currently categorized, forced labor under international law requires further elements of coercion and involuntariness beyond the core coercion due to poverty and involuntariness due to a complete lack of reasonable alternative, where the individual is also not receiving the stipulated minimum wage. However, a persuasive argument can be made that in the Indian context, these categories should be considered as one and the same.

One final observation with regards to the underpayment of minimum wages is that the state stipulated minimum wages are themselves inadequate, regardless of the chronic underpayment of the wages. Earning between \$0.37 and \$0.50 per hour for exceedingly painstaking, tedious, harmful work such as carpet weaving is not only far too little given the nature of the work, it is also completely inadequate to meet the basic needs of even the most modest rural worker. Individuals who receive full wages report still having insufficient income for basic food, fuel, and shelter, leave alone savings for life rituals or emergencies. Minimum wages for semi-skilled carpet weaving must be increased in order to avoid the cycle of poverty and exploitation that often follows. In response to those that argue the carpet production model will not bear increased wages, Kara (2012) demonstrated that the average carpet weaving business operates on a gross margin exceeding 50%, leaving ample room to increase minimum wages and retain reasonable profitability.⁹ Considering further that the U.S. declared import value on hand-made carpets from India is between three to five times the production cost, and that the retail markup is between six to 10 times (or more) the import value, there is ample room to argue that the worker at the bottom end of the supply chain toiling in harmful and painstaking circumstances is entitled to a greater share in the profits of the carpet he or she produced.

Further exploration of the underpayment of wages revealed significant divisions between wages paid to males and females, as well as adults and minors. As Appendix Table 2 shows, adult males were paid on average \$1.92 for an eight-hour day (\$0.24 per hour) and adult females were paid an average of \$1.69 for an eight-hour day (\$0.21 per hour). Minors were of course paid less, with minor females being paid an average of \$1.46 per eight-hour day (\$0.18 per hour) and minor males being paid an average of \$1.31 per eight-hour day (\$0.16 per hour). The researchers intuitively expected minor females to be paid less than minor males (as was the case with adults). The counter-intuitive result appears partially to be a function of the greater sample of female minors (n=927) to male minors (n=479), including several cities in which female minors were both earning more than male minors and there was also a larger sample of female minors, weighting the averages upwards for female minors.¹⁰

2. Forced Labor under International Law

A total of **2,612** cases of forced labor under ILO Convention (no. 29) were documented. As discussed in the previous section, if one considers destitution and the lack of a reasonable alternative as sufficient forces of coercion and involuntariness to meet the burden of forced labor under international law, then all cases of forced labor under Indian law would be deemed forced labor under international law as well. Accepting narrower considerations on coercion and involuntariness relating to restrictions on movement and employment, then roughly 81% of the total cases that were documented would be deemed forced labor under international law.

There are clear geographic concentrations in which forced labor under international law was more prevalent. Those cities in and around which forced labor under international law represented between 95% and 100% of the forced labor under Indian law cases were:

- Shahjahanpur, Badaun, Hardoi, Agra, Chitrakoot, Ballia, Orai, (Uttar Pradesh)
- Patna (Bihar)
- Sawai Madhopur (Rajasthan)
- All cases in Haryana
- All cases in Madhya Pradesh
- All cases in Odisha
- All cases in Sikkim
- All cases in West Bengal

It so happens that these regions are also among the least researched areas in terms of the carpet sector, and they are all well out of range of the traditional Carpet Belt region in Uttar Pradesh.

Conversely, those cities in and around which less than half the cases of forced labor under international law were also forced labor under Indian law included:

- Robertsganj, Suriyawan (Uttar Pradesh)
- Aurangabad (Bihar)
- All cases in Rajasthan except Sawai Madhopur
- All cases in Jharkhand

In terms of classification, all cases of bonded labor, child labor, and human trafficking were immediately deemed to be forced labor under ILO Convention (no. 29).¹¹ Cases beyond these that were categorized as forced labor under international law were characterized by severe restrictions on the freedoms of movement and employment of the individual documented. In some instances this involved being kept locked inside a shack 24 hours a day without any option to leave. In other cases this involved an aggregate set of circumstances in which the individual worked 12 or more hours a day seven days a week without overtime pay, lacked

time off for holidays, did not receive medical care or time off for injuries, toiled in very dangerous working environments, had their identity documents confiscated, and was not allowed adequate food. In sum, these results demonstrate that forced labor under international standards is highly prevalent throughout the hand-made carpet sector of India.

3. Bonded Labor

A total of **2,010** cases of bonded labor were documented, representing 62.5% of the total. Many more cases were also documented involving individuals who had previously been in a condition of bonded labor but had recently been discharged of their debts by the creditor. Bonded labor remains extensive across the carpet sector and is a dominant mode of severe labor exploitation in numerous industries in India. The essence of debt bondage involves a vicious cycle of exploitation initiated by, *inter alia*, inadequate income, lack of access to formal credit markets, and numerous other forces relating to caste, corruption, anemic enforcement of laws, and social apathy.¹² Further, chronic underpayment of minimum wages leaves immense portions of the unskilled and semi-skilled labor force in India vulnerable to debt bondage in order to meet basic consumption needs, attend to life rituals, or deal with medical emergencies.

Bonded labor cases typically begin with the male head of a family taking an economic advance of some kind. Once the loan is provided, the debtor, and often times his entire family, is forced to repay the loan under slave-like conditions, invariably providing labor whose value far exceeds the size of the advance. Table 3 lists the reasons and average loan sizes taken in the cases that were documented:

TABLE 3: Reasons and Average Sizes for Bonded Labor Advances¹³

Reason for Advance	Number of Cases	Percent of Total	Average Size of Advance (\$)
Consumption	1,266	80%	80
Marriage	113	7%	150
Medical treatment/medicine	103	7%	88
Sale of child	46	3%	39
Repay old debt	19	1%	104
Home Construction/Repair	14	1%	122
Agriculture	9	1%	87
Education	2	0%	27
Other	3	0%	109
TOTAL	1,575	100%	85

Basic consumption needs (food, beverage, cooking oil, etc.) were by far the primary reason individuals needed loans and ended up in debt bondage. Other reasons varied from medical treatment to repaying previous debts. A small number of cases also involved taking an advance on the sale of a child.¹⁴ These cases were primarily documented in and around Patna and Bhadohi and involved a family selling a child to a contractor in exchange for a job opportunity at a carpet factory. The child was then required to work off the advance of roughly \$40 before parents were promised some share in the income from the child's labor. However, in all cases the children were subsequently charged fees for living quarters, food and water, medicines, and deductions were also made for errors in the work. The children thereby provided labor that was several times the value of their original advance and reported wages of typically \$0.11 per hour, having been told that they were still repaying their advances. Some or all of these wages were ostensibly sent to the parents who parted with the child, but there was no way to confirm whether this was indeed the case.

The average size of the advances taken by all the bonded laborers who were documented was \$85. The category with the highest average loan was for marriages at \$150. The areas with the highest concentrations of bonded labor cases were:

- Shahjahanpur, Badaun, Hardoi, Agra, Chitrakoot, Ballia, Orai (Uttar Pradesh)
- Samastipur, Patna (Bihar)
- Malda (West Bengal)
- All cases in Odisha
- All cases in Madhya Pradesh

The regions that had the lowest concentrations of bonded labor were:

- Robertsganj, Suriyawan (Uttar Pradesh)
- All cases in Jharkhand
- All cases in Rajasthan

As previously discussed, bonded labor cases involve slave-like exploitation of the worker as he or she supposedly works off modest loans. In all cases, the workers reported that they could not leave the carpet-weaving job until they were told that their debts had been repaid. Most had little idea as to how much debt they had remaining, as they were given virtually no accounting of their debits and credits. In addition to severe restrictions on their movement and alternate employment, the bonded laborers reported having to work excessive hours, having insufficient access to food or medical care for injuries, and being heavily pressured to work even when ill or injured. Bonded labor was often achieved by the exploiter's coercing the debtor (and his family) to toil for up to 12 or more hours a day while still only paying them less than the minimum wage for eight hours of work, thereby creating a system of wage deduction for debt repayment without actually calling it a deduction.

Finally, most bonded laborers were desperate to be freed of their debts but saw no way of ever achieving this goal. When asked what would happen if they were to leave the carpet-weaving job without first repaying their alleged debts, most bonded laborers simply responded, "This is not possible." There was simply no scenario in their minds in which they would be allowed to pursue another work opportunity prior to being relieved of their debt obligations. The prevalence of bonded labor in the carpet sector was greater than one would anticipate given the attention this issue has seemingly received from the Government of India. Indeed, the expanse and persistence of bonded labor cases that were documented is a regrettable testament to the anemic efforts undertaken by the Indian Government to eliminate this archaic mode of servile labor exploitation.



4. Child Labor

A total of **1,406** cases of child labor were documented, representing 43.7% of the total cases. The researchers could have documented many more cases, except that they were aggressively denied entry into numerous factories and shacks inside which they could visually confirm the presence of child carpet weavers. Carpet operations with child laborers and human trafficking victims were the most difficult and dangerous for the researchers to document. There were also scores of adult interviewees who reported having started carpet weaving as children. It is clear that despite efforts to eliminate child labor in India's carpet sector, there are still an extraordinary number of minors toiling in the industry.

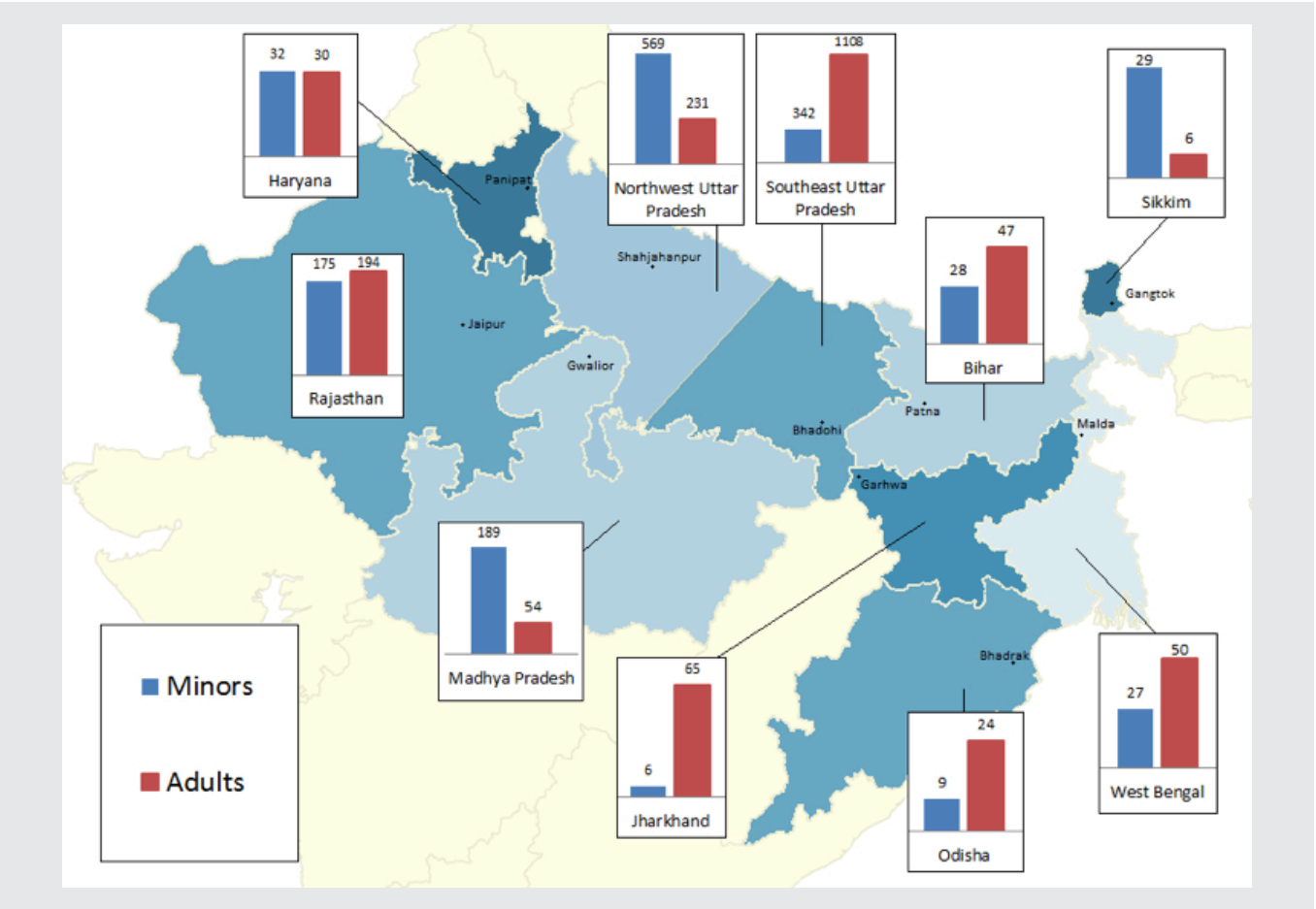
Map 2 indicates concentrations of child laborers documented in the research, but these concentrations are largely a function of where the researchers were able to gain access to documenting the children, as opposed to where children may in fact be exploited in the greatest numbers.

Traditional carpet weaving regions such as the Carpet Belt in Uttar Pradesh have received considerable NGO and media attention relating to child labor, hence factory guards and owners were more aggressive in preventing the researchers' entry. In other areas that are rarely if ever documented, researchers were able to access children more freely. With this caveat in mind, those areas that had the highest concentrations of child labor cases were:

- Shahjahanpur, Badaun, Hardoi (Uttar Pradesh)
- Patna (Bihar)
- Panipat (Haryana)
- Gwalior, Morena (Madya Pradesh)
- Sawai Madhopur (Rajasthan)
- Darjeeling (West Bengal)
- Gangtok, Yuksom (Sikkim)

Those other regions that revealed a lower proportion of child laborers to total cases documented may have largely been a function of lack of access. For example, the city in and around which the second largest number of child laborers were documented was Bhadohi (n=223), but child labor still only represented 37% of total cases documented in and around Bhadohi due to the high number of forced

MAP 2: Cases Documented: Adults or Minors



labor cases that were documented. Bhadohi is also likely the city in and around which the researchers visually identified the highest number of children at work, yet the researchers were unable to interview them due to lack of access. The city in and around which the highest number of child laborers were documented was Shahjahanpur (n=248), representing 69% of the total cases recorded in this area. Next on the list was Badaun (n=196), representing 86% of the total cases documented in and around the city. Prior to this study, little research into the carpet sector had been conducted in Shahjahanpur and Badaun, and it was discovered during phase three of the research that there were thousands of children working in the carpet sector in and around these cities. One research team subsequently focused much of their efforts during phase four on documenting these children. The same was true for Hardoi, Gwalior, Morena, and Sawai Madhopur. All cases in villages north of Gangtok involved child labor, and there would have been many more cases to document except for the time-consuming nature of traveling by foot from one village to the next in these remote mountain regions.

It can safely be stated that the working conditions faced by children in the carpet sector are among the worst faced by any of the workers. Being children, they are of course weaker and more vulnerable than adults, rendering them easier to coerce and abuse. Children were regularly forced to work excessively long hours in extremely dangerous conditions. Many children worked, ate, and slept inside rural carpet shacks, rarely if ever stepping outside for weeks or months at a time. Children were more prone to verbal and physical abuse to keep them working, and they tended to suffer injury and health ailments more often. Children were often sent to factories or shacks to work off the debts of their fathers, or as was noted above, they might be sold for an advance on the false promise by the agent that a certain portion of their wages would be sent back to the parents. The brutal, corrosive, dangerous, and exploitative conditions suffered by countless child laborers in the hand-made carpet sector cannot be overstated. True recovery and re-empowerment of children after enduring extreme levels of physical and psychological trauma is a rarity.

5. Human Trafficking

A total of **286** cases of human trafficking were documented, representing 8.9% of the total cases. A little more than half of these cases (n=150) were documented in and around the city of Bhadohi. As with child labor, human trafficking cases were the most difficult to document due to lack of access. Shacks and factories in which suspected trafficked carpet workers were thought to be imprisoned were heavily guarded and the researchers were rarely allowed to enter. Another factor with regards to the relatively smaller level of human trafficking cases is that the majority of workers documented were local

and did not migrate with an agent. Roughly 90% of cases documented were not migrants, indicating that most every case that was documented involving a migrant was also a case of human trafficking. Had access been provided to more sites, the proportion of migrant cases would likely have been greater, but the workforce for carpet weaving is nevertheless constituted primarily of local workers as opposed to migrants. Those cases of human trafficking that were documented in Bhadohi, Patna, Panipat, Mirzapur, and Varanasi involved individuals who had been trafficked primarily from Jharkhand, Odisha, West Bengal, and Nepal. Each of them was promised a job in carpet weaving for which they would receive the minimum wage and enjoy reasonable working conditions. However, on arrival, the individuals were restricted to the shacks and factories and could not leave without permission, received far less than the minimum wage, and tended to have the longest working days of 12 to 14 hours per day, seven days a week. All the human trafficking victims reported a desire to leave their current conditions, but their captors did not allow them to do so. All victims also reported that the decision to migrate with the agent was based on a complete lack of income-generating opportunities in their home areas. The relatively high number of human trafficking cases documented in Bhadohi is most likely a function of the fact that this city remains the heart of carpet production in northern India, and workers are regularly trafficked into its carpet factories to meet labor needs.

B. PREVALENCE:

The next step after documenting cases of slave-like labor exploitation in India’s carpet sector is to ascertain what this data suggests in terms of the prevalence of each type of exploitation in the industry at large. Extrapolating from sample size to prevalence estimate is a statistical exercise determined largely by the method of sampling that was utilized. As previously discussed, this study was not designed as a pure random sample. This means that the researchers were not tasked with going to carpet production areas and documenting at random the workers they met. Rather, the study involved a purposive sampling focused on documenting instances of various modes of severe labor exploitation in India’s hand-made carpet sector. The primary reason for doing so was to demonstrate conclusively that forced labor, bonded labor, child labor, and other modes of exploitation still exist in substantial numbers in the carpet sector.

Based on the study design, the most appropriate mode of extrapolation is to calculate proportions of exploitation based on the total number of workers in each site that was documented. This method may not provide the most precise estimate, but it is the best available method given the nature of the study and the data available. Thus, in each site in which the researchers documented exploited laborers,

they also noted the total number of workers in the site. This may have been achieved by simply counting the remaining workers in a carpet shack (for example, documenting 10 child laborers and counting an additional 10 workers in the same shack), or in larger factories, speaking with workers, guards, or owners to assess the total number of workers present. In villages, the total number of villagers working on carpet weaving was recorded. Based on these two pieces of data—documented workers in a site and total workers in the same site—a simple extrapolation can be performed to determine an approximate **bare minimum** prevalence of each type of labor exploitation in the carpet sector. Further extrapolation can be conducted by multiplying this prevalence rate by the total number of workers estimated to be in India’s carpet sector (approximately two million)¹⁵ to determine an approximate estimate of the total number of carpet weavers who are being exploited in each mode of exploitation. The results of these calculations can be found in Table 4:

TABLE 4: Estimated Prevalence of Labor Exploitation in India’s Carpet Sector

Type of Exploitation	Total Exploited Workers Documented	Total Workers in Sites Documented	Implied Min. Prevalence (%)	Total Workers in Industry	Implied Min. Industry Exploited Workers
FLIL	3,215	7,146	~45%	2,000,000	~900,000
FLINTL	2,612	7,146	~37%	2,000,000	~740,000
BL	2,010	7,146	~28%	2,000,000	~560,000
CL	1,406	7,146	~20%	2,000,000	~400,000
HT	286	7,146	~4%	2,000,000	~80,000

The data in Table 4 are not intended as exact estimates of the prevalence of each mode of labor exploitation in the carpet sector, but rather as **minimum approximations** of the prevalence rates. This is the case for two primary reasons. First, it is assumed that the remainder of the workers not documented in each site are *not* being subjected to any form of labor exploitation. The truth is, some or even all of them might have been. Second, the challenges in documenting cases of severe labor exploitation, especially child labor and human trafficking, will result in the true number and prevalence of such cases likely being higher than the researchers were able to document. Additional bias in the data might result from the fact that only 0.16% of the estimated total workers in India’s hand-made carpet sector were documented; however, this sampling was certainly conducted across a very extensive and diverse range of sites spanning nine states that are generally known to produce more than

IT CAN SAFELY BE STATED THAT THE WORKING CONDITIONS FACED BY CHILDREN IN THE CARPET SECTOR ARE AMONG THE WORST FACED BY ANY OF THE WORKERS.

95%¹⁶ of India’s hand-made carpets. A larger sample may have pushed the numbers slightly one way or another. Nevertheless, the data in Table 4 provide what is felt to be a conservative estimate as to the general prevalence of severe labor exploitation in India’s hand-made carpet sector.

In short, a minimum of roughly 45% of all workers in India’s hand-made carpet sector suffer from forced labor under Indian law; roughly 37% suffer from forced labor under international law; roughly 28% from bonded labor; roughly 20% from child labor; and roughly 4% from human trafficking. Applying the estimate of two million total workers in India’s carpet sector suggests that there are approximately 900,000 forced laborers in the industry, and approximately 400,000 child laborers. These are astonishing numbers that reveal a disturbing scale of severe labor exploitation in one industry alone. Aggregating data from across India’s informal

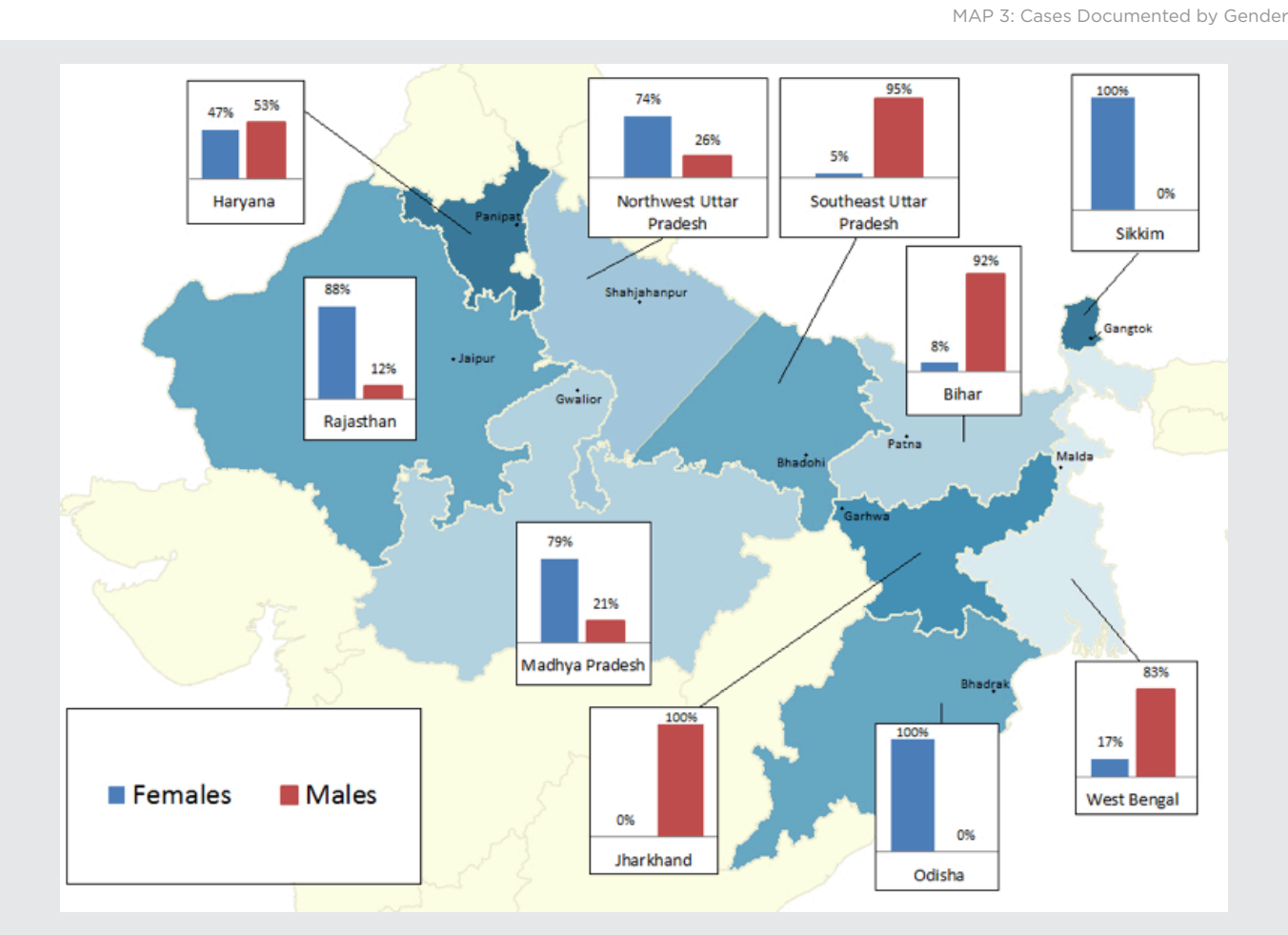
economy would result in forced, bonded, and child labor numbers in the millions. Indeed, an immediate subsequent research project would be to confirm these bleak estimates.

C. GENDER:

There are several interesting insights relating to gender that emerged from the research project. Overall, roughly 40% of the cases were females and 60% were males. However, in terms of minors, roughly two-thirds of cases were females and one-third were males. This means that while a majority of minors in the carpet sector are females, a majority of the adults are males. Though no deeper investigation of these trends was conducted, one would expect intuitively that the lower proportion of female adult carpet laborers was primarily a function of adopting different roles in the home after marriage, such as mother and caretaker.

Wage-related gender differences have been previously discussed. Aside from child labor, there did not appear to be any significant variances relating to type of exploitation and gender, other than for

human trafficking victims, most of whom were males. This makes sense, as most unaccompanied migrants in India are bound to be males given how unsafe it would be for most females to migrate on their own. [Appendix Tables 3 and 4](#) include all the details relating to total cases and percentage of cases of males and females documented per city. Perhaps the most interesting insights relating to gender that emerged from the research are connected to the distribution of gender in carpet weaving, as shown in Map 3:



Aside from Haryana, each state skewed between roughly 75% to 100% either male or female. In Madhya Pradesh, Odisha, and Sikkim, the majority of the females involved in carpet weaving were pre-married minors. On the other hand in Rajasthan, the numbers of adult females (n=162) and minor females (n=161) were almost identical. In Bihar, West Bengal and Jharkhand, most of the minor laborers were males. In the case of Uttar Pradesh, there is a sharp division of gender differentiation between the northwestern and southeastern parts of the state. Whereas the northwest (“New Carpet Belt”) comprised almost 74% female carpet weavers (mostly minors), the southeast (traditional Carpet Belt) comprised only 5% females. An interesting future research project would be to explore these gender distributions in the carpet sector more closely to understand why the carpet laborers in most every state across northern India are either almost entirely male or female. Given that the work is essentially identical in nature, it would not appear to be the case that one gender is more effective at carpet weaving than another. Rather, there are clearly socio-cultural norms and/or differences in work opportunities from one state to the next that are determining why there are such sharp differences in gender and carpet weaving across each state, and within Uttar Pradesh.

D. CASTE AND ETHNICITY:

There is an exceedingly strong correlation between severe labor exploitation and caste/ethnicity. In short, 99.9% of the cases documented were individuals who belonged to a minority ethnicity or low caste community. The caste system in India is highly complex and a full exploration of its history and intricacies are beyond the scope of this report. However, the system is essentially based on a social stratification that derives from membership to a particular caste. Individuals are born into their castes and there is absolutely no mobility between castes. In general, higher caste groups tend to enjoy greater rights, opportunities, income, and justice than lower caste or outcaste groups. The highest category in the traditional caste system belongs to Brahmins, descending down to those communities that are either at the bottom of the caste system, or subsist outside the system all together, such as Scheduled Castes and Other Backward Classes.

Aside from two individuals who self-reported as Brahmins (one in Bhadohi and one in Jaipur), all cases documented in this project were Muslims, Other Backward Classes (OBC),¹⁷ or Scheduled Castes (SC).¹⁸ There were also five individuals who belonged to Scheduled Tribes (ST).¹⁹ The total numbers by city for each community can be seen in [Appendix Table 5](#). Summary data is included in Table 5.

Based on the results in Table 5, it is clear that Muslims are the most-often exploited community that the researchers documented in this project.

Though Muslims can also be classified as OBC in some states, the researchers’ classifications did not include extensive overlap. Nevertheless, the modest amount of overlap further indicates that Muslims are by far and away the most often-exploited community in India’s carpet sector. While Muslims are an often-disenfranchised minority community in India, especially in rural areas, a similar degree of disenfranchisement and exploitation is also suffered by India’s low caste Hindu communities (SC, OBC) and indigenous peoples (ST).

TABLE 5: Caste and Ethnicity of Cases Documented

Caste	Cases	Percent
Muslim	1,406	43.7%
OBC	998	31.0%
SC	804	25.0%
ST	5	0.2%
Brahmin	2	0.1%
Total	3,215	100.0%

Looking further at the relationship between wages and ethnicity, Table 6 shows that Muslims received the lowest average wages of \$1.58 for an eight-hour workday, followed by Scheduled Castes at \$1.65. This amounts to an hourly wage of \$0.20 and \$0.21 respectively.

TABLE 6: Average Wages per Caste/Ethnicity

Caste	Avg. Daily Wage (\$)
Muslim	1.58
OBC	1.81
SC	1.65
ST	1.74
Brahmin	2.26

The results of this project demonstrate that minority castes and ethnic groups remain heavily exploited in India’s carpet sector (and most other industries in the informal economy). The fact that 99.9% of cases documented belonged to these communities is a blistering indictment of the country’s inability to protect and empower its most vulnerable and disenfranchised citizens.

E. HOME AND LAND OWNERSHIP

Another interesting set of insights that emerged from the project relate to home and land ownership. Approximately 82% of the individuals who were documented did not own their own dwelling or any land (see [Appendix Table 6](#) for details by city). These results confirm a common trend across India relating to severe labor exploitation: those who are most often exploited in slave-like labor conditions are landless and/or migrants who are particularly vulnerable due to the lack of security and tenancy. Land is of course also an asset that can be used productively by a family unit for sustenance as well as income. The intersection of ethnicity and land ownership is another intriguing area, as shown in Table 7 below:

TABLE 7: Land Ownership by Caste/Ethnicity

Caste	Owned Land or Dwelling (%)
Muslim	7.0%
OBC	24.8%
SC	29.6%
ST	0.0%
Brahmin	0.0%

The sample sizes for Scheduled Tribes (n=5) and Brahmins (n=2) are too small to draw any conclusions regarding land ownership. However, the ownership rates for Muslims (n=1,406), Other Backwards Classes (n=998) and Scheduled Castes (n=804) clearly show that Muslims had the lowest rates of land ownership by far. OBCs and SCs also suffered quite low levels of owning their own dwelling or land. The data from this project appear to confirm the need for land reform and/or land redistribution so as to provide greater security and income opportunity for rural peasants and other disenfranchised populations.





VI. DISCUSSION OF SPECIFIC CASE STUDIES

I have been doing carpet weaving for forty years. I first helped my father repay his loans. Now I repay my loans. For the last 11 years my wage has not changed.

— MALE CARPET WEAVER, AGE 52, UTTAR PRADESH

IN ADDITION TO PRESENTING THE OVERALL FINDINGS ON SEVERE LABOR EXPLOITATION THAT WERE DOCUMENTED DURING THIS PROJECT, A FEW SPECIFIC CASE STUDIES MERIT FURTHER EXPLORATION. THE FOLLOWING FIVE CASES WERE SELECTED FROM NUMEROUS SCENARIOS BY VIRTUE OF THEIR UNIQUENESS AND SEVERITY.

A. THE “NEW CARPET BELT”:

Given the extensive attention that has been paid to child labor in the traditional Carpet Belt cities of Bhadohi, Mirzapur, and Varanasi in southeast Uttar Pradesh, it is not surprising that there would be shifts in child labor exploitation to areas that are under less scrutiny. The researchers found a “New Carpet Belt” of child labor exploitation a few hundred kilometers northwest of the traditional Carpet Belt, around the three-city area of Shahjahanpur, Badaun, and Hardoi. Child labor was rampant, chronic, and extensive throughout this area of northwestern Uttar Pradesh, almost entirely in deeply rural Muslim villages. The vast majority of the children doing the carpet weaving were females, as opposed to the remainder of Uttar Pradesh where most of the child labor for carpet weaving is performed by males. This New Carpet Belt was also home to some of the highest levels of forced labor and bonded labor that were documented. In short, an astonishing level of outright slavery and child labor for carpet weaving appears to be all but the norm in the region in and around this New Carpet Belt. Indeed, this area encapsulated 26% of all cases of forced labor under international law (n=679), 32% of all cases of bonded labor (n=634), and 37% of all cases of child labor (n=518) that were documented. It can reasonably be stated that this New Carpet Belt represents perhaps the most severe and chronic zone of servile labor exploitation in India’s hand-made carpet sector. Had the research teams spent additional time in this area, they would assuredly have documented even more cases of forced, bonded, and child labor.

At first glance, the extensive levels of child labor in the New Carpet Belt can likely be attributed to the paucity of investigation and/or intervention in this part of Uttar Pradesh. Poverty levels and the lack of any other opportunities were also at their most extreme in this region as compared to the other areas that were documented. Numerous carpet weavers

reported a deep sense of hopelessness that they would ever find better sources of income than under-paid carpet weaving.

“We have no other option,” one of the weavers explained, “I have been doing this work my entire life...There is no hope for us.”

Numerous parents also expressed deep concern over the inability to educate their children due to the need for additional wages just to make the barest of ends meet. The hours worked were among the longest in this area, the conditions were among the most sub-human, and the palpable suffering was among the most acute. The researchers themselves reported being deeply disturbed by what they saw and on more than one occasion felt unable to continue due to the anguish they felt. There is ample scope for further investigation of this part of Uttar Pradesh, not only for exploitation in carpet weaving but for other semi-skilled occupations as well such as brick making, agriculture, and construction. More important, there is a desperate need for human rights intervention in this region, especially in regard to the carpet weaving supply chain, as some of the largest exporters from India source production from this area, which in turn means that some of the largest importers and retailers of hand-made carpets in the U.S. are selling carpets produced under the horrendous conditions found in this New Carpet Belt.

B. MUSLIM VILLAGES IN DEBT BONDAGE:

One of the more disconcerting findings of this project was that entire villages of Muslims were held in severe debt bondage for carpet weaving in rural areas around the cities of Shahjahanpur in Uttar Pradesh and Morena and Gwalior or Madhya Pradesh. These are all regions to which carpet production has

shifted in recent years as the spotlight has increased on the traditional Carpet Belt area.

The conditions documented around Shahjahanpur are without question among the worst of any region investigated. Commencing about 15 years ago, carpet contractors (usually allied to or working for local landowners) began heavily recruiting weavers in these villages. They provided economic advances to the male head of the family almost entirely to meet basic consumption needs, then mandated a production quota for carpet weaving that required several family members working 10 plus hours a day to meet. The size of the loans in Shahjahanpur was greater than the norm, anywhere from \$100 to \$500 per family. Men, women, and children were subsequently ensnared in several years of bonded labor, unable to leave their villages or pursue other employment without permission from the contractors. This pattern repeated across several villages, until thousands of families in the region were completely trapped with little hope of ever breaking free of the yoke of bondage. The villagers reported being forced to work in very difficult conditions and that they could not stop working until their debts were repaid (according to the judgment of the contractor). Virtually none of the villagers had any reliable sense of what their remaining debts were. Shahjahanpur is noteworthy because of the extreme destitution faced by the villagers, the high incidence of bonded labor and child labor, and the fact that production appears to have increased in this region due to the ability of the contractors and local landowners to exploit the workers in slave-like conditions with little to no fear of consequence.

Similarly, the debt bondage situation around Morena and Gwalior is dire. The rural areas around these cities are filled with impoverished Muslim villages. Production has shifted increasingly to this area across the last 10 to 15 years, and the dominant practice is for contractors to provide economic advances in exchange for debt bondage in carpet weaving. The advances averaged around \$75 to \$200 per family, roughly in line with the average advances taken in other areas that were documented. After the male head of the household accepts the advance, the entire family is conscripted into carpet weaving in order to meet the production quota. The child labor involved was almost entirely females (as with Shahjahanpur). Wages in Morena and Gwalior were among the lowest documented in any region at roughly \$0.12 per hour for adult males and \$0.11 for adult females. Similar expressions of fatalism and despondency were all too common in these areas.

“We are all suffering,” one father explained. “Every day I wonder how my family can survive.”

The villagers simply saw no way of ever being free of

their debts, had no alternatives, and were completely restricted to their villages to weave the carpets 10 or more hours a day, six or seven days a week.

The conditions in these three cities represent a substantial failing to monitor shifts in production from the traditional Carpet Belt to other regions in which slave-like exploitation and child servitude can occur in broad daylight simply because no one is keeping a watchful eye. It is hoped that by shining a light on the conditions in and around these cities, more robust and sustained human rights interventions will be forthcoming.

C. HUMAN TRAFFICKING AND CHILD LABOR IN PANIPAT:

Along with Bhadohi and Patna, Panipat had among the highest levels of human trafficking documented. The case of Panipat is of particular interest because it is relatively under-researched, and the human trafficking situation in the city’s carpet factories is endemic.

In addition to oil refiners and thermal power stations, Panipat has a large industrial carpet weaving industry. Most of the carpet weaving is done in large factories in which scores of workers toil upwards of 14 hours a day. Most of these workers are migrants from across northern India who live and work in the factories, or may sleep in nearby housing provided by the factory owners. Families migrate en masse to Panipat with offers from agents of reasonable wages and working conditions, only to be kept under lock and key and coerced to work extensive hours at paltry wages. In many cases, children were coerced to work for free in order to help a family reach its production quota. Many families were also in bonded labor, having taken advances from contractors upon the opportunity to migrate to Panipat for carpet weaving.

The conditions in many of the Panipat factories were particularly onerous. The buildings were filthy and decrepit, the air was dusty and stagnant, and the temperatures were scorching with little or no ventilation. The PI was reminded of many of the garment factories he visited in Bangladesh, which were one step away from a major fire or catastrophe. At between \$0.06 and \$0.09 per hour, the wages for child laborers at Panipat were the lowest of any city documented. In essence, the factory owners utilized virtually free child labor to boost productivity and profits.

As one can imagine, the carpet factories in Panipat were under heavy guard. Gaining access was exceedingly difficult, as well as finding workers who felt comfortable speaking. If more research is conducted in Panipat, it is highly likely that even greater levels of human trafficking and child labor would be uncovered in the city’s carpet factories.

D. CHILD SLAVERY NEAR PATNA:

Some of the most horrific cases of exploitation documented in India’s carpet sector involve the outright sale of children into abject slavery. These cases are also among the most difficult and dangerous to investigate. The PI had documented cases such as these in Uttar Pradesh and Bihar for his book, *Bonded Labor*, and endeavored to document more cases for this project. The scenarios typically involve shacks in remote rural areas into which children have been trafficked. The children are kept locked inside, are beaten and verbally abused as they are forced to work up to 18 hours per day, are given minimal food and water, and suffer severe physical and emotional damage. The shacks are heavily guarded. As such, the PI alone investigated these shacks, utilizing security personnel and a network of local contacts. Considerable time was spent gathering intelligence and carefully observing the shacks for security patterns before attempting to investigate.

Two such shacks were identified, observed, and documented by the PI in rural areas within a two-hour drive from Patna. A total of 27 children were documented, all male. The children had all been trafficked from rural Bihar into the shacks and were in very poor condition when observed. The cases were virtually identical, involving several sets of brothers and cousins. The children had been sold by parents to a carpet contractor under the promise of a share in future wages. The children all reported being paid roughly \$0.11 per hour, some or all of which was supposed to be sent to parents, but none could confirm if this was the case. The shacks themselves were extremely filthy, dark, hot, and dangerous. The children slept on mats right next to where they worked. They had supplies for daal and rice, along with water and kerosene. They were under guard most of the day, and on occasion during the night. The shacks were sometimes left unlocked, but the children were too young, frail, and frightened to attempt to escape. They had suffered beatings for complaining and were terrified of punishment to them or harm to their parents should they disobey their captors. They were also far from home in remote rural areas without any clear sense of where to go and what to do should they even try to escape. After disheartening discussions with the children, the PI referred the cases to a local NGO to work towards carefully extracting the children to a safe place. Finally, the exporters using this production site (probably unknowingly) were two of the largest exporters of carpets from India to the United States.

E. OTHER REGIONS OF CHILD LABOR:

The extensive nature of child labor around Shahjahanpur, Badaun, Hardoi, Gwalior, and Morena has been discussed. In addition to these areas, there were several other regions in which a large proportion of child labor for carpet weaving was documented.

Bhadohi is the heart of the traditional Carpet Belt of India. This city has probably received more attention from NGOs and researchers than any other city in India in terms of labor conditions in the carpet sector. One would expect that if there were any area that would be free of severe labor exploitation, it would be Bhadohi. Nevertheless, among the largest numbers of all cases of slave-like labor exploitation were documented in Bhadohi, including child labor. Carpet shacks by the hundreds line the streets of numerous neighborhoods in and around Bhadohi, many of which are filled with children. Access was almost always denied, otherwise there is no doubt that the researchers would have been able to document many more times the 225 cases they were able to collect. Despite all the attention Bhadohi has received across the years, one gets the feeling that very little actual progress has been made in eliminating child labor from its carpet factories.

While most of the villages in Rajasthan that were documented near Jaipur, Alwar, Dausa, and Ajmer had a modest level of child labor, one region that presented an unexpectedly high amount of child labor was in and around the small town of Sawai Madhopur. Here, a total of 109 child laborers were documented out of a total 114 cases. Approximately 91% of the child laborers were female, in line with the demographic trends for carpet weaving throughout Rajasthan. The carpet weaving was done entirely inside village huts for exporters based in Jaipur, which has a large export industry for Rajasthani carpets. To our knowledge, this is the first systematic documentation of child labor in Sawai Madhopur or any other city in Rajasthan with such a high proportion of child laborers. The primary reason for the high level of child labor in Sawai Madhopur appears to be that most adult males migrate to Jaipur, New Delhi, and other large cities for day labor, leaving women and children at home to earn meager incomes in carpet weaving.

The final region in which child labor was documented that should be mentioned is in the rural villages north and northwest of Gangtok in Sikkim. To our knowledge, this is the first systematic documentation of the labor conditions in the carpet-weaving sector of Sikkim. Though the sample size is small (n=21), all cases of carpet weaving in the mountain villages in northern Sikkim were minor females. The carpets woven in this area are mostly Sikkimese and Tibetan in style done by the Bhutia community. The Bhutia are an indigenous people in Sikkim who live in remote mountain villages. They earn a living primarily through agriculture, handicrafts, and carpet weaving. By and large, the labor conditions in cities in Sikkim were among the best throughout the carpet sector in India. There was minimal forced labor, bonded labor, and child labor, and wages tended to be paid properly. Having said this, in more remote areas there was ample child labor, primarily required for the survival of the family unit.

More cases could certainly have been documented, except that the PI conducted this research in one week’s time, much of which was spent hiking through steep mountains from one remote village to the next. The female carpet weavers earned roughly \$0.18 per hour, which is of course far below the state minimum wage of \$0.50. Along with West Bengal, Sikkim has the highest minimum wage for carpet weaving in India, though in all cases involving child laborers in

remote areas the actual wages paid were much less. Additional research in northern Sikkim is required in order to document the full breadth of child labor in its carpet industry.





VII. TAINTED SUPPLY CHAINS: INDIA TO THE UNITED STATES

My father went to Jaipur for work three years ago. My mother and I do carpet weaving all day. My father works very hard, but he can only send very little money to us. If we do not do this work, we cannot eat.

— FEMALE CARPET WEAVER, AGE 12, RAJASTHAN

A. THE HAND-MADE CARPET SUPPLY CHAIN:

The supply chain for hand-made carpets produced in India and sold in the United States involves several components, which can often overlap. A basic representation of the primary elements to the hand-made carpet supply chain from the standpoint of process flow is pictured in Figure 1.

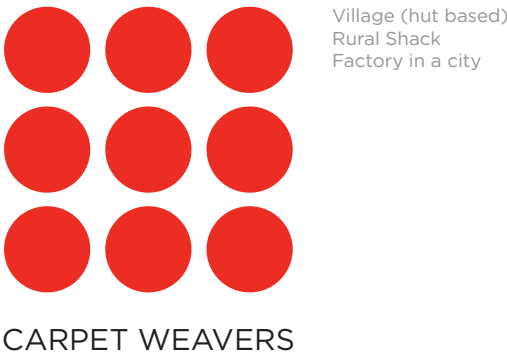
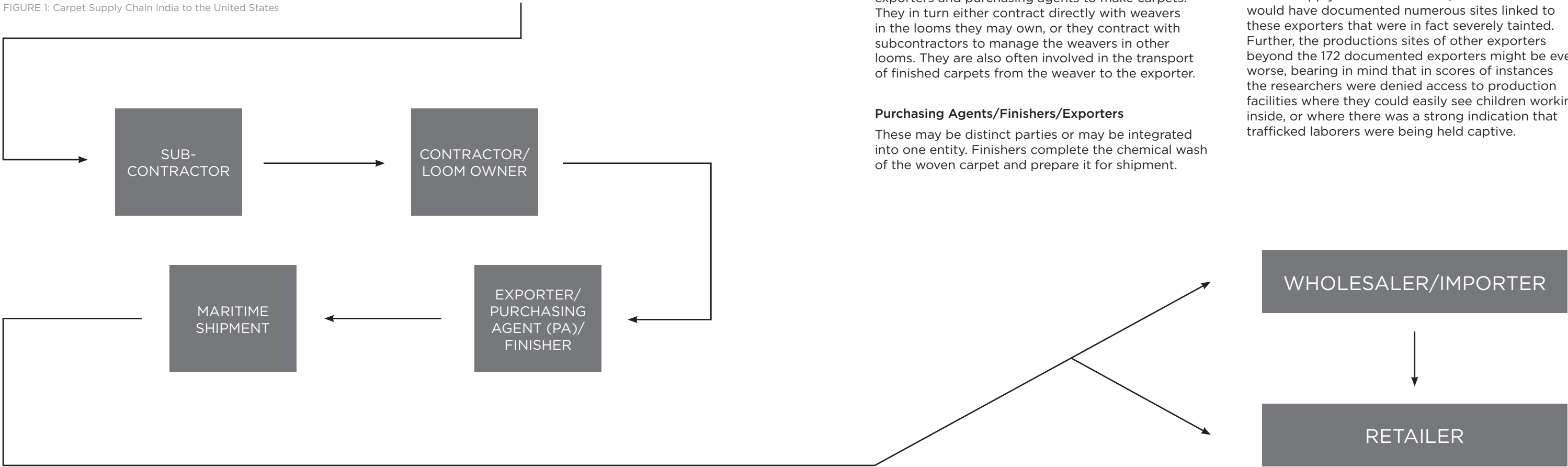


FIGURE 1: Carpet Supply Chain India to the United States



Working from the point of production in India to the retailer in the United States, the key components of the supply chain as mapped in Figure 1 are:

Weavers

Individuals who weave the carpets in huts, shacks, factories, and other facilities throughout rural India and within urban centers as documented in this report. Weavers can sometimes be found directly in the facilities of exporters. This component in the supply chain is very fragmented and production can be easily relocated.

Subcontractors

Middlemen between contractors and weavers; they may on occasion weave carpets themselves. They are the local agents who provide the weavers with materials, oversee production, and disburse remuneration. They also transport carpets to contractors and exporters. Contracts and subcontractors may be the same, or there may be several levels of subcontracting.

Loom Owners/Contractors

Contractors and loom owners receive orders from exporters and purchasing agents to make carpets. They in turn either contract directly with weavers in the looms they may own, or they contract with subcontractors to manage the weavers in other looms. They are also often involved in the transport of finished carpets from the weaver to the exporter.

Purchasing Agents/Finishers/Exporters

These may be distinct parties or may be integrated into one entity. Finishers complete the chemical wash of the woven carpet and prepare it for shipment.

Shipment is most often from the Jawaharlal Nehru Port of Mumbai, though another six to eight ports are also used. The purchasing agents and exporters typically receive carpet orders from importers in the United States, but they sometimes receive orders and ship directly to retailers as well. These entities are almost always located in major urban centers. Though market information is not publicly available, there are generally known to be around 15 to 20 major exporters²⁰ of carpets from India to the U.S., with a few hundred medium-sized to smaller exporters. These same exporters also ship carpets extensively to the European Union, East Asia, and Middle East.

A total of **172** exporters whose production sites were found to involve varying degrees of the five forms of severe labor exploitation were documented in this project, including many of the largest known exporters from India.

This high number of exporters with tainted production sites is deeply worrying, and carpet sellers in the U.S. are encouraged to work with their suppliers as soon as possible to scrutinize the labor conditions in their supply chains. Carpet retailers are also encouraged to discuss these findings further with the FXB Center, as there is a strong possibility that even if a supplier from India has assured a retailer that its supply chain is untainted, the researchers would have documented numerous sites linked to these exporters that were in fact severely tainted. Further, the productions sites of other exporters beyond the 172 documented exporters might be even worse, bearing in mind that in scores of instances the researchers were denied access to production facilities where they could easily see children working inside, or where there was a strong indication that trafficked laborers were being held captive.

Importers/Wholesalers

Importers in the U.S. receive the carpets from the exporters in India. The carpets arrive primarily into ports along the eastern coast of the U.S. The importers may sell the carpets to specific retailers, or they may operate their own retail outlets. Some importers are also exporters in India and may design, produce, export, transport, import, market and/or sell their own hand-made carpets. Some importers may use purchasing agents to buy carpets in India while others may import carpets directly from foreign producers and exporters. There are 22 primary U.S. importers who source from the main exporters documented in this project. Several of these importers are also among the largest exporters from India, some of which were found to have scores of cases of various forms of slavery and child labor in several of their production sites.

Retailers

These are the department stores, national chains, boutique shops, home centers, furniture stores, or catalogue operators who sell the hand-made carpets in the United States. Retailers may source carpets from importers, or directly from exporters in India. An increasing trend is for retailers to hold their inventory at importer warehouses and have the importer drop-ship carpets to consumers directly under the label of the retailer. The largest retailers who sell carpets from those exporters and importers documented in this project include: Macy’s, Neiman Marcus, Bloomingdale’s, Target, Sears, Crate & Barrel, Williams-Sonoma, Pottery Barn, Ethan Allen, IKEA, Home Depot, Wal-Mart, JC Penny, Pier 1 Imports, ABC Carpet and Home, and Cost-Plus. Countless other retailers across the United States source from these same exporters and importers.

Determining the extent to which the hand-made carpet supply chain from India to the U.S. is tainted by slavery and child labor requires an additional exercise in supply chain tracing.

B. SUPPLY CHAIN TRACING:

Tracing of the carpet supply chain presented a few hurdles. Ideally, one would follow hundreds of carpets from tainted production sites all the way through to retail sale in the United States. However, to undertake the supply chain tracing at this level of granularity would be exceedingly time consuming and prohibitively expensive. Woven carpets can spend weeks at a time at the exporter stage before being packed for maritime shipment, which in turn takes several more weeks to arrive at a U.S. port, after which it could be days before the carts are unloaded and distributed to wholesalers and retailers. A few elements of the hand-made carpet supply chain allowed the researchers to overcome these hurdles and still document the supply chain from India to the United States with reasonable reliability.

The first element is that carpets are individual, discrete objects. Other commodities, such as metals or minerals may be smelted and mixed together with other metals and minerals from numerous productions sites, some tainted, some not. It can thus become very difficult to follow the supply chain of a tainted mineral from start to finish. On the other hand, once it is known that a carpet from a tainted production site is exported by Company A from India, then imported by Company B in the United States, it can safely be assumed that this particular supply chain for Company B is tainted to some degree. One may not be able to ascertain exactly which carpets are tainted, but one may still determine that the particular supply chain in question is tainted.

A second element that assists a less direct method for supply chain tracing is that there are a relatively small number (15–20) of major exporters of carpets from India to the United States. This means that if hundreds of production sites of many of the major exporters from India are documented to have numerous incidents of forced, bonded, and child labor, then it can reasonably be assumed that their respective supply chains, representing a considerable portion of the export market in carpets through to importer and retailer in the U.S., are tainted to some degree.

A third element that assists a less direct method for supply chain tracing is that some of the largest importers of Indian carpets in the United States are vertically integrated entities that are also among the largest producers and exporters of carpets from India. Vertical integration in India’s hand-made carpet sector does not necessarily mean that the company fully owns every step in the supply chain, but rather that it has some commercial interest, either direct or indirect, in each stage in the process. Accordingly, once the production sites of one of these companies are documented to be tainted, one can certainly conclude that the entire supply chain is tainted as well. As previously discussed, several of the largest exporter/importers of carpets from India to the United States were each documented to have scores of cases of various degrees of slavery and child labor in several of their production sites.

Hence, even though individual carpets could not be followed, because of the fact that the production sites of 172 total exporters from India were documented—including many of the major exporters and more vertically integrated importer/exporters—the researchers feel confident in asserting that the prevalence estimates calculated for exploitation in India’s hand-made carpet sector are similar to the prevalence of tainted carpets from India sold in the U.S. This is to say that roughly 45% of the hand-made Indian carpets sold in the United States could be tainted by forced labor under Indian law, roughly 37% could be tainted by forced labor under international law, roughly 28% could be tainted by bonded labor,

roughly 20% could be tainted by child labor, and roughly 4% could be tainted by human trafficking.

Another way to view the supply chain would be to conclude that even if the production base of a major carpet exporter is only partially tainted (i.e., only X% of the workers in a factory are being exploited in forced labor, or only X% of sites utilized by the exporter are tainted), one could nevertheless view the entirety of the exporter’s production as being tainted. This is because a retailer or consumer would never really know whether the carpets they were purchasing were made by the exploited workers or the non-exploited workers in a single facility, or made in a site that does not exploit workers as opposed to one that does. A retailer or consumer may further feel that if an exporter is using any degree of exploited labor, they do not want to purchase any carpets from that exporter because doing so is supporting a company that is involved in the severe exploitation of some of its workers. Given this framing, it is reasonable to suggest that at a minimum one would not want to buy any carpets that have been exported by the 172 companies documented in this project without reliable assurances that conditions were going to be immediately improved. It may further be reasonable to suggest that *virtually the entire supply chain of hand-made carpets from India to the United States is tainted* because the conditions at other exporters are likely to be similar to the ones that the researchers managed to document. A boycott of hand-made carpets from India is **not** being suggested, due to the likely negative consequences to the exploited workers who nevertheless rely on the paltry wages to survive. However, it is abundantly clear that robust and sustained efforts must be undertaken immediately to ensure that the hand-made carpet supply chain from India to the U.S. is cleansed of the offences that have been discussed in this report.

The need to undertake further research and vastly enhanced efforts to protect the carpet workers of India from slave-like exploitation is just one facet of elevating the dignity and decency of the lives of the hundreds of millions of disenfranchised and exploited people of the country. As for the carpet sector, the findings of this report will hopefully catalyze more meaningful efforts to eliminate from this sector the vast scale of suffering that remains endemic to its production base. No one wishes to purchase a beautiful carpet that has been woven by the hands of a brutalized child slave.

ROBUST AND SUSTAINED EFFORTS MUST BE UNDERTAKEN IMMEDIATELY TO ENSURE THAT THE HAND-MADE CARPET SUPPLY CHAIN FROM INDIA TO THE U.S. IS CLEANSED OF THE OFFENCES THAT HAVE BEEN DISCUSSED IN THIS REPORT.



VIII. RECOMMENDATIONS

No one is protecting the rights of poor people. We are treated like animals. All the time we are working, but our lives never improve.

— MALE CARPET WEAVER, AGE 29, UTTAR PRADESH

MANY OF THE STEPS THAT NEED TO BE UNDERTAKEN TO ADDRESS EFFECTIVELY THE SEVERITY AND SCALE OF SLAVE-LIKE LABOR EXPLOITATION IN INDIA’S HAND-MADE CARPET SECTOR HAVE BEEN DISCUSSED THROUGHOUT THIS REPORT. THE FOLLOWING TEN RECOMMENDATIONS ARE PRESENTED AS A BASIS FOR FURTHER DISCUSSION THAT WILL HOPEFULLY YIELD TANGIBLE RESULTS.

1. Additional Research

More research must be conducted to generate additional knowledge on various aspects of labor exploitation in India’s carpet sector. Some of the more important issues to explore would be further documentation of the supply chain, gathering of additional cases of child labor and human trafficking, exploration of trends such as gender differentiation by state, and analyzing the causal links between underpaid minimum wages and other forms of severe labor exploitation such as bonded labor, child labor, and human trafficking. *A broader and more ambitious research project would be focused on conducting similar analyses as was done for this project across several sectors in India’s informal economy, such as brick-making, agriculture, construction, bidi rolling, mining, and other industries in order to generate comprehensive estimates of forced, bonded, and child labor across the Indian economy.* Rigorous research is the foundation of more effective policy responses to severe labor exploitation in India and must be undertaken with as much timeliness as possible.

2. Public-Private Partnership

A high-level partnership comprised of the researchers involved in this project, carpet industry leaders (retailer, importer, exporter), key government officials in the U.S. and India, key NGOs working on the carpet sector of India, and relevant carpet trade associations should be assembled with a focus on collaborating to address the findings of this report. This group should create a “Carpet Protocol” that is focused on enacting any and all measures required to ensure that slavery and child labor are eliminated on a sustained basis from India’s hand-made carpet sector, and that ongoing efforts are made to improve the living and working conditions of the workers at the bottom of the supply chain.

3. Form a Carpet Worker Union

Efforts to date to create a union for India’s carpet workers have been unsuccessful. The findings in this report will hopefully catalyze new efforts to form a robust union that can advocate for the rights of workers and ensure decent working standards and wages. Some of the initial initiatives for which the union could lobby would be the same as those listed below. These initiatives of course should be pursued even if efforts to create a union take longer than desired or are met with antagonism.

4. Increase the Minimum Wage

The various minimum wages in each state documented for an eight-hour workday in carpet weaving are inadequate. The highest wage translates to \$0.50 per hour in Sikkim and West Bengal. Even if fully paid, these wages nevertheless leave families vulnerable to exploitation as the income is inadequate to meet basic consumption needs, provide for the education of children, and ensure adequate savings in the event of medical emergencies or life rituals (marriages, funerals, etc.). It is recommended that the semi-skilled minimum wage for carpet weaving be set at Rs. 450 per eight-hour day, which translates to roughly \$1.00 per hour. This wage should be standardized and enforced across the industry in all states in India.

5. Enforce Minimum Wage Payments

It goes without saying that whatever the minimum wage is, the wage must be enforced. Underpayment of wages is the first step down a slippery slope of severe forms of exploitation. The mechanism for enforcing the payment of minimum wages can be debated, but there can be no debate that rigorous enforcement must be achieved, with very stiff penalties levied against those who fail to pay minimum wages.

6. Additional Payment for Overtime

Part and parcel of enforcing minimum wages would be to enforce the payment of overtime. Workers must not be coerced into working 12 or more hours per day just to receive an eight-hour minimum wage. If a worker chooses to work additional hours, they must be properly compensated for doing so.

7. Expansion of Supply Chain Inspections

A handful of NGOs in India and the United States are already dedicated to the task of inspecting the carpet supply chain and providing licenses to those who meet decent labor standards. These efforts are limited primarily by resources and thus capture only a small portion of India’s carpet industry. Given that production is scattered across tens of thousands of rural shacks, factories, and other sites throughout the country, far greater resources are required to inspect a meaningful portion of the industry. Foundations and governments must radically increase support for NGOs involved in the *independent* inspection and verification of the carpet industry supply chain in India. These inspections must also include **all five** of the severely exploitative labor conditions documented in this project. Another element of this effort must be to increase transparency between the retailer in the United States and the production end of the supply chain. There must be no more room for ignorance or plausible deniability as to who is weaving these carpets and under what conditions they are doing so.

8. Increase Investigations and Prosecutions

A natural corollary to improving the conditions for India’s carpet weavers as well as cleansing the industry’s supply chain will be to increase the level of investigation and prosecution of those who exploit forced and child labor. Ensuring a commensurate penalty for the offense upon conviction will also be crucial so as to invert the current perception that India’s most vulnerable populations can be exploited with impunity. There are of course numerous steps that must be taken and new partnerships that must be forged in order to elevate investigations and prosecution to a more effective level. Initiating this process at the earliest is vital.

9. Support and Empower Vulnerable Communities

It is clear that the overwhelming majority of those exploited in slave-like conditions in India’s hand-made carpet sector and across the informal economy are minority groups and low caste/outcaste communities. There are many efforts already deployed across the country by the government down to local NGOs to support and empower these populations, however, much more must be done. Microcredit must be expanded for the poorest of the poor (especially for basic consumption needs), and access to education,

opportunities, and justice must be increased. Land rights must be redesigned to provide for more equitable access by the poor and vulnerable. Social awareness campaigns focused on improving the status of low caste communities must be undertaken. In short, far more resources must be deployed for a host of empowerment activities that will render these communities less vulnerable to slavery and child labor, among other modes of exploitation.

10. Increase Consumer Awareness

U.S. and Western consumers must become more aware of the atrocious conditions under which their carpets are woven. Awareness campaigns must be deployed on a sustained basis, based on the facts revealed in this report and future reports to come. Once most consumers are aware of the realities of carpet production in India, a new social movement will assuredly be catalyzed that demands the U.S. and Indian governments do more to address these issues at the bilateral policy level, and that retailers selling these carpets do more to ensure their supply chains are monitored and cleansed on an ongoing basis. Above all, this monitoring and cleansing must be conducted in a way that does not cause any ill effects to local populations. Alternate sources of income, opportunity (and education for children) must be a part of any broad-based efforts to cleanse the carpet industry supply chain, lest exploitation in one sector simply shift to another.





*This entire village is in debt to the land owner. I took a loan of Rs. 10,000 [\$181] for medical treatment.
Our wage is so small, we can never repay the loans.*
— MALE CARPET WEAVER, AGE 33, MADHYA PRADESH



APPENDIX TABLE 1: Locations and Cases Documented

Within 105km of Major city	Total Cases Documented - Type of Exploitation				
	FLIL	FLINTL	BL	CL	HT
Bihar					
Samastipur	43	34	34	0	0
Patna	27	27	27	27	27
Aurangabad	5	1	0	1	0
Haryana					
Panipat	62	62	38	32	26
Jharkhand					
Garhwa	51	21	17	6	0
Daltenganj	20	0	0	0	0
Madhya Pradesh					
Gwalior	132	132	113	113	0
Morena	94	94	93	73	0
Sidhi	17	17	17	3	0
Odisha					
Bhadrak	33	33	33	9	0
Rajasthan					
Jaipur	129	69	17	44	4
Sawai Madhopur	114	110	1	109	0
Alwar	60	16	4	11	0
Dausa	43	17	7	10	0
Ajmer	23	2	1	1	0
Sikkim					
Gangtok	21	21	0	21	0
Yuksom	14	14	14	8	0
Uttar Pradesh					
Bhadohi	600	497	311	223	150
Shahjahanpur	360	358	340	248	0
Mirzapur	338	234	187	55	49
Badaun	227	227	204	196	0
Varanasi	142	99	68	32	22
Hardoi	94	94	90	74	0
Robertsganj	78	17	15	4	0
Agra	72	70	70	31	0
Jaunpur	69	61	52	11	4
Allahabad	55	41	39	6	0
Chitrakoot	49	48	48	2	0
Ballia	37	36	36	4	4
Orai	32	32	29	16	0
Suriyawan	31	4	4	1	0
Koraon	22	15	15	0	0
Chandauli	16	14	11	4	0
Handia	13	7	7	0	0
Sitapur	8	7	4	4	0
Baraut	7	4	4	0	0
West Bengal					
Malda	64	64	52	18	0
Darjeeling	13	13	8	9	0
TOTAL	3,215	2,612	2,010	1,406	286

APPENDIX TABLE 2: Average Daily Wages Documented (\$)

Within 105km of Major city	Average Wages			
	Adults - F	Adults - M	Minors - F	Minors - M
Bihar				
Samastipur	2.26	2.28	.	.
Patna	.	.	.	0.90
Aurangabad	.	2.35	.	2.35
Haryana				
Panipat	1.71	2.00	0.45	0.69
Jharkhand				
Garhwa	.	2.43	.	1.58
Daltenganj	.	2.12	.	.
Madhya Pradesh				
Gwalior	0.88	0.93	1.60	1.53
Morena	0.96	1.06	1.20	1.73
Sidhi	.	2.16	.	1.75
Odisha				
Bhadrak	1.79	.	1.47	.
Rajasthan				
Jaipur	1.46	1.89	1.33	1.81
Sawai Madhopur	2.10	.	1.49	1.53
Alwar	1.93	1.67	1.23	1.09
Dausa	1.88	.	1.59	.
Ajmer	2.06	1.95	1.45	.
Sikkim				
Gangtok	.	.	1.45	.
Yuksom	1.45	.	1.09	.
Uttar Pradesh				
Bhadohi	1.45	1.77	1.13	1.20
Shahjahanpur	1.93	2.14	1.46	1.55
Mirzapur	1.76	1.90	1.45	1.34
Badaun	1.90	1.95	1.71	.
Varanasi	0.91	1.60	0.84	1.32
Hardoi	1.82	1.87	1.50	1.47
Robertsganj	2.14	2.41	1.36	.
Agra	1.81	2.07	1.39	1.58
Jaunpur	0.97	1.64	1.09	1.10
Allahabad	1.59	2.01	1.33	1.45
Chitrakoot	.	2.07	.	2.17
Ballia	.	2.03	.	1.99
Orai	0.95	.	0.77	.
Suriyawan	.	2.00	.	1.81
Koraon	1.81	2.14	.	.
Chandauli	.	1.60	.	1.43
Handia	1.81	2.10	.	.
Sitapur	1.81	2.23	.	1.81
Baraut	2.17	2.00	.	.
West Bengal				
Malda	.	2.12	.	1.83
Darjeeling	1.81	.	1.25	.
WEIGHTED AVERAGE	1.69	1.92	1.46	1.31

APPENDIX TABLE 3: Total Cases Documented by Age and Gender

Within 105km of Major city	Total Cases Documented - Age and Gender			
	Adults - F	Adults - M	Minors - F	Minors - M
Bihar				
Samastipur	6	37	0	0
Patna	0	0	0	27
Aurangabad	0	4	0	1
Haryana				
Panipat	13	17	16	16
Jharkhand				
Garhwa	0	45	0	6
Daltenganj	0	20	0	0
Madhya Pradesh				
Gwalior	8	11	107	6
Morena	12	9	66	7
Sidhi	0	14	0	3
Odisha				
Bhadrak	24	0	9	0
Rajasthan				
Jaipur	66	19	41	3
Sawai Madhopur	5	0	99	10
Alwar	38	11	10	1
Dausa	33	0	10	0
Ajmer	20	2	1	0
Sikkim				
Gangtok	0	0	21	0
Yuksom	6	0	8	0
Uttar Pradesh				
Bhadohi	9	368	25	198
Shahjahanpur	39	73	199	49
Mirzapur	10	273	1	54
Badaun	27	4	196	0
Varanasi	2	108	3	29
Hardoi	14	6	57	17
Robertsganj	3	71	4	0
Agra	6	35	24	7
Jaunpur	8	50	2	9
Allahabad	4	45	3	3
Chitrakoot	0	47	0	2
Ballia	0	33	0	4
Orai	16	0	16	0
Suriyawan	0	30	0	1
Koraon	1	21	0	0
Chandauli	0	12	0	4
Handia	2	11	0	0
Sitapur	1	3	0	4
Baraut	1	6	0	0
West Bengal				
Malda	0	46	0	18
Darjeeling	4	0	9	0
TOTAL	378	1,431	927	479

APPENDIX TABLE 4: Percentage of Cases Documented by Age and Gender

Within 105km of Major city	Percentage of Cases Documented - Age and Gender			
	Adults - F	Adults - M	Minors - F	Minors - M
Bihar				
Samastipur	1.6%	2.6%	0.0%	0.0%
Patna	0.0%	0.0%	0.0%	5.6%
Aurangabad	0.0%	0.3%	0.0%	0.2%
Haryana				
Panipat	3.4%	1.2%	1.7%	3.3%
Jharkhand				
Garhwa	0.0%	3.1%	0.0%	1.3%
Daltenganj	0.0%	1.4%	0.0%	0.0%
Madhya Pradesh				
Gwalior	2.1%	0.8%	11.5%	1.3%
Morena	3.2%	0.6%	7.1%	1.5%
Sidhi	0.0%	1.0%	0.0%	0.6%
Odisha				
Bhadrak	6.3%	0.0%	1.0%	0.0%
Rajasthan				
Jaipur	17.5%	1.3%	4.4%	0.6%
Sawai Madhopur	1.3%	0.0%	10.7%	2.1%
Alwar	10.1%	0.8%	1.1%	0.2%
Dausa	8.7%	0.0%	1.1%	0.0%
Ajmer	5.3%	0.1%	0.1%	0.0%
Sikkim				
Gangtok	0.0%	0.0%	2.3%	0.0%
Yuksom	1.6%	0.0%	0.9%	0.0%
Uttar Pradesh				
Bhadohi	2.4%	25.7%	2.7%	41.3%
Shahjahanpur	10.3%	5.1%	21.5%	10.2%
Mirzapur	2.6%	19.1%	0.1%	11.3%
Badaun	7.1%	0.3%	21.1%	0.0%
Varanasi	0.5%	7.6%	0.3%	6.1%
Hardoi	3.7%	0.4%	6.2%	3.6%
Robertsganj	0.8%	5.0%	0.4%	0.0%
Agra	1.6%	2.5%	2.6%	1.5%
Jaunpur	2.1%	3.5%	0.2%	1.9%
Allahabad	1.1%	3.1%	0.3%	0.6%
Chitrakoot	0.0%	3.3%	0.0%	0.4%
Ballia	0.0%	2.3%	0.0%	0.8%
Orai	4.2%	0.0%	1.7%	0.0%
Suriyawan	0.0%	2.1%	0.0%	0.2%
Koraon	0.3%	1.5%	0.0%	0.0%
Chandauli	0.0%	0.8%	0.0%	0.8%
Handia	0.5%	0.8%	0.0%	0.0%
Sitapur	0.3%	0.2%	0.0%	0.8%
Baraut	0.3%	0.4%	0.0%	0.0%
West Bengal				
Malda	0.0%	3.2%	0.0%	3.8%
Darjeeling	1.1%	0.0%	1.0%	0.0%
TOTAL	100%	100%	100%	100%

APPENDIX TABLE 5: Total Cases Documented by Caste and Ethnicity

Within 105km of Major city	Total Cases Documented - By Ethnicity				
	Muslim	OBC	SC	ST	Brahmin
Bihar					
Samastipur	0	43	0	0	0
Patna	27	0	0	0	0
Aurangabad	0	5	0	0	0
Haryana					
Panipat	19	0	43	0	0
Jharkhand					
Garhwa	7	11	33	0	0
Daltenganj	20	0	0	0	0
Madhya Pradesh					
Gwalior	73	58	1	0	0
Morena	94	0	0	0	0
Sidhi	17	0	0	0	0
Odisha					
Bhadrak	33	0	0	0	0
Rajasthan					
Jaipur	4	60	64	0	1
Sawai Madhopur	2	112	0	0	0
Alwar	0	0	60	0	0
Dausa	0	15	28	0	0
Ajmer	0	0	23	0	0
Sikkim					
Gangtok	0	0	21	0	0
Yuksom	0	0	14	0	0
Uttar Pradesh					
Bhadohi	211	164	222	2	1
Shahjahanpur	360	0	0	0	0
Mirzapur	28	155	152	3	0
Badaun	227	0	0	0	0
Varanasi	37	62	43	0	0
Hardoi	94	0	0	0	0
Robertsganj	5	25	48	0	0
Agra	0	72	0	0	0
Jaunpur	21	16	32	0	0
Allahabad	5	37	13	0	0
Chitrakoot	0	49	0	0	0
Ballia	0	37	0	0	0
Orai	32	0	0	0	0
Suriyawan	2	22	7	0	0
Koraon	0	22	0	0	0
Chandauli	16	0	0	0	0
Handia	0	13	0	0	0
Sitapur	8	0	0	0	0
Baraut	0	7	0	0	0
West Bengal					
Malda	64	0	0	0	0
Darjeeling	0	13	0	0	0
TOTAL	1,406	998	804	5	2

APPENDIX TABLE 6: Dwelling and Land Ownership

Within 105km of Major city	% of Cases Owning Dwelling/Land
Bihar	
Samastipur	65%
Patna	0%
Aurangabad	100%
Haryana	
Panipat	0%
Jharkhand	
Garhwa	43%
Daltenganj	100%
Madhya Pradesh	
Gwalior	0%
Morena	0%
Sidhi	0%
Odisha	
Bhadrak	0%
Rajasthan	
Jaipur	40%
Sawai Madhopur	0%
Alwar	65%
Dausa	0%
Ajmer	100%
Sikkim	
Gangtok	0%
Yuksom	0%
Uttar Pradesh	
Bhadohi	11%
Shahjahanpur	4%
Mirzapur	22%
Badaun	0%
Varanasi	39%
Hardoi	2%
Robertsganj	83%
Agra	0%
Jaunpur	23%
Allahabad	35%
Chitrakoot	16%
Ballia	38%
Orai	0%
Suriyawan	35%
Koraon	73%
Chandauli	0%
Handia	46%
Sitapur	13%
Baraut	14%
West Bengal	
Malda	39%
Darjeeling	0%
WEIGHTED AVERAGE	18%

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Child Labour (Prohibition and Regulation) Act, 1986.

Criminal Law (Amendment) Act, 2013

ILO Forced Labor Convention (no. 29)

ILO Convention Concerning Minimum Age for Admission to Employment (no. 138)

ILO Worst Forms of Child Labour Convention (no. 182)

United Nations Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children, 2000

SUPREME COURT CASES OF INDIA

People's Union for Democratic Rights vs. Union of India and Others, 1982

ENDNOTES

¹ All currency conversions in this report are based on the average rate of exchange between the Indian Rupee and the U.S. Dollar spanning the research period of July 13, 2012 to May 26, 2013, which was Rs. 55.25 to one U.S. dollar. The rate of exchange at the time of publication was Rs. 63.05 to one U.S. dollar, which would decrease the post-conversion dollar valuations that are presented in this report by approximately 14%.

² For the avoidance of doubt, the researchers are not suggesting that the following retail chains are directly complicit in the exploitative practices documented in this project, only that these exploitative practices are occurring in the production of a significant portion of the carpets that end up being exported to them for retail sale.

³ A detailed summary of the findings on child labor from the various sources reviewed is beyond the scope of this report; however, in summary these studies have found varying degrees of child labor dating back to the early 1990’s. On the high end, Harvey & Riggen (1994) found India’s carpet sector to have a 22% prevalence rate for child labor, while on the low end Venkateswarlu (2005) found India’s carpet sector to have a 7% prevalence rate for child labor. Both studies were focused primarily in Uttar Pradesh. Other sources listed in the Bibliography found rates of child labor between these two prevalence estimates, or estimated the total number of child laborers in India’s carpet sector to be somewhere between 100,000 and 300,000, again focused primarily in Uttar Pradesh.

⁴ Kara (2012), chapter six.

⁵ Data from: *Official Statistics of the U.S. Department of Commerce*.

⁶ *People’s Union for Democratic Rights vs. Union of India and Others*, 1982 1 S.C.R. at 464.

⁷ Bonded Labor System (Abolition) Act, 1976, (s2).

⁸ Data for stipulated minimum wages for each state is from the Department of Labour and Employment, Government of India.

⁹ See Kara (2012), chapter six and Appendix B.

¹⁰ For example, in Badaun, there were 196 female minors documented with an average wage of \$0.21 per hour and no male minors documented; whereas in Patna, there were 27 male minors documented with an average wage of \$0.11 per hour and no female minors documented.

¹¹ While classification of full-time child labor in a hazardous industry and human trafficking as forced labor under ILO Convention (no. 29) is relatively straightforward, it can be argued that a certain class of bonded labor cases may not fit the definition of forced labor under ILO Convention (no. 29). For example, some cases of seasonal debt bondage in which the debtor appears to enter willingly into

the arrangement and may have some freedom of movement and employment may be considered outside the parameters of the Convention. The cases that were classified as bonded labor in this report are only those that met the conditions of sufficiently severe restrictions on movement and employment also to meet the degrees of coercion and involuntariness required to be classified as forced labor under ILO Convention (no. 29). In other words, only the most severe and slave-like forms of bonded labor were included in this report.

¹² See Kara (2012) for a detailed discussion of the nature and functioning of bonded labor across South Asia.

¹³ The reason that there are 1,575 “Reasons for Advance” as compared to 2,010 total cases of bonded labor is because in many cases several family members (wife and children) were conscripted to work off the advance that was taken by the male head of the family.

¹⁴ As with other child labor cases, the researchers could have documented many more cases of the sale of children were it not for restrictions to access by guards and factory owners.

¹⁵ Data from: Indian Carpet Export Promotion Council (CEPC).

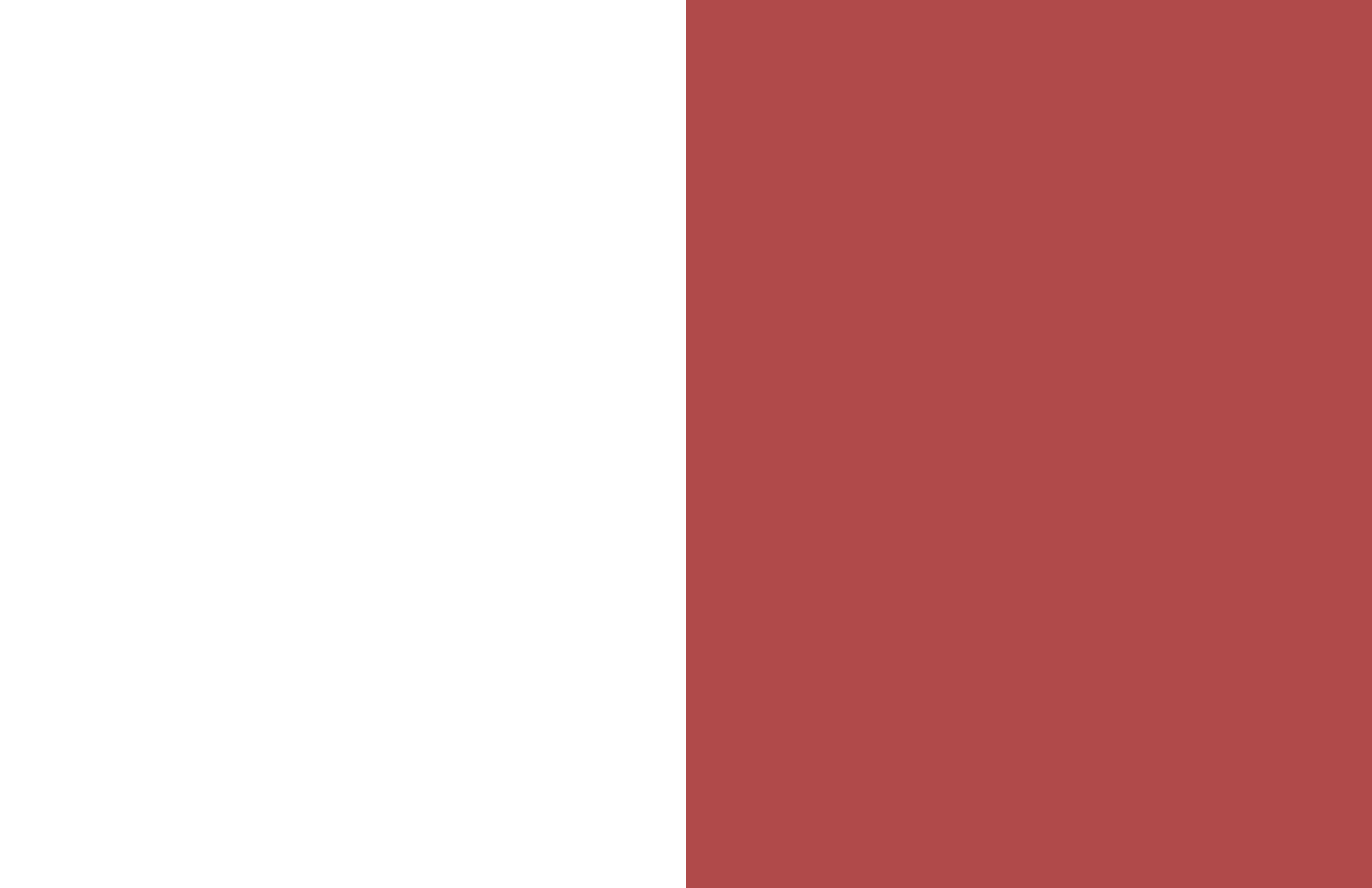
¹⁶ A precise estimate of the market share of exported carpets produced in the nine states documented in this project is not possible due to the fact that most of the data is not publicly available. Still, local experts and NGO’s that work in this sector have a reasonable sense that at least 95% of hand-made carpets exported from India are produced in these nine states. Data from CEPC, while not comprehensive, also appears to validate the market share estimate.

¹⁷ Other Backward Class is a term for all castes beyond those identified as Scheduled Castes that are disenfranchised or otherwise socially disadvantaged within or outside the caste system.

¹⁸ Scheduled Caste is the term given to those groups that have traditionally occupied the lowest status in the Indian caste system as “untouchables.” The term *dalit* is typically used to refer to this group.

¹⁹ Scheduled Tribe refers to indigenous tribal groups that are spread across the central, northeastern, and southern regions of India. Also referred to as *adivasis* (original inhabitants), these groups have long been marginalized from mainstream Indian society.

²⁰ The exact number and market share of these top exporters is unknown. The range of 15 to 20 is derived from the PI’s research across the last several years, as well as data from exporters, purchasing agents, and NGO’s in India focused on the carpet sector.





The **FXB Center for Health and Human Rights** advances the rights and wellbeing of children, adolescents, youth, and their families living in the most extreme circumstances worldwide. We conduct innovative field research that takes a rights-based approach in order to understand the constraints and obstacles faced by these marginalized populations and to discern possibilities for release and empowerment. We deploy a range of methods derived from public health and law, social science and humanities. We work with local partners and with the children, adolescents, youth and families in the design and piloting of positive interventions. We strive to find sustainable solutions that can be scaled up. We translate our findings into policy recommendations and practice at all relevant levels of government and civil society.

FRANÇOIS-XAVIER BAGNOUD CENTER FOR HEALTH AND HUMAN RIGHTS
HARVARD SCHOOL OF PUBLIC HEALTH // HARVARD UNIVERSITY
651 HUNTINGTON AVENUE, 7 FLOOR, BOSTON, MA 02115 USA
TEL: +1-617-432-0656 // FAX: +1-617-432-4310
FXBCENTER_INFO@HSPH.HARVARD.EDU // fxb.harvard.edu