

Tom Lantos Human Rights Commission

Testimony

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Herewith, the words of a debt bondage slave named Gaurav whom I documented not long ago at a brick kiln in India:

When I was eighteen, my father died and his debt was passed to me. No matter how hard I work, I am always in debt. I have taken so many loans through the years. Each season, I must take an advance to travel here from Bihar and live in this area with my family. I took a loan for my father's funeral. I take loans for food and water and cooking oil. When I was younger, there was a time when I was so desperate to be free from these debts. I took my family from here and went back to my home, but the landowner's men came to my village and forced us to return. They tied me to that tree there and beat me. They electrocuted me and did not let me eat. I was still tied to that tree when they sold one of my daughters to a dalal (trafficker). They said, "This is payment for the work you have not done since the day you tried to cheat us." I could not believe God had done this. I wanted to take my life. You cannot imagine how much pain I felt. I never saw my daughter again.

Good afternoon.

I would like to thank Congressmen McGovern and Wolf and all members of the Tom Lantos Human Rights Commission for inviting me to testify today.

I have been researching human trafficking and forced labor in close to thirty countries around the world for the last twelve years. During that time, I have comprehensively documented the cases of more than 1,300 victims of various forms of slave-like labor exploitation, from sex trafficking to bonded labor to forced child labor.

My first book, *Sex Trafficking: Inside the Business of Modern Slavery* (Columbia University Press, 2009) provided the first comprehensive overview of the global sex trafficking industry. My second book, *Bonded Labor: Tackling the System of Slavery in South Asia* (Columbia University Press, 2012) was released one month ago, and it provides the first comprehensive overview of the phenomenon of bonded labor in South Asia. My comments today will focus on some of the findings of this second book.

The first thing I would like the Commission members to know is that bonded labor is by far the most extensive form of slavery in the world today. By that I mean that roughly half of all victims of forced labor and modern-day slavery are bonded laborers in South Asia. Many of these individuals are children as young as eight and nine years of age.

Even though bonded labor or debt bondage was once prevalent around the world, today the phenomenon is concentrated in South Asia, where roughly 84% to 88% of the world's 18 to 22.5 million debt bondage slaves can be found. This concentration in South Asia is primarily a result of numerous forces, including immense poverty, caste-based disenfranchisement and exploitation, corruption, social apathy, anemic enforcement of labor laws, and a general acceptance that it is reasonable for a certain sector of South Asian society to be caught in extreme labor exploitation because often times the immediate alternative of utter starvation could be worse.

However, even though the phenomenon is concentrated in South Asia, the products that are produced by these bonded laborers are exported around the world. Some of the products produced by bonded laborers whose supply chains I have traced to retail sale in the United States include hand-woven carpets, frozen shrimp, apparel, rice, tea, granite, spices, cubic zirconia, and more.

For those of you who may not be familiar with bonded labor, Guarav's words describe it well. Bonded labor is a Feudal mode of servile labor exploitation that involves the exploitative exchange of credit for labor. The exploited party is usually a poor, outcaste individual who lacks income, economic opportunity, and access to formal credit markets and must borrow money or secure tenancy from a contractor, producer, or local landowner and pledges to repay the debt through labor. The creditor has far more power, resources, and rights than the debtor, and he can use this power to coerce the debtor into working off a meager loan for years, or a lifetime. Loans vary significantly in size depending on the industry and the status of the borrower, but in general the loans tend to be in the \$50 to \$400 range, often growing from there no matter how hard the debtor works due to exorbitant interest rates (up to 20% per month), heavy deductions from wages for food and shelter, and numerous other tactics that are used to perpetuate the debt far beyond the reasonable period of repayment.

The conditions in which these individuals are exploited can be as coercive and dehumanizing as the worst manifestations of Old World chattel slavery. Wives and especially children are often conscripted into working off these debts so that a single loan can land an entire family in years of slave-like exploitation. Debtors and their family members can be bartered and sold between lenders like livestock.

One of the most recent trends is the use of debt bondage agreements involving substantial advances of up to \$5,000 to arrange for papers and travel for the debtor to a developed country with the promise of an opportunity to work in construction or domestic work. I have documented this phenomenon in numerous countries around the world, and the bonded laborer is very often worked to the bone for months or years with little to no pay, under the pretence of repayment of the debt. At some point in time, these individuals are often discarded by their "employers" and left to fend for themselves, which often results in deportation back to their home country by local immigration authorities, with little to no income to show for their efforts.

Despite this and other examples, bonded labor remains centralized in South Asia and has a very particular manifestation and history. Let me explain more about bonded labor in South Asia by way of four brief case studies.

The first case study involves the shrimp industry of Bangladesh. In southwestern Bangladesh, I documented debt bondage and very harsh forms of child labor in the shrimp farming industry. It is worth noting that this nascent industry has been largely driven by climate change, which is a topic for another hearing. Destitute and sickly children wade into parasite-infested waters to catch baby shrimp, which are then sold to shrimp farmers who are often caught in endless cycles of bonded labor as they grow the shrimp and harvest them to be processed and sold for export.

Shrimp is the largest seafood commodity in the world, and the United States is the largest importer of frozen shrimp. After a month of careful data gathering across the entire shrimp supply chain in Bangladesh, I determined that roughly 1 out of 57 of all shrimp consumed in the world are tainted by bonded labor or child labor in Bangladesh, which is a relatively small exporter compared to countries like China, Thailand, and Vietnam. This means that the average American unwittingly consumes 1 to 3 tainted shrimp from Bangladesh alone.

The second case study involves the hand-knotted carpet sector. Throughout Northern India and Nepal, I have extensively documented hundreds of cases of deeply exploitative bonded labor and child labor in the weaving of carpets exported abroad. The US is the largest importer of hand-woven carpets from India to the tune of \$302 million in 2011. Having spent years documenting this industry, I can say with confidence that at least one-third of carpets imported into the U.S. from India and Nepal are tainted by forced labor, child labor, or bonded labor. The following is an excerpt from chapter six of my book, *Bonded Labor* of how a young boy named Arjun described his ordeal:

Some time ago, this man named Ali who was known to my father came to my village and said he could take me for work in the carpet factory. Ali

promised my father Rs. 1,000 (\$22) if I go with him and a wage of Rs. 50 (\$1.11) per day working in the factory. He said the factory was only twenty kilometers away and my father could visit any time. I was afraid to leave home, but Ali said I could see my family whenever I want. We were very poor and hungry, so eventually I went with Ali. He took me and three other boys from my village in a car. He brought us to this shack where there were many boys making carpets. It was very dark and had a very bad smell. Ali locked us inside and beat us with a wooden cane. He said we would be taught how to do the carpets and we must do this work every day. He said our parents had abandoned us and we can never go home. He told us that there were wild dogs in the forest outside, so if we try to run we will be eaten. I was so frightened. One other boy from my village named Kamal did not stop crying for many days. Ali and one other man beat him very badly and dragged him from the shack.

Arjun stopped speaking at this point. He tightened his face and his eyes moistened. We brought Arjun a Limca soda and I showed him photos of some of the places I had visited to get his mind off his ordeal. Arjun remained very uncomfortable, so he went to his room to rest, and I continued with other interviews. That evening, Arjun returned and asked if he could finish telling me about his time in the carpet shack. This is some of what he said:

I did not like being in that place. It was very difficult. Most days we were only given one break for eating and one break for toilet. If we tried to sleep, they would beat us. Sometimes they gave us pills so we can work all night. I felt so tired I cut myself by accident. If the blood from my fingers came on the carpet, they would take green chili and rub it on my wound for punishment. I do not know how long I was in that place, but God blessed me one day when the people from this shelter rescued me.

The third case study involves a little known phenomenon of debt bondage-based internal trafficking for outright domestic slavery in Nepal, called the *Kamaliri* system. In brief, outcast Tharu girls are sold off to traffickers around the age of eight or nine and given

tenancy and food in an upper-caste home as credit in exchange for up to ten years of domestic servitude. Because they are outcaste and deeply impoverished, they are often severely exploited. The following is an excerpt from chapter two of my book, *Bonded Labor* of how a young girl named Nirmala described his ordeal:

I am from a village in Banke District. I was ten years old when I first went for work as kamaliri. It was a Chhetri home in Kathmandu. There were five people in the home, and I did all the work—cooking, cleaning, washing clothes, washing dishes. I woke each morning at 5 a.m. and went to sleep at 10 p.m. I slept on the floor in the drawing room. I did this work seven days a week. Sometimes the wife would beat me. The husband in the home would rape me. I did not want to be in that home. I was so tired. I was supposed to go home during Maghi, but they did not let me go. After two years, they sent me to another home in Kathmandu. I was in this home for two years. They did not beat me, but I was working all the time. Finally, I was in a third home for three years. I had to do everything. They had two daughters, and I had to take them to school each morning. I wished I could go to school like them. In this home they would beat me very badly. Sometimes they would not let me eat. Eventually, Friends of Needy Children rescued me.

It is worth noting that upper-caste *Kamaliri* owners in Nepal justify the system by maintaining that the alternative for these Tharu girls would be worse, usually being trafficked for sexual exploitation in Nepal or India.

The final case study I would like to share involves the *Hari* bonded laborers in the Sindh Province of Pakistan. This is a centuries-old form of agricultural bonded labor of poor, outcaste peasants held in bondage by landowning *Zamindars*. These individuals described being traded like livestock between owners, being separated from family members, having children sold to traffickers to discharge debts, and being locked in

private prisons and tortured for displeasing their owners. Suffice it so say, the persistence of this kind of dehumanizing exploitation of minority groups must be eradicated.

There is much that can and must be done to tackle the system of bonded labor that remains deeply entrenched in certain pockets of South Asia. In particular, the fact that the supply chains of products exported to the West can be tainted by this unacceptable mode of servitude must be further researched, documented, and ultimately cleansed.

There are many steps the U.S. Congress can take to advance more effective efforts to tackle bonded labor. The following seven recommendations would be a good start:

1. Allocate funds for more research into the nature of bonded labor in South Asia
2. Allocate funds for more research into reliable supply chain tracing of key products exported from South Asia to the U.S. that might be tainted
3. Engage in top-level diplomatic efforts with counterparts in South Asian countries to address the core deficiencies in the regional response to bonded labor and provide support to address them
4. Engage with industry in the U.S. to elevate standards for supply chain monitoring and cleansing
5. Include supply chain research, monitoring, cleansing, and strict corporate liability for tainted supply chains in the Trafficking Victims Protection Act Reauthorization
6. Allocate funds to expand vital prevention initiatives, such as micro-credit, vocational training, disaster relief, and rural education initiatives, especially for women and girls
7. Join me on a trip to South Asia to see what bonded labor really looks like

I hope some of this information has been helpful for the Commission. I thank you again for the invitation to testify today, and I welcome your questions.