

Strategies to Combat Child Labor in the Uzbek Cotton Industry IWG - October 2008

As You Sow
Corporate Social Responsibility Program
www.asyousow.org



Problem



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- Uzbekistan Gov't – Blatant Disregard for Human Rights
 - Suppressed demonstrations and Civil Society orgs
 - Forced Labor
 - Controlled Movement – internal and external
 - Media Manipulation
 - Torture and Killing

Problem

- World's second largest cotton exporter
- Millions of children forced to harvest
- Children as young as 7 conscripted
- Primitive working conditions
- Little to no food
- Heat stroke

Problem



- Revenue streams funding the madness
 - Cotton: 60% of hard currency export earnings
 - Government monopoly: 100% control of gins; 70% processed cotton sold to 3 state-owned trading orgs
 - 2004 prices paid:
 - Uzbek farmers paid 28 sums/kilo (1 US cent = 10 sums)
 - Over border paid 3 – 400 sums/kilo
 - Traded for 2000 sums/kilo
 - Official state wage = US\$6 /month

Problem



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- Where is it going?
- 75% is exported
 - Europe
 - Bangladesh
 - China
 - Russia

Perspectives

- Uzbek Human Rights and Environmental Activists
 - Motivation coming from Uzbek expatriates living in Europe and elsewhere
 - Working with media (BBC) and NGOs (EJF)
 - 18 Uzbek NGOs calling for a worldwide boycott of Uzbek cotton
 - Engaging governments, UN, ILO, and corporations

Investors, Company Efforts to Promote Change

- Socially Responsible Investors
- Faith-based Investors
- NGOs
- Trade Unions
- Companies
- Industry Associations



Actions

Company Outreach by Investors

- 113 Companies contacted
- 30 Responded
- 8 Wrote to their suppliers and/or are taking measures to exclude Uzbek cotton

Engagement

- State Department
- US Trade Representative
- Commerce Dept.

Corporate Influence on Diplomacy

- Trade Associations' Letters:
 - Uzbek President Karimov
 - U.S. State Dept. Secretary Rice
 - ILO Director General Somavia
- Meeting request with the Uzbek Embassy
- Joint Press Release

Solutions



- Alternative Sourcing
- Certification/Labeling
- Raw material responsibility
- Transparency
- Review
 - Rugmark, Cocoa Protocol, Kimberly Process, Fair Trade, Athens Principles

Next Steps

- ILO complaint – support by ITUC, IOE
- Petition to revoke GSP eligibility
- Engage more brands and retailers
- Track sources of cotton