

international labour statutes. The feasibility of intervention, however, is a contentious issue. Those involved in the commerce of carpets in North America, not surprisingly, claim that conditions on the ground in most Asian countries prevent meaningful regulation. ( This is discussed below in 1.7.) It should also be noted that bonded labour - as egregious a practice as it is - constitutes a small part of child labour in India and that other forms of child labour also merit intervention.

#### **1.4 Why does labelling in the carpet industry make sense?**

The logic of labelling relies on mutually reinforcing steps taken by consumers and producers. If it becomes possible for consumers to purchase goods which contain no child labour component, consumers may demand these goods over others, leading in turn to greater production and availability of child labour-free products. In this way, consumer purchasing power is enlisted as a means of curbing unacceptable labour practices in situations where local authorities are unable (often despite the existence of legal instruments) to effectively combat the exploitation of children in the targetted sector. Ultimately, the aim is for a market-driven elimination of child labour. (See also 1.5 below.)

#### **1.5 What is it about the carpet industry and the ways in which children are engaged in it which make it particularly appropriate/critical for action, and for labelling as a control mechanism to be that action.**

Concern over child labour in the carpet industry is focussed on two related areas:

- The carpet industry is one of a number of industries which have been designated as hazardous by the Indian government (others include road and rail transport, bedi making, the textile industry, manufacture of shellac, matches, cement, soap, explosives, fireworks, mica cutting and splitting, tanning, construction, factories, plantations, and merchant shipping)
- The carpet industry is conspicuous for its reliance on bonded labour.

This combination of children engaged in work which can be injurious to their health on one hand, and the absence of familial protection on the other, is what distinguishes the carpet industry and makes it particularly critical for action. The carpet industry also appears suitable for regulation because it is concentrated geographically in two regions of India - Uttar Pradesh and Kashmir. While more child labour goes on in other sectors, intervention in carpet production would not require a nationwide regulation apparatus.

The argument for labelling as the particular control mechanism has to do with the export-oriented nature of the carpet industry; it is almost exclusively Western consumers who buy hand-knotted carpets. These consumers are becoming accustomed to expressing themselves on a range of social and environmental issues through their purchases, based on assurances of certain standards ('green', 'ethical', etc.). Consumers may thus have the power to force a reform of labour practices within the