

A THBC UNPRME NEWS FLASH

THE JACK H. BROWN COLLEGE, PRESENTS:

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THE DARK & BITTER SIDE OF CHOCOLATE **Child Slavery in the Chocolate Industry**

(Please bring this to the attention of your students, vis-à-vis UN-SDGS Goals #1-17 as supported in our JHBC-PRME commitment to responsible management education in 2012). Areas of JHBC Focus: Supply Chain, International HR, International Law

For many of us the upcoming Mother's Day (May 8, 2022) is a time to celebrate – often with chocolate. Chocolate is the superpower that instantly



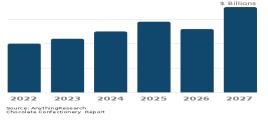
gives an euphoric rush to the limbic system, and makes Mom forgive all sins! Just to think of chocolate is to evoke its distinctive sweetness. While American mothers are likely to get chocolates as appreciation for motherly love, there are other mothers who will not, and there are many children who have lost lives



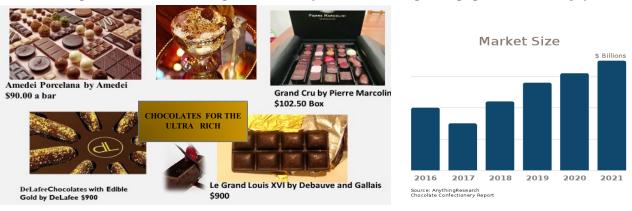
and limbs in conditions of slavery to bring this ambrosial delicacy to our mothers. This JHBC PRME news flash focuses on the toxic side of chocolate.

THE CHOCOLATE INDUSTRY is a mature and prosperous one, and is expected to grow at a CAGR (compound annual growth rate) of 4.2% during 2022-2026 (Market Watch, April 2022). The market is heavily concentrated between: Mars, Ferrero, Hershey's, Modelez International, and Nestle with Mars and Hershey as global leaders. Their output ranges from the cheapest of the cheap

Market Forecast



chocolate products to chocolate goods that only the 1% of the global population can enjoy, as

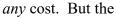


shown in the prices of high-end products, above.

THE COSTS OF CHOCOLATE--WHO BENEFITS & WHO PAYS? The chocolate industry is worth over \$100 billion annually. A vast majority of the profits from a chocolate bar revert to the coffers of mega chocolate corporations.



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real cost comes on the backs of the chocolate farmers, and abused child labor. The majority cacao workers may never taste a bit of chocolate in their lifetimes.

The two countries that show a predominance of child labor in

cocoa supplies are Ghana and the Ivory Coast. According to the Labor Department survey conducted by NORC at the University of Chicago, nearly 1.6 million children were engaged in child labor in cocoa production. Most of the children are working in hazardous conditions--wielding machetes, clearing forests, carrying heavy loads, or breathing in pesticides. The NORC surveyors defined child laborers as those children working below the age of 12, or children between 12 and 18 years old who work beyond allowable hours, or any children taking part in hazardous tasks. The large, heavy, dangerous knives are the standard tools issued to children. These dangerous working conditions violate international labor laws and a UN Convention on eliminating the worst forms of child labor.

Harms and abuse from illegal work on cocoa farms cause: malnutrition, starvation, infectious disease, congenital defects, economic exploitation, amputation of limbs, crushing situations, the violence of warfare, emotional suffering, to name a few. Such injuries come from calculated adult human action. The International Labor Organization, ILO's, Statistical Information and Monitoring Program on Child Labor recently estimated that 211 million children, or 18 % of children aged 5-14, are economically active worldwide. 60% of these working children live in Asia, and 23% live in sub-Saharan Africa. This is a worldwide phenomenon. Most economically active children are employed in agriculture. For example, in Nepal, 85% of economically active children are in agriculture. In Cambodia, the rate is 73% while in Morocco it is 84%.

FAIR TRADE IN CHOCOLATE: The vision behind worldwide fair trade initiatives is to help producers in developing



nations to achieve just and sustainable trade relationships. Fair Trade, is an alternative model of trade that works to diminish corporate power over the lives of workers and small farmers in their supply chains., which in turn lead to labor



abuse and unsafe conditions on farms. Most cocoa farmers in Ghana and the Ivory Coast are poor and live on less than a \$1 a day, and they are vulnerable to cost-cutting pressures of large corporations who buy their cocoa. Fair Trade International is campaigning for a living income to become a reality in the supply side of the cocoa industry. The World Fair Trade Organization (WFTO) is the global community and verifier of social enterprises that fully practice Fair Trade.



PROTECTION OF CHILDREN: The UN Convention concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labor, known in short as the Worst Forms of Child

Labor Convention, was adopted by the International Labor Organization (ILO) in

1999 as ILO Convention No 182. The ILO's Statistical Information and Monitoring Program on Child Labor estimated that 211 million children, or 18 % of children aged 5-14, are economically active worldwide. Asia--60% sub-Saharan Africa—23%. in e in Asia, and 23%



live in sub-Saharan Africa. Most economic child laborers work in global agriculture. For example, in Nepal--85%; Cambodia--73%; Morocco--84%. The ILO Convention 182 prohibits the use of children in hazardous work conditions, armed conflicts, prostitution and pornography, and illegal activities such as drug trafficking.



Principle 5 of the **UN Global Compact** with businesses states: Businesses should uphold the effective abolition of child labor. Central to this is our call to companies to step up their due diligence on human rights and to identify, prevent, mitigate and account for all adverse human rights impacts in their operations and value chains, which will help tackle



child labor and forced labor.

EMMANUEL'S STORY

"At 6 a.m., 10-year-old Emmanuel wakes and readies himself for a day of labor in the cocoa fields. Along the way, he watches as other kids walk in the opposite direction - toward school. He reaches the fields at sunrise and uses his machete to slice ripe cocoa pods from the trees. Later, he carries the cocoa pods he's harvested from the field, hacks them open and gathers the beans, which will later be used to make chocolate.

We expect to see 10-year-olds going to school in the morning carrying backpacks, not machetes. We expect to see them playing sports, painting or making music, opening their minds. Every child deserves the opportunity to learn, to grow and to benefit from his or her childhood. Emmanuel's work in the cocoa fields deprives him of that childhood and the chance to develop to his fullest potential."

[Source: Solis, H. (2016) Huffington Post, "A Story about Chocolate and Child Labor"]



VIDEO: The Dark Side of Chocolate, <u>https://youtu.be/7Vfbv6hNeng</u>



Created for the JHBC PRME PLATFORM by PROFESSOR BREENA E. COATES