

- Vol. VII, No. III (Summer 2022) ▪ p- ISSN: 2708-2091 ▪ e-ISSN: 2708-3586 ▪ L-ISSN: 2708-2091
- Pages: 49 – 60 ▪ DOI: 10.31703/gsr.2020(VII-III).06 ▪ URL: [http://dx.doi.org/10.31703/gsr.2022\(VII-III\).06](http://dx.doi.org/10.31703/gsr.2022(VII-III).06)
- Citation: Fatima, S., Javed, W., & Imam, S. K. (2022). Child Labour as Corporate Crime in Nexus to Corporate Social Responsibility *Global Sociological Review*, VII(III), 49-60. [https://doi.org/10.31703/gsr.2022\(VII-III\).06](https://doi.org/10.31703/gsr.2022(VII-III).06)

Child Labour as Corporate Crime in Nexus to Corporate Social Responsibility

Samza Fatima	Associate Professor, Department of Law, Bahauddin Zakariya University, Multan, Punjab, Pakistan.
Waqas Javed	Assistant Professor, Department of Law, Quaid-e-azam University, Islamabad, Pakistan.
Syed Kaleem Imam	Former Secretary, Narcotics Control Division, Former Inspector General Police. Email: skimam9@hotmail.com <i>(Corresponding Author)</i>

Abstract: *Corporate Crime is a relatively new term associated with Corporate Social Responsibility (CSR). The instant study tries to explain corporate crimes in nexus to CSR. It debates what international legal framework prohibits such crimes and how corporations commit violations of such international standards, any deviation from the standard may result in serious damage to society thus affect millions of lives e.g., the growing trend of child labor under hazardous conditions by a corporation. Through increased monitoring on child labor, innocent children can be saved from the havoc of child labor even reaching the level of slavery in some regions. This would help to reduce the number of children having hazardous workplace situation being unfairly compensated for their work.*

Key Words: Corporate, Crime, Child, Labour, Social, Responsibility

Introduction

In the corporate world, a great emphasis has been placed over corporate social responsibility and its benefit and importance in the business world. But a relatively new concept related to CSR is a corporate crime; whether a business corporation is abiding to have compliance with international regulations, any deviation from the standard may result in serious damage to society thus affect millions of lives e.g., the growing trend of child labor under hazardous conditions by a corporation. Child labour is prohibited under international law, International Labour Organisation (ILO) Conventions. However, despite it, companies are involved in using children as labourers to generate more monetary benefits for instance even the multinational corporations Nestle or Cargill in the USA have been remained involved in corporate crimes of child labour. It is also against their Corporate Social Responsibility (CSR) which

requires companies fulfill their responsibilities towards society and the community.

Any practices of companies against CSR may be known as 'corporate crime'. Companies are involved in the corporate crime of child labour which may be prevented first through the implementation of international human rights laws provided in ILO conventions, the Universal Declaration of Human Rights (UDHR), the Convention on Rights of Child (CRC) and other. Secondly, through enforcing effective CSR governance by the companies' boards and mandating CSR through legislation and social control on corporate crimes, child labour as corporate crime may be hindered. Further, Corporate crime in the context of Pakistan is also discussed.

The objective of this study is to investigate the corporate crime of child labour in nexus to CSR of corporations or multinational corporations in the

light of international and Pakistan's legal framework against child labour.

The methodology used for this study is doctrinal research methodology. For data collection, primary sources include the international instruments ILO conventions, CRC, UDHR and ICCPR, national laws of Pakistan including the Constitution of Pakistan, the legal framework of Pakistan against child labour, reports, or case laws. Secondary sources include books, scholarly research articles, newspapers, and other reliable data sources.

Corporate Crimes

Corporate crime is defined as a white-collar crime (Simpson, 2002) the organizational crime where the individuals inside the corporations or others that act as business entity commit frauds and violate the laws of the environment (Slapper, 1999). In simplest way it was defined by Braithwaite it is the "conduct of a corporation or of employees acting on behalf of a corporation which proscribed and punishable by law" (Simpson, 2002, p. 6). These individuals do not take themselves as criminals, instead consider it as nonviolent in nature as they have high status in society and do it in an organized manner. Every existing corporation, at least once in their whole life span, may have committed any of corporate crime. These crimes can also be explained as state-oriented because their existence is related to the relation of the policies of state and corporations. Corporate crimes may include: statutory fraud, property crimes, personal crimes, and inchoate crimes respectively.

Personal crimes, it is gotten to know that when the victim experiences any kind of emotional, psychological or physical injury than it is a wicked form such as kidnapping. In property crime, the victim who is the real owner of the property is not allowed to freely use the property. Burning the property of another person and by doing amendments in the documents is also included in property crime. Inchoate crimes are those crimes that are sparked but are not brought to end by the criminal. This crime also includes forcing or asking others to do that crime on your behalf as well (Clinard, 2017).

Statutory crimes are crimes related to states such as selling of wine to minors. It includes both kind of offenses; either property or person. As if someone is driving a car on the right side of the road

and the state does not allow it than it is a state crime. All the companies are involved in such crimes because a tremendous amount of distance is maintained between the criminal and the victim. They also prepared a legal framework for their crime to make it all clear. As child labor is also a corporate crime because children underage must go to schools for their education but some companies hire them on fewer wages. Such as nestle also hires child as labor to meet their work and legal actions have been taken against them as it is against business ethics to reduce child labor from the state (Clinard, 2017). The companies also use the technique of low visibility as to avoid the proper procedure of structure and the way of communication for this crime.

As crimes are not performed by single person but the whole Corporation or group of people is involved so, the chances of being caught are reduced, this is the way how companies are doing these crimes. As these crimes are done for the benefit of the company so they do all possible amendments to avoid investigation from the inquiry agencies. They can also do crimes by not showing the exact audit report to their shareholders and to hide the exact position of their company. Bribery can also be a way of crime in which people on merit are not seated in the corporations but on the basis of bribery they have given an advantage (Michalowski, 2020). Using of low-quality materials in their products and using unhealthy ingredients are also a source of crime. They can also show less profit in their files to give less tax to the government. These are some ways how business commit a corporate crime against their Corporate Social Responsibility (CSR).

Corporate Social Responsibility

CSR elaborates the importance of social responsibility towards corporations and society. Businesses need to practice their actions in a legal manner and should be accountable towards their stakeholders, their customers and towards their own company on the big hand. It also covers fairness in their dealings and in their documents.

All companies should show business ethics to follow a positive brand around the globe. Any company that is using child labor, is against social responsibility and they should appoint employees based on their age limit for job to attain work from

them. Thus, CSR plays important role in the avoidance of corporate crimes because by following ethics in business they will only focus on the company's profit gained by legal ways. It is compulsory for a corporation to be sustainable in the future to make sure that corporate responsibility should be consider while making any decision. Any action of the corporation may lead to immense destruction in the company profitability by losing the trust of stakeholders (Crowther, [2018](#)).

CSR as Management Phase or Corporate Law

Corporate social responsibility (CSR) is normally thought to be a deliberate, or social contract to protecting the social economic interests of the stakeholders of the company rather than a compulsory drive. However, throughout the course of recent many years, a developing number of nations have taken on regulations that unequivocally expect organizations to embrace CSR (Lee, [2015](#)).

CSR is increasingly observed as a management phase which operates process-situated regulations. This managerial practice anticipates organizations to recognize societal and ecological hazards connected with their trade tasks and lay out and implement workable plans to avoid from the notable perils. For instance, France's responsibility of carefulness regulation taken on in 2017, is a trailblazer of this methodology. It requires organizations to create, uncover, and execute a careful plan to recognize chances and forestall extreme common liberties infringement and ecological harm coming about straightforwardly or by implication from the tasks of the organization or its auxiliaries, or subcontractors (Ferro, [2019](#)). The arrangement ought to incorporate planning of dangers, standard evaluation techniques, activities to relieve gambles or forestall genuine breaks, and cautioning and revealing instruments. If there should be an occurrence of resistance with the divulgence commitment, any closely involved individual might pull out to the parent organization or look for injunctive help.

The underlying method for carrying out compulsory CSR is through an organization's top managerial staff, where the interests of investors, who need to augment share cost, and of different partners, who have more extensive worries, can be served. One rendition of this primary methodology

would remember worker agents for the board. A less emotional variant is requiring the formation of a CSR board council. The CSR panel would be responsible for setting up and regulating CSR methods. 2008 South Africa regulation on corporations offers an early illustration of this methodology (Halkos, 2021). Required CSR may refer to an overall legitimate responsibility to act in a socially capable manner. That responsibility could be made under corporate regulation or as a feature of chiefs' trustee responsibility. The United Kingdom 2006 Organizations Act adopts the last strategy by expecting chiefs to think about the interests of representatives, shoppers, providers, the climate, and the local area while chasing after the interests of investors. On the other hand, China's Organization Act, overhauled in 2006, explicitly requires an organization to "embrace social responsibility." And Indonesia's Restricted Risk Organization Act, corrected in 2007, unequivocally requires that "organizations in normal assets areas or regarding regular assets are obliged to carry out corporate social and ecological responsibility (Hatane, [2019](#)).

However, states are commonly propelled to pursue their gains immaterial to work, social, or basic freedoms insurance. The political interests of the states carry irrefutably more weight than the notion of the preceding corporate rules (Kramer, [2002](#)).

Albeit CSR are required yet legislation is paramount for such CSR regulations; the significant capacity of the compulsory CSR regulations shows up generally expressive. These regulations may express require proper corporate performance focusing on business standards. Even from a pessimistic standpoint, the mandatory CSR regulations direct a symbolic note to their companies that they care regarding society. All in all, it very well may be just political green washing (Simpson, [2002](#)). Organizations are progressively creating overarching sets of principles, climate, wellbeing, and security norms, best practices rules, and socially cognizant projects in a bid to turn out to be all the more socially mindful. Organizations focus on their CSR programs towards their partners, including representatives, shoppers, and the encompassing local area. (Helberger, [2018](#)).

A critical piece of corporate consistency rests in the activity of casual social control. Most of us act in

a decent way to avoid feeling of disgrace and to maintain good reputation (Chan, 2019). Companies may adopt CSR policies in order to maintain a good reputation among all stakeholders.

In total, applying casual social control on account of corporate wrongdoing, it may be more pertinent in the wrongdoing control condition or prevention of corporate crimes than under the formal control done through some enactments. Braithwaite and Fisse characterize casual social control as "social limitation which implies other than those officially coordinated by a court or authoritative organization." Braithwaite and Fisse essentially research how unfavorable exposure and disgrace work controls the corporation work. Such exposure casually corporations to maintain their good will apart from the legal and formal control. They inspect the effect of unfavorable exposure on seventeen transnational corporations. Results from their review recommend that directors (particularly top chiefs) and firms conform to the law since they fear the malicious outcomes of unfriendly exposure. Firms that have experienced public embarrassment are probably going to find ways to safeguard that it doesn't reoccur (Kim, 2019). Negative exposure harms the company's serious position. The unfortunate results of unfriendly exposure are not only monetary. Since there is natural worth related to having a good standing and having a decent outlook of the organization for which one works (Gottschalk, 2020).

Thus, companies may apply CSR polices under causal or formal domains. In today's world, causal control is more important because institutional investors give significance to the companies which follow CSR or Environment, social, and Governance (ESG) policies (Walker, 2022, p. 3) Despite CSR and legal framework against child labour in the corporate sector, many companies still may be found in commission of such statutory corporate crime due to many reasons.

Child Labour as Corporate Crime

Corporations use child labour in order to have cheap production as child labour is low-cost in comparison to other labourers. Meanwhile, the market is very competitive and customers demand cheap products in lieu of good quality of goods. Cheap labour is not available in developed world; thus, they get their

production units in developing world and acquire cheap labour rates. It may be due developing countries do not have even basic standards against child labour as they ignore human rights violations (Krug, 1997). This not only against international human rights laws, the law of the relevant state, but also it against the Corporate Social Responsibility of the corporation. Despite the legal or moral obligations of the corporation, even multinationals remained involved in utilizing the child labour. This may be due to standard economic model.

It states that the ultimate goal of the directors of the company is the wealth maximization. In the line of this, Milton Friedman notably regarded; "there is one and only one social responsibility of business- to increase its profits so long so it stays within the rules of the game" (Walker, 2022). In contrast, many companies focus on Corporate Social Responsibility goals which may include better standards of labour rules application apart from other aims. Despite this, Nestle and Cargil were found in illegal practices of child labour, slavery, and other wiles.

Nestle and Cargil

In 1970s, Nestle co. started an 'instant formula' for the developing states; it was the first occurrence of human rights violations. It promoted and advertised in a very persuasive way the formula as a supplementary food for the children in replacement of mother milk. The consumers impressed by their advertisements used the milk. What was alarming, such milk caused grave health problems or deaths of children as the formula was required to be mixed with clean water, but such water was not available in poor states like in Africa. It was reported that Nestle new the fact of illiteracy or non-availability of clean water in such countries, yet Nestle did not bother or cautioned its customers due to fear of losing market. Secondly, other human rights violations of trafficking or slavery of children had been attributed to Nestle whereby it trafficked children to the Ivory Coast for purpose of work. It violated the right of education, the right not to be enslaved or trafficked under UDHR, CRC, "International Covenant on Civil or Political Rights" (ICCPR) and ILO laws against the child or forced labour. In 2005, International Labour Rights Fund sued on behalf of the Malian children the Nestle, but the case was dismissed because Nestle

Company which committed human rights violations was not situated in the USA (Wijesinghe, [2018](#)).

In the "Nestlé USA, Inc. and Cargill, Inc. v. John Doe et al case, child slaves from Mali who had been trafficked to the cocoa and chocolate industry in the Cote d'Ivoire plantation are the plaintiffs for the claim against the Nestle Company in United States with judgment on December 01, 2020 and the opinion with 8-1 vote on June 17, 2021 has been issued by the author Thomas No. 19-416. In this litigation, it has been alleged that the company exert their heavy control in the cocoa industry in the United States to their plantation in the corporate headquarters. It has also been studied in that these companies are involved in providing financial and technical assistance at a cheap labor cost to make sure large profitability even knowing that they have to face the issues regarding child labor (Moxley, [2020](#), November 16).

Earlier in 2010, it was first dismissed by the District Court because the Court stated that there are not sufficient facts about the defendants conduct so there would not be any further action on it. This disposal of the suit in 2010 it was stated that Alien Torts Statute (ATS) has not been allowed for corporate liability because of the insufficiency. However, this suit was again presented and dismissed in the second complaint on the basis that it was stated that operations are outside the United States and there has not been any liability for the presumptions in extra territorial states. However, the case has been reversed in the 'Ninth Circuit Court of Appeal' because it was stated that the case against Nestle has to be regarded as domestic because headquarter of these companies lie in the United States and they have to be a help for the corporate liability as per the theory. At this point a review had been petitioned by the defendant against the plaintiff. It was the first time that had to be in action against the suit put forward by former child slaves (Scheffer, [2020](#), December 09). Nestle and Cargil filed a writ in the Supreme Court of United States America which again reversed the case in favour of Nestle and Cargil upholding Court of original jurisdiction decision that the application of ATS cannot be extended to allege aided and abetted child labour in Ivory Coast when such allegations were of general imputations (Nestle USA INC. v. John Dov I, et. al, 2021).

Although such a case was dismissed, such practices by multinational companies are certainly against the ILO Conventions, human rights laws especially UDHR, CRC, ICCPR, and other treaties.

International Law Regarding Child Labor

International Labour Organisation (ILO) Convention on Child labour seeks abolishment of child labour, it should be achieved by the states as quickly as possible. Meanwhile, ILO Minimum Age Convention 1973 seeks state parties not to employ children under the age of 15 year in any kind of labour, for under developed countries under restricted circumstances, age should not be more less than 14 years. Another significant development against the child labour regime was ILO Worst Forms of Child Labour Convention, 1999 which prohibits slavery, sale and trafficking of children, debt servitude and other forms as a matter of urgency.

The Universal Declaration of Human Rights (UDHR), 1948 was documented collectively by the United Nations in 1948. This affirmation likely could be the main report in peaceful accords between nations on basic liberties, including the privileges of kids (Dadhich, [2022](#)). UDHR seeks states to ensure compulsory education for the children at least in the elementary stage. Similarly, the International Convention on the Rights of Child (CRC), 1989 envisages that child be protected from any work which affects their education, hazardous labour or work i.e., going to affect their physical mental growth. In an extension of Article 33 and 34 of the CRC.

On August 4, 2020, International Labor Organization (ILO) declared that Convention No. 182 on the Most Worst Form of Child Work had been sanctioned by all nations that are gatherings to the ILO, denoting the initial time in the association's set of experiences that all part states have endorsed a work show. The Convention accommodates the end and restriction of the most horrendously awful types of youngster work, including subjection, dealing, and constrained work. It restricts involving youngsters in the equipped clash, sexual entertainment, prostitution, and other criminal operations, for example, drug dealing, as well as in unsafe work (ILO, [2021](#)).

The Convention is one of the ILO's eight basic conventions, which together location the annulment of youngster work, end of constrained work, nullification of business-related segregation, and privileges to aggregate haggling and opportunity of affiliation. Since the ILO's creation in 1919, child labour has been a center concern. The ILO has revealed that the frequency of such labour and its most terrible structures lessened by just about 40% somewhere in the range of 2000 and 2016, as confirmation paces of Convention 182 and Convention 138 (on the base age to work) expanded, and nations took on powerful regulations and approaches in like manner (ILO. [2019](#)).

Be that as it may, the worldwide obligation to end youngster work is critically required now, as specialists accept the Coronavirus pandemic could invert many years of progress on this issue. Far reaching school terminations and the financial hardships that families are confronting could cause kids who are in danger of passing up an instruction to engage in risky work. As per the ILO declaration, there are roughly 152 million youngsters performing kid work, 73 million of whom are in dangerous work. Over two thirds of kid work happen in farming and are typically connected with destitution and the guardians' challenges tracking down satisfactory work (ILO. [2020](#)). The ILO demonstrated, nonetheless, that worldwide confirmation of convention No. 182 shows the desire of all of its party states to guarantee that each child is liberated from arduous work in its most awful structures.

Violation of law

In the extremely hazardous situation, even thought to be similar to slavery has been practiced as child labor which has braced up the supply of chocolate all over the world by such widespread practices. According one of the statistics issued by the United States bureau of international labor affairs it has been claimed that 60% of the world coca has been produced by the plantations that rely on about two million children working there as child labor under extremely hazardous condition. Among these two million children who are working as child laborers in these plantations of coca worldwide are forced to be work there without proper compensation for their labor and even the conditions are like that of slavery (Busquet, [2021](#)).

On the international level this issue has been addressed since years ago. Like in 2001 a member from Congress and a senator started to legislate that all United States companies have to sold their product on which they have to label "a slave free" title to ensure that there is no child labor practices. However, this legislation has not been drafted successfully because of the lobby created in the chocolate market which negotiated and agreed on the international agreement in which the chocolate manufacturer and association along with the foundation of worldwide coca and the Congress leaders and senators along with representatives of various non-government organizations including Nestle signed (Sadler, [2020](#)).

It has been made compulsory for United State companies to eliminate the worst form of slavery and child labor practices being followed in the chocolate industry as per the definition according to the ILO. According to the ILO Convention 182, it has been stated that child labor in the worst form is any harmful activity that may include the slavery, pornography or trafficking of children which may affect their health and morals. However, this regulation was not sufficient to set the benchmark and did not result in beneficial revolution in child labor in United States.

Keeping in view the complete failure of the protocol of 2001, again in 2010 a framework was introduced for the action to support the implementation of the protocol of 2001 by Harkin Engel. In 2010, it was committed that child labor has to be reduced by 70% in chocolate industry in the United States by 2020 and for this purpose cocoa industry and the US Department of Labor allocated 7 and 10 million dollars respectively to attain the goal by following the framework provided in the action framework of 2010. International Labor of Organization also partnerships with several companies of the coca industry like that of Nestle and Cargill (Aronowitz, [2019](#)).

Even still the small practices are being observed in those areas where child labor has been intensively introduced and used in the chocolate and cocoa industry violating human right as there is increase of 14% in child labor from 2009 to 2019. From this statistics, it may be inferred that violation of human rights in these corporations should be redressed against those corporations in the United States by the

victim to ensure that they have equal right and opportunities in the world following the law. Thus, in presence of international law regarding the child labor still there are malpractices by corporations leading to corporate crime with significant impact on the overall business scenario and especially in the chocolate and coca industry (Alois, [2018](#)).

Child Labour as Corporate Crime in Pakistan

The Constitution of Pakistan envisages that no child below fourteen years shall be engaged in any sort of hazardous work or factory under Article 11(3) as a fundamental right. Article 25-A of the Constitution further duty bounds to the state of Pakistan to ensure free compulsory education for children between five to sixteen years of age. Whereas principles of policy ensures that the state is duty bound to protect the child or family, or children to be utilized in any work that does not suit their age under Articles 35 or 37(e) of the Constitution, but Pakistan's child labor force usage is rampant in huge numbers or in millions (Human Rights Commission of Pakistan 2018, 226), although principles of policies are non-binding policy guidelines for the government of Pakistan and it may depend upon the resources of the state.

Apart from other legislations prohibiting child labour in mines, and the merchant shipping industry, the Employment of Children Act, 1991 regulate the conditions under which child employed in work. However, there are loopholes in the laws which do not provide what is the difference between works or labour while having weak implementation mechanism and fewer punishments. In 2016, Punjab introduced anti-bounded child labour, special law, with stringent punishment, but brick-lin industry may not fall under the corporate sector being non-registered under the Companies Act. At the same time, certain social or market based circumstances may further contribute to the worsening of the issue.

The utility of child labour in industries or market may increase when the level of poverty increases in Pakistani society. Poverty is one of the main causes of child labour in Pakistan. The demand of such labour may also increase due to adult wages increase and market demand or supply. In Pakistan, labour intensive industries are more involved in the corporate crime of child labour than any other industries which are skill oriented (Fatima, [2017](#)).

In 1990s and 2000s, in comparison to the world, Pakistan was lagging far behind and the problem of child labour was getting worst in any terms. Child labour in soccer ball industry was overwhelmingly internationally highlighted and exposed by the media before the 1998 foot World Cup was about to took place. The fact that involvement of child labour in the making of footballs spread widely even in school of United States. It was condemned worldwide. It may be easier for multinational companies to fly and to look for other places where no child labour was involved. However, the monopoly of Pakistan in the production of such product forced the giants like Nike or Adidas to counter the issue or in somewhat way make it looked like of doing so. They got certification from various certifying agencies that their product it free from "child labour". With an iota of doubt, under CSR these companies are bound comply their social responsibility and not to commit corporate crimes. However, the primary interest of capital overshadows their duties under CSR. Whenever there is a threat to the former, these corporations invest in publicity drives in order to make their reputation good.

In the view of Jonathan Silver, children are the preferred for labour in comparison to adult labourers in poor countries especially the third world. However, the situation in Pakistan is worst for children as more than any other state, Pakistan utilize the curse of child labour. The main contribution to this is the soccer or carpet industries in Pakistan (Toor, 2001). Such a drastic situation for children must not continue as it is against the fundament human rights provided in the 1973 Constitutions, ILO conventions especially the Convention on the Worst form of Child Labour. It is pertinent to mention Pakistan has ratified it; thus, the Government of Pakistan is under a duty to protect children from child labour in any industries. The government of Pakistan has penalized compulsory labour under Section 374 Pakistan Penal Code, 1860. Meanwhile, Bounded Labour System (Abolition) Act, 1992 was introduced abolishing and penalizing such labour. Later, after 18th amendment, provinces introduced similar enactments between 2012 and 2020.

It was due to international pressure and the government of Pakistan initiatives to protect the children from child labour that by 2003 in Sialkot,

95% of all soccer industry export was child labour free. The major step in elimination of such labor was that the observable production units were established and the units working in home were ended; thus, child labour was not possible within the private spaces due to such ban on home production. Such success may also termed as a win to win situation of corporate social responsibility within the industry, but the credit of this achievement may go to the authorities which worked very hard to curb this menace of human rights abuse or corporate crime. However, it may not be a complete success in achieving zero child involvement by the corporations. Pakistan is a developing country with meager resources to protect its children from any kind of child labour (Khan *et. al.*, 2007). However, it may be due to manipulation or storytelling by the giant multinational corporations to maintain their good will in the market and in the minds of their customers.

It was found that three types of story-telling by the Nike to support its CSR version were presented. First, after controversy of child labour in soccer ball industry, Nike in its written testimony before the US Department of Labor hearings in 1996 submitted that after it had started production of soccer in Sialkot in Fall 1995, it had taken more steps to protect the workers rights especially children as compare to other companies. It asked its main supplier Saga Sports to stringently implement monitor-able production units policy and to end home production to curb child labour and ensure no child was engaged in production of soccer. Secondly, storytelling for CSR by Phil Knight, the founder of Nike stated that the response of Nike began in 1994 to end worst working conditions in production units. Thirdly, in 1996 Donna Gibbs the spokesperson of Nike was confronted with the evidence of children involvement in soccer ball production, she replied that its an ages old practice [and] the process of change is going to take time. Too often, well-intentioned human rights groups can cause dramatic negative effects if they scare companies into stopping production and the kids are thrown out on the street. Three versions of Nike were different; In case more views were observed; more story-telling to CSR may be found. It was well founded that Nike didnt provide any assistance to its supplier Saga Sports in

implementing the labour standards (Boje & Khan, 2007).

While it looks like there is less involvement of children in industry due to international pressure and Pakistan Government initiative, but it cannot be concluded in slip shod manner without proper statistical data or update.

In 1996, National Child Labour Survey was lastly conducted in Pakistan to know about the actual involvement of children in such labour. According to it 3.3 million children were stuck in such labour. Since then no national survey has been conducted to know the ground realities about the child labour, despite child labour may have grown up. This is the main obstacle in protection of rights of children. To an estimate, there might have been addition of 18 or more million additions to child labour in Pakistan (Abro, 2021).

Although these numbers do not suggest about the actual participation of children in industrial labour, a corporate crime, yet these number overall represents the plight of the children engaged in child labour in Pakistan; it demands a national survey to be conducted to check how many children are involved in labour with special focus in corporate sector. Such data would help to curb the menace under hand; as otherwise, it may be easy for the multinational or national giant corporations in Pakistan to manipulate the data through market forces or story telling as to their CSR to show good image in the market and maintain their good will and reputation. Thus, corporate crime of child labour may still remain rampant in Pakistan in violation of international anti-child labour regime i.e., ILO conventions, CRC, UDHR, and ICCPR, Pakistan's national laws curbing child labour and Corporate Social Responsibility of the corporations.

Further, a new development has been ensued by introduction of prohibition on domestic child labour by amendment in Employment Act 1991 in 2020. It prevents all forms of child labour in Islamabad, the Capital and Baluchistan. It was certainly a good initiative by Federal Government which needs to be followed by the provinces (Imran, August 6, 2020). Such amendment may also further hinder the child labour in corporate section of Pakistan as many companies may get their products produced in illegal or unregulated and hidden, home based units.

Recommendations

Keeping in view the above consideration some recommendations are being presented here for the child labor practices taken as the crime in the corporate but not fulfilling the social responsibility towards the society along with making the situation more hazardous by affecting the health and moral values of children by forcefully engaging them in labor practices (ILO. 2016).

- a.** There should be a stringent implementation of 14 years minimum age criteria provided in the Constitution of Pakistan 1973 and ILO Convention of Minimum Age of Children involved in Labour which is also ratified by Pakistan in order to stop children at labour place by ensuring that the recruiters must have to make sure that the candidate is meeting the criteria of the minimum age. However, 14 years criteria itself is contrary to Article 25-A of the Constitution which envisages for compulsory education for children between five to sixteen years. Thus, it is recommended instead of using 14 years criteria, there may be complete ban on child labour under the age of 18 years.
- b.** The next step that is required is to implement existing labour laws prohibiting and penalizing child labour. Meanwhile, there must be stringent prosecution of such cases. Our courts may also act as a flank to the system against the child labour dictating rigorous penalties against the violators.
- c.** Lastly, in 1996 National Child Labour Survey was conducted, since the no such survey has been steered. Thus, The Government of Pakistan should hold National Survey on Child labour to know about the actual number of children involved in child labour with special focus on corporate sector. This may enable us the nature of problem and how to curb it.
- d.** There should be assessment at workplace to ensure that children have been removed from the hazardous work for their safety and health purpose.
- e.** In case of the part-time child work, there should be reduction in the all for the children that are under the minimum age to ensure

that they have free to attend their school regularly. This strategy has been recommended on the basis that in some of the national legislation in some country's children between the age of the 13 and 15 are allowed to be work while in the other countries it is thought to be under age for the minimum requirements said by their legislation so in order to remove this conflict of the minimum age requirement there should be reduction in the hours for children who are working under age.

- f.** In addition to labour laws inspections, Labor inspection by Security and Exchange Commission of Pakistan should be introduced in the corporate sector to eliminate the chances of corporate crime in the form of child labor. This inspection of labor allows all of those labor to be eliminated out of the organization that are working there in hazardous conditions or with below minimum age requirement for the job.

On the basis of the above-described recommendation the child labor being prominent among the corporate crime in the Corporation sector should be lesson and the board of directors shall take notice of all these malpractices effectively.

Conclusion

It can be found that corporate sector needs to be more vigilant in performing its function and taking care of the corporate social responsibility and ILO International Conventions against child labour, UDHR, CRC and other treaties for the effective and smooth functioning of corporations. Corporations that do not follow the international laws or guideline and violate the human rights should be tackled in accordance with the law and it may also expose them to great threat of negative reputation and many alleged claims regarding their misconduct with the society.

The most important of these corporate crimes is the child labor which is even practiced by great corporations i.e., Nestle or Cargil even in USA or around the world. That is why there is need to regulate and closely monitoring the child trafficking activities and labor practices all over the world in corporate sector that may affect the health and well-

being of children by putting them at low compensation labor. Depriving the innocent child from the right to get education and compelling them to work in hazardous condition is against the international law and even there is no country in the world which allows the child labor.

Therefore, there is need to raise the concern regarding the child labor on the international forum to make sure that there would be lesser number of children deprived of education and healthy lifestyle. Even the management of the corporation needs to review their recruiting activities in compliance with the international law and CSR. This would help in reducing the number of illiterate people and also the initiation of programs and campaign by several world renowned corporations for the children to save them from child labor would also help to build a peaceful

and prosperous society with more developmental opportunities.

As far as Pakistan is concerned, child labour is prohibited under Constitution of Pakistan 1973 under its Article 11(3). Such labour is also against the right of education envisaged in Article 25-A of the Constitution. In nexus these fundamental rights, principles of policy requires state of Pakistan to protect child. It means its constitutional obligation of corporations in Pakistan not to violate these provisions. Meanwhile, national legal framework of Pakistan also prohibits child labour. Simultaneously, CSR also requires companies to protect children from child labour. However, actual situation of child labour in corporate sector in Pakistan cannot be determined until national survey is conducted. Thus, such menace may be curbed.

References

- Abro, R. (2021, May 2). Sindh to update its child labour figures. *The Tribune*. <https://tribune.com.pk/story/2297843/sindh-to-update-its-child-labour-figures>
- Alois, P. (2018). Lessons for effective governance: An examination of the Better Work program. *Global Governance*, 139. <https://doi.org/10.1163/19426720-02401009>
- Aronowitz, A. (2019). Regulating business involvement in labor exploitation and human trafficking. *Journal of Labor and Society*, 145-164. <https://doi.org/10.1111/wusa.12372>
- Boje, D. M., & Khan, F. R. (2009). Story-branding by empire entrepreneurs: Nike, child labour, and Pakistan's soccer ball industry. *Journal of Small Business & Entrepreneurship*, 22(1), 9-24. <https://doi.org/10.1080/08276331.2009.10593439>
- Busquet, M. N. (2021). A multidimensional perspective on child labor in the value chain: The case of the cocoa value chain in West Africa. *World Development*, 1056001. <https://doi.org/10.1016/j.worlddev.2021.105601>
- Chan, F. a. (2019). Integrated theories of white-collar and corporate crime. *The Handbook of White-Collar Crime*, 191-207. <https://doi.org/10.1002/9781118775004.ch13>
- Crowther, D. A. (2018). *Redefining corporate social responsibility*. Emerald Group Publishing.
- Dadhich, V. (2022). Child Labour in India and Various Laws. *International Journal of Recent Advances in Multidisciplinary Topics*, 55-56.
- Ferro, V. (2019). Legal aspects of informed consent in clinical research: the case of vaccinations in the international legal framework. *BioLaw Journal-Rivista di BioDiritto*, 139-149. <https://doi.org/10.15168/2284-4503-405>
- Fatima, A. (2017). Child labour in Pakistan: Addressing supply and demand side labour market dynamics. *The Economic and Labour Relations Review*, 28(2), 294-311. <https://doi.org/10.1177/1035304617690332>
- Gottschalk. (2020). Corporate Deviance Accounts. Corporate Responses to Financial Crime, 11-42. <https://doi.org/10.1515/9783110766950-004>
- Halkos, G. E. (2021). Reviewing the status of corporate social responsibility (CSR) legal framework. *Management of Environmental Quality: An International Journal*. 32(4), 700-716. <https://doi.org/10.1108/MEO-04-2021-0073>
- Hatane, S. E. (2019). Does internal corporate governance mechanism control firm risk? Evidence from Indonesia's three high-risk sectors. *Corporate Governance: The International Journal of Business in Society*. 19, (6), 1362-1376. <https://doi.org/10.1108/CG-02-2019-0071>
- Helberger, N. J. (2018). Governing online platforms: From contested to cooperative responsibility. *The information society*, 1-14. <https://doi.org/10.1080/01972243.2017.1391913>
- ILO. (2016). Eliminating and Preventing Child Labour. https://www.ilo.org/wcmsp5/groups/public/dgreports/dcomm/publ/documents/publication/wcms_456960.pdf
- ILO. (2019). ILO Conventions on Child Labour (IPEC). <https://www.ilo.org/ipecc/facts/ILOconventionsonchildlabour/lang-en/index.htm>
- ILO. (2021). Worst forms of Child Labour Convention. https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C182
- Khan, F. R., Munir, K. A., & Willmott, H. (2007). A dark side of institutional entrepreneurship: Soccer balls, child labour and postcolonial impoverishment. *Organization studies*, 28(7), 1055-1077. <https://doi.org/10.1177/0170840607078114>
- Kim, M. (2019). Public Perceptions of Corporate Criminal Sanctions: An Empirical Study of the Reputational Impact of Corporate Criminal Misconduct. *S. Cal. Interdisc*, 457. <https://ssrn.com/abstract=3647531>

- Kramer, R. C. (2002). The origins and development of the concept and theory of state-corporate crime. *Crime & Delinquency*, 263-282. <https://doi.org/10.1177/0011128702048002005>
- Krug, N. J. (1997). Exploiting Child Labor: Corporate Responsibility and the Role of Corporate Codes of Conduct. *NYL Sch. J. Hum. Rts.*, 14, 651.
- Lee, K. A. (2019). How does CSR activity affect sustainable growth and value of corporations? Evidence from Korea. *Sustainability*, 508. <https://doi.org/10.3390/su11020508>
- Michalowski, R. A. (2020). Poisoning for profit: Regulatory rollbacks, public health, and state-facilitated corporate crime. *Journal of White Collar and Corporate Crime*, 113-122. <https://doi.org/10.1177/2631309X20919694>
- Moxley, C. (2020, November 16). Nestle & Cargill v Doe Series. Retrieved from Just Security: <https://www.justsecurity.org/73387/nestle-cargill-v-doe-series-corporate-liability-child-slavery-and-the-chocolate-industry-a-preview-of-the-case/>
- Riondino, M. (2020). The 30th anniversary of the Convention on the Rights of the Child and Child Labour exploitation. *E-Journal of International and Comparative Labour Studies*.
- Sadler, L. L. (2020). The Spoiled Supply Chain of Child Labor. *The Palgrave International Handbook of Human Trafficking*, 371-382. https://doi.org/10.1007/978-3-319-63058-8_28
- Scheffer, D. (2020, December 09). *U.S. Supreme Court Assesses Corporate Complicity in Child Slavery*. <https://www.cfr.org/article/us-supreme-court-assesses-corporate-complicity-child-slavery>
- Simpson, S. (2002). *Corporate crime, law, and social control*. 309-331.
- Toor, S. (2001). Child labor in Pakistan: Coming of age in the new world order. *The Annals of the American Academy of Political and Social Science*, 575(1), 194-224. <https://www.jstor.org/stable/1049188>
- Wijesinghe, P. (2018). Human rights violations by multinational corporations: Nestle as the culprit. Available at SSRN 3136321. <http://dx.doi.org/10.2139/ssrn.3136321>