

# INTERNATIONAL JOURNAL OF LAW MANAGEMENT & HUMANITIES

[ISSN 2581-5369]

---

Volume 6 | Issue 6

---

2023

© 2023 *International Journal of Law Management & Humanities*

Follow this and additional works at: <https://www.ijlmh.com/>

Under the aegis of VidhiAagaz – Inking Your Brain (<https://www.vidhiaagaz.com/>)

---

This article is brought to you for “free” and “open access” by the International Journal of Law Management & Humanities at VidhiAagaz. It has been accepted for inclusion in the International Journal of Law Management & Humanities after due review.

In case of **any suggestions or complaints**, kindly contact [Gyan@vidhiaagaz.com](mailto:Gyan@vidhiaagaz.com).

---

**To submit your Manuscript** for Publication in the **International Journal of Law Management & Humanities**, kindly email your Manuscript to [submission@ijlmh.com](mailto:submission@ijlmh.com).

---

# Economic Exploitation and Social Injustice: Examining Bonded Labour in India

---

HIMAVANTH V.<sup>1</sup> AND MAHARISHI SIVASUBRAMANIAM<sup>2</sup>

## ABSTRACT

*Debt bondage, another name for bond labor, is a socioeconomic practice that has its roots in colonial history, class dynamics, and the enduring poverty of a large portion of the populace. It is distinguished by a long-term, deeply ingrained relationship in India between an employer and employee, which is typically cemented through a loan. This study explores the complex web of social injustice and economic exploitation that characterizes the phenomenon of bonded labor in India. It aims to disentangle the socioeconomic elements that propel people into slavery, the workings of this exploitative system, and the wider ramifications for social justice in the nation. It also looks at how non-governmental organizations, grassroots movements, and government policies can help address and end bonded labor, with the goal of promoting a thorough understanding of the nuances surrounding this widespread problem.*

**Keywords:** Labour, Exploitation, Poverty, Discrimination, Socio-economic conditions, Bonded Labour.

## I. INTRODUCTION

Bonded labour, a practice rooted in historical socio-economic structures, continues to cast a dark shadow over India's social fabric, perpetuating economic exploitation and social injustice. This deeply entrenched system involves individuals being bound to employers through a cycle of debt, effectively entrapping them in a state of virtual slavery. In the context of India, the issue of bonded labour is multifaceted, intersecting with economic vulnerabilities, caste dynamics, and inadequate legal protections.<sup>3</sup>

### (A) Tracing the Roots: Antecedents and Emergence of Bonded Labour

In ancient and medieval times, the way society was set up laid the groundwork for bonded labour. Feudal systems, where powerful landlords ruled, meant that peasants and lower-caste people became economically dependent. This early form of economic control set the stage for the emergence of bonded labour.

---

<sup>1</sup> Author is a student at Sastra University, Thirumalaisamudram, Thanjavur, India.

<sup>2</sup> Author is a student at Sastra University, Thirumalaisamudram, Thanjavur, India.

<sup>3</sup> Bonded labour-Tackling the system of slavery by Siddarth Kara.

Moving forward, during the Mughal period, large construction projects used forced labour. This early use of people as a source of labour hinted at what would later become a bigger problem. But it was during the time of British rule that bonded labour became more structured. The economic policies of the British East India Company increased the gap between the rich and the poor, pushing vulnerable communities deeper into debt and servitude. The zamindari system, set up during British rule, solidified the economic exploitation of peasants, making it easier for bonded labour to take hold. This system, born during colonial times, created a pattern that would continue within India itself.

Even after India gained independence, bonded labour did not disappear. The Green Revolution, meant to modernize agriculture, unintentionally made things worse for vulnerable communities. Rapid industrialization in the later part of the 20th century drew people into informal labour sectors, where exploitation thrived.

Caste dynamics, a system deeply rooted in Indian society, also played a big part in keeping bonded labour alive. Discrimination and social exclusion pushed certain communities to the outskirts of economic opportunities, making them easy targets for exploitation.

The roots of bonded labour are tightly entwined with the economic structures of Indian society. Traditional farming, colonial policies, and the waves of industrialization all contributed to the evolution of bonded labour as a deeply ingrained system of exploitation. Understanding where it all began helps us see why bonded labour continues to be a problem today.

The indentured labour system, a relic of colonial times, is a prime example of how economic needs mixed with exploitative practices. Indian laborers, promised better opportunities, found themselves bound by contracts that often led to terrible working conditions and a form of slavery. Even though this system was officially abolished, its impact shaped the way bonded labour continued in post-independence India.

Post-independence, when India was trying to redefine its economic and social structure, significant changes occurred. The Green Revolution, starting in the 1960s, aimed to make agriculture more productive. However, this shift ended up pushing small-scale farmers and laborers further into debt and vulnerability.

Rapid industrialization, especially in the later part of the 20th century, drew large populations into cities looking for work. The informal labour sector, lacking regulation and job security, became a place where exploitation could easily happen. Workers, often from marginalized communities, found themselves trapped in cycles of debt, unable to escape the control of unscrupulous employers.

Caste dynamics, another key part of Indian society, also contributed to the persistence of bonded labour. The caste system, with its hierarchy and discrimination, pushed certain communities to the fringes of economic opportunities. These marginalized groups, facing limited access to education and employment, became easy targets for exploitation, deepening the cycle of bonded labour.<sup>4</sup>

The 19th and early 20th centuries saw the consolidation of bonded labour as a widespread issue. The indentured labour system, where people were bound to work for a set period, became common.

### **(B) What is Bonded Labour?**

The definition of bonded labor can be found in The Bonded Labour System (Abolition) Act, 1976, which is the precise legislation that forbids the practice of bound labor. It is described as "bonded labor means any labor or service rendered under the bonded labor system" in the Bonded Labour Abolition Act<sup>5</sup>. A service provided under the "bonded labor system" is defined as "bonded labor" by the Act. This is an oral or written agreement between the debtor and the creditor that is made possible by a system of forced or partially forced labor. In accordance with this agreement, the debtor agrees to provide labor for the creditor for a specified or unspecified period of time, either without wages or for inadequate compensation, or forfeit the freedom of employment or forfeit his other basic rights to subsistence, in exchange for a "advance" and its interest obtained by the debtor or by any of his lineal descendants, or in fulfillment of any customary duty or because of his birth in any particular caste or community.

In the case of the People's Union for Democratic Rights and Ors. vs. Union of India<sup>6</sup>, the court went over the definition of "force" and defined it as when an individual performs labor or renders services to another under duress, meaning they are forced to work, even if they are not paid the minimum wage. Anything that deprives a person of his options and compels him to follow a specific path of action might legitimately be classified as "force," and any labor or service that is required to be performed as a result of this "force" would be considered "forced labor." Therefore, where a person provides labour or service to another, for remuneration which is less than the minimum wage, the labour or service provided by him are covered within the sphere of the words "forced labour" under Article 23.

The meaning and scope of "beggar" as defined by the constitution were discussed by the

---

<sup>4</sup> Bonded Histories: Genealogies of Labour Servitude in Colonial India by Gyan Prakash.

<sup>5</sup> The Bonded Labour System (Abolition) Act, 1976, Section 2(e).

<sup>6</sup> People's Union for Democratic Rights and Ors. vs. Union of India (UOI) and Ors : MANU/SC/0038/1982.

Supreme Court in the State of Gujarat and Ors. vs. Hon'ble High Court of Gujarat<sup>7</sup>. The court held that the term "forced labor" seems to be collected with the word "begar," which was of Indian origin and eventually entered the English vocabulary. The word "begar" is understood to be the labor or service that a person is compelled to provide without receiving any compensation in return. This interpretation was also upheld by the Supreme Court in People's Union for Democratic Rights v. Union of India.<sup>8</sup>

Further, Indian courts have ruled that no one can be forced against his will to perform labor or provide services, even if the obligation arises from a contract that the party being forced to perform the work or service voluntarily entered into. The same justification applies: it violates the fundamental human right to dignity. In an independent democratic India that upholds the worth and dignity of every human being, servility and forced labor are unacceptable.<sup>9</sup>

## **II. ACTIVE SAFEGUARDS AVAILABLE FOR BONDED LABOR**

The Bonded Labour System (Abolition) Act 1976 provided various protections against bonded labour. A few of them are listed below:

- Under Section 4 of the act, the prime remedy that was granted to the bonded labourers with the commencement of the act was that the bonded labour stand freed from any kind of obligation to provide bonded labour.
- Under Section 5 of the act, any contract/tradition whereby bonded labour existed was declared void and inoperative.
- Under Section 6 of the Act, every burden of a bonded labourer to pay any bonded debt, or any part thereof shall be deemed to have been abolished.
- Prohibition was cast on filing any suit before any civil court for recovery of bonded debt.
- Under Section 7 of the act, any property which is under mortgage in connection with bonded debt shall be stood discharged on commencement of the act.
- Any person arrested in civil prison in pursuance of the bonded debt shall be released as per the provisions of the act.
- Under Section 8 of the act, a bonded labour who has been freed shall not be evicted from the homestead.

---

<sup>7</sup> State of Gujarat and Ors. vs. Hon'ble High Court of Gujarat : MANU/SC/0632/1998.

<sup>8</sup> *Supra* note 3.

<sup>9</sup> Managing Committee Ma Anandamayee Vidyapeeth vs. The State of Tripura : MANU/TR/0362/2014.

### III. SAFEGUARDS AVAILABLE FOR BONDED LABOR UNDER THE CONSTITUTION

The Indian Constitution stipulates that labor must be treated as a respectable citizen, an ethical person, and a human being with dignity. As a result, it gravely represents a character of rights for the average man, especially for Indian workers who have long suffered from social and financial injustice. It placed an obligation on the nation to develop new avenues for a social-economic relationship with labor. The fact that no society can survive in its entirety if a small number of its members are forced into labor was known to the framers of the constitution. In light of this, they have devoted a great deal of time and effort to protecting workers' rights against exploitation and their freedom to a decent standard of living.

#### \*Article 14

Equality before the law is defined as "Equal pay for equal work" in labor laws. Though there are some limitations to the law, such as physical aptitude, both skilled and unskilled laborers will be paid according to their merit. The type of work performed determines the pay disparity<sup>10</sup>. The Supreme Court stated in the *Randhir Singh v. Union of India*<sup>11</sup> case that the fundamental right to "equal pay for equal work" is not expressly guaranteed by our Constitution. However, it is undeniably a constitutional goal that will be fulfilled in accordance with Articles 14, 16, and 39(c) of the Indian Constitution.

#### \*Article 19 (1) (c)

The right to organize into unions or associations is granted by the article. This Article serves as the mechanism for the Trade Union Act of 1926. It permits laborers to organize into unions. Trade unions give their members the strength to resist injustice and brutality directed towards them.

In the cases of *O. K. Ghosh and Others vs. E. X. Joseph*<sup>12</sup> and *Damyanti Naranga vs. The Union of India*<sup>13</sup>. The Supreme Court ruled that Article 19(1)(c) is not limited to the creation of unions or associations and that the right can only be effective if it is determined to consist within. It also includes the freedom to keep the association in the form that the members of the Union voluntarily chose.

---

<sup>10</sup> Federation of All India Customs and Central Excise Stenographers (Recognised) and Ors. vs. Union of India (UOI) and Ors : MANU/SC/0155/.

<sup>11</sup> *Randhir Singh vs. Union of India (UOI) and Ors.* : MANU/SC/0234/1982.

<sup>12</sup> *O.K. Ghosh & another Vs. E.X. Joseph* :MANU/SC/0362/1962.

<sup>13</sup> *Damyanti Naranga and Ors. vs. Union of India (UOI) and Ors.* : MANU/SC/0726/1971.

### \*Article 21

The right to life guaranteed by Article 21 has a broad and unrestricted scope. Living is more than just existing as an animal. It has far deeper meaning than merely ensuring one's physical survival<sup>14</sup>. In the case of Maneka Gandhi<sup>15</sup>, The Supreme Court established a new interpretation of Article 21 by ruling that the right to "live" encompasses not only the right to exist physically but also the right to live with human dignity. In *State of Maharashtra v. Chandrabhan*<sup>16</sup>, the Court invalidated and ruled that a section of the Bombay Civil Service Rules, 1959 violated Article 21 of the Constitution. This section allowed for the payment of a suspended government servant only a nominal monthly subsistence allowance of one rupee upon his conviction during the pendency of his appeal .

### \*Article 23

Since "bonded labor" falls under the definition of forced labor in Article 23, it is forbidden. Widely ranging, Article 23 prohibits "traffic in human beings" and "beggar and other forms of forced labour" wherever they may be found. The term "beggar" does not encompass all forms of forced labor, including those that are not, as Article 23 forbids forced labor regardless of compensation.<sup>17</sup> As a result, the Bonded Labour (Abolition) Act, 1976, which outlaws all forms of bonded labor and declares the practice illegal, makes bonded labor a crime today.

### \*Article 39 (a)

The State will make sure that its policies are focused on giving all of its citizens, men and women equally, a sufficient means of subsistence. This implies that all national citizens are entitled to work for a living without facing sex-based discrimination. The Supreme Court ruled in *Randhir Singh v. Union of India & Ors.*<sup>18</sup> that the fundamental right to "equal pay for equal work" is not expressly stated in our Constitution. However, it is definitely a constitutional objective.

### \*Article 43

Talks about the "living wage" for its citizens. Living wage not only includes the "bare necessities of life" but also the social and cultural upliftment of the person. The state is required to enact laws based on the DPSP, which are guidelines for the union and state government agencies in India. These guidelines are essential to the nation's governance. They offer the way

---

<sup>14</sup> Francis Coralie Mullin vs. Administrator, Union Territory of Delhi and Ors. : MANU/SC/0517/1981.

<sup>15</sup> Maneka Gandhi vs. Union of India (UOI) and Ors. : MANU/SC/0133/1978.

<sup>16</sup> State of Maharashtra vs. Chandrabhan Tale : MANU/SC/0396/1983.

<sup>17</sup> The Bonded Labour System (Abolition) Act, 1976, Section 2(e)

<sup>18</sup> Supra note 8

for the country's citizens to realize the lofty goals proclaimed in the constitution's preamble: liberty, equality, and the respect for each person's inherent dignity as well as social, economic, and political justice. In carrying out its duties under Articles 39, 41, 42, and 43, the State is required to provide protection to these vulnerable, impoverished, and needy laborers who are unable to bargain on an equal footing and who may consent to any terms in order to avoid starvation and destitution.<sup>19</sup>

Under the Sustainable Development Goal of eradicating forced labor, human trafficking, and child labor, India is required to abolish slavery by 2030. In order to achieve decent work for all, full and productive employment, and inclusive and sustained economic growth, Target (8.7) calls on all alliance members—including India—to take immediate and effective action to end forced labor, modern slavery, and human trafficking. It also secures the prohibition and elimination of all forms of child labor. India must act immediately to end forced labor, human trafficking, and modern slavery. It must also make sure that the worst types of child labor—such as the enlistment and use of minors as soldiers—are prohibited and abolished, and that child labor in all its forms is eradicated by 2025.<sup>20</sup>

#### **IV. DRAWING THE CURTAIN: WRAPPING UP THE NARRATIVE**

Bonded labor in India is a harrowing manifestation of economic exploitation and social injustice that continues to persist, despite efforts to eradicate it. This deeply entrenched system reflects the complex interplay of historical, economic, and social factors that have perpetuated the cycle of exploitation for generations. In examining bonded labor in India, it is evident that addressing this issue requires a multi-faceted approach that encompasses legal reforms, economic empowerment, and social awareness. At its core, bonded labor is a result of economic vulnerabilities that push individuals and families into a vicious cycle of debt bondage. Poverty, lack of education, and limited access to economic opportunities create a fertile ground for exploitation. The prevailing socio-economic disparities in India contribute to the perpetuation of bonded labor, as marginalized communities find themselves at the mercy of unscrupulous employers who take advantage of their desperate circumstances.

Legal frameworks aimed at abolishing bonded labor exist, but their effectiveness is hampered by implementation challenges and gaps in enforcement. Strengthening and rigorously enforcing existing labor laws is imperative to break the chains of exploitation. Additionally, there is a need for more stringent penalties for those engaging in bonded labor practices, coupled with a

---

<sup>19</sup> Mukesh Advani vs. State of M.P. (02.05.1985 - SC) : MANU/SC/0224/1985.

<sup>20</sup> SDG Alliance 8.7, International Labour Organization



robust monitoring mechanism to ensure compliance. The government must collaborate with non-governmental organizations (NGOs) and civil society to create a comprehensive strategy that addresses the root causes and consequences of bonded labor. Economic empowerment plays a pivotal role in dismantling the structures that enable bonded labor. Initiatives that provide skill development, vocational training, and access to credit can empower individuals to break free from the cycle of debt. By creating avenues for sustainable livelihoods, marginalized communities can assert their economic independence, reducing their vulnerability to exploitation. Moreover, fostering entrepreneurship within these communities can lead to collective empowerment, challenging the existing power dynamics that perpetuate bonded labor.

Social awareness is a critical component of any strategy aimed at eradicating bonded labor. Changing societal attitudes towards laborers and fostering empathy is essential to dismantling the ingrained prejudices that sustain this exploitative system. Educational programs that highlight the human rights violations associated with bonded labor, coupled with media campaigns, can raise public awareness and garner support for anti-bonded labor initiatives. It is crucial to build a societal consensus that rejects any form of exploitation and demands ethical labor practices.

In conclusion, bonded labor in India is a deeply entrenched issue that demands urgent attention and concerted efforts from all stakeholders. The eradication of this system requires a comprehensive approach that addresses the economic, legal, and social dimensions of the problem. By strengthening legal frameworks, promoting economic empowerment, and fostering social awareness, India can pave the way towards a society where the dignity and rights of every individual are upheld. Breaking the chains of bonded labor is not only a moral imperative but also a crucial step towards building a more just and equitable society for all.

\*\*\*\*\*