Opinion

**ALWAYS COCA-COLA: WHY ENVIRONMENTAL EXPLOITATION SHOULD BE INCLUDED IN THE LEGAL CONSTRUCTION OF INTERNATIONAL CRIMES**

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**Introduction**

When thinking of Coca-Cola, the first thing that comes to the mind of many are the heart-warming commercials wherein people are ushering in the friendliest manner how Coca-Cola wants to ‘buy the world a home and furnish it with love’.\(^1\) However, according to corporate statistics,\(^2\) Coca-Cola has rather succeeded at ‘buying a home’ for itself in every corner of the globe. By entering into countries with underdeveloped market economies, it has also furnished a great part of the world with environmental degradation, rather than love.\(^3\) Before assessing further the allegations made against Coca-Cola, a brief overview of their statistics and history is provided.

The manufacturer of non-alcoholic beverages, Coca-Cola, was founded in the United States in 1886 by Dr. John Stith Pemberton in Georgia, Atlanta.\(^4\) Carbonated water

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1 See I’d like to teach the world to sing. Retrieved from: https://www.youtube.com/watch?v=ib-Qyklq-Q


was teamed with syrup to produce the unique taste of today’s well-known Coca-Cola. The corporate headquarter is located in Atlanta, USA. The company operates in more than 200 countries with over 300 bottling partners worldwide. Their revenues in 2014 amounted to $46 billion worldwide and as of 2016, the Atlanta beverage giant employs approximately 100,3 thousand associates worldwide.

Allegations against Coca-Cola began in India in 2003. The NGO Center for Science and Environment (CSE) accused the corporation of creating beverages containing unacceptable levels of pesticide residue. Furthermore, accusations followed by the communities hosting Coca-Cola’s bottling plants, concerning the corporation’s excessive depletion of groundwater which resulted in severe water shortages. In 2005, protesters, affected by the water shortages, marched to the Coca-Cola factory gates in Plachimade, demanding justice from the manufacturers. These accusations led to the refusal to renew Coca-Cola’s license in Perumatty Panchayat by the village council. The Panchayat council passed its Resolution on December 5, 2004, in which it stated:

“The Panchayat is satisfied that the Hindustan Coca-Cola Beverages Pvt. Ltd. at Plachimada is doing excessive exploitation of water and as a result, the water sources in the wells and ponds in the nearby places have dried up, resulting in deterioration of quality of the limited war available, causing health/environmental problems and acute drinking water scarcity. This has given rise to serious concern among the public. The problem of drinking water scarcity and health/environmental problems are continuing as a reality...”

As a counter reaction, the appellate bench of the Kerala High Court ruled against the appeal of the Panchayat Council by arguing that there was no sufficient evidence that the excessive depletion of the water shortage was caused by the multinational. Also, the findings of the Indian NGO CSE, which accused the multinational of unacceptable levels of pesticide residues in their bottled drinks were rejected by the

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5 Ibid.
7 Ibid.
9 Ibid.
10 Ibid
11 Ibid.
12 Panchayat is a system of local governance, which often settles disputes between individuals and groups.
13 See Panchayat Second Resolution on December 5, 2004.
15 Ibid.
The appellate bench of the Kerala High Court noted the following in the case against Coca-Cola:

‘We cannot endorse the findings that the company has no legal right to extract this ‘wealth’. If such restriction is to apply to a legal person, it may have to apply to a natural person as well. Abstract principles cannot be the basis for the Court to deny basic rights unless they are curbed by valid legislation.... The Panchayat had no ownership about such private water source, in effect denying the proprietary rights of the occupier and the proposition of law laid down by the leaned Judge is too wide, for unqualified acceptance.’

The contradicting verdicts indicate that India’s state government has been facing a clash of interest between water privatisation and fundamental human rights to natural resources. The law in India dictates that access and use of groundwater is a right of the landowner; it does not restrict how much water a landowner can pump. In general, water law in India differs per state, whereby not every state has adopted strict groundwater acts. However, this article argues that due to the open access to groundwater, the huge investment of Coca-Cola in India has contributed to severe water shortages and an increase in toxic chemicals and water waste output. Furthermore, Coca-Cola did not abide by the laws and conditions on the basis of which the license to use groundwater was issued. More precisely, Coca-Cola did not comply with the request to obtain a final financial fitness certificate which stipulates the conditions to be obeyed by companies (e.g. protection of public health needs, observation of factory laws) before drawing groundwater for commercial use. Therefore, this current article is under the assumption that the appellate bench of the Kerala High Court overlooked the human rights violation caused by the water shortages and was more preoccupied with looking into the strict interpretation of property rights given to Coca-Cola.

This article presumes that water is the most fundamental tool to human survival, and that therefore this debate should go beyond property rights. Article 21 of the Constitution of India reads: ‘No person shall be deprived of his life or personal liberty except according to a procedure established by law.’ In this case, the state has the responsibility to protect its natural resources, which supersedes private ownership interest. This is in line with the Panchayat council ruling, in which it stated: ‘the
government had a duty to protect against excessive groundwater exploitation and the inaction of the state in this regard was tantamount to infringement of the right to life of the people guaranteed under Article 21 of the Constitution of India.  

Furthermore, following the principle of Public Trust Doctrine, the State should protect common natural resources including rivers, the seashore, and the air, regardless of corporate ownership: ‘under Roman law the air, running water, the sea, and consequently the sea shore’ were the property of no man but rather were common to all. This doctrine can be put into use to protect the public from environmental impact operations led by Coca-Cola. The *M.C. Mehta v. Kamal Nath Case* (1997) is an example of how the doctrine of public trust superseded private ownership. In this case, forest planting for commercial purposes was given to a private company but due to the fragile state of the land, the court decided that this property should not have been permitted for commercial use. The court ruled that the state is the trustee of all the natural resources and therefore has a legal duty to protect it against degradation.

Moreover, it is argued that this current case should be ruled on the premise of the right to life, which is intrinsically compound of the basic right to water. Therefore, it is an obligation of the international community as a whole to protect and safeguard it against depletion and degradation. In the words of Richard Jolly of the United Nations Development Programme:

“To emphasize the human right of access to drinking water does more than to emphasize its importance. It grounds the priority on the bedrock of social and economic rights, it emphasizes the obligations of states parties to ensure access, and it identifies the obligations of states parties to provide support internationally as well as nationally.”

Without claiming to prescribe the only right verdict to the allegations against Coca-Cola. This article seeks to clearly and carefully explore if in the case of India, the contribution of a human right to water could help achieve holding Coca-Cola liable for committing international crimes. The aim of this article is to provide a platform for scholars to critically debate if the legal construction of international crime should also include a broader inclusive picture of human suffering caused by environmental damage. This article thus addresses the question:

To what extent can Coca-Cola be held accountable for committing crimes against humanity if their use of water intervenes with international human rights?

I. The Right to Water

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22 The Panchayat Second Resolution on December 5, 2004.
24 Ibid.
The international community has failed to create international provisions that would directly protect water from degradation and ensure it is a natural right. Nonetheless, despite the findings that to date only two human rights treaties\textsuperscript{26} have explicitly included the right to water in their agreement, it is worth noting that the right to water as a human right has been implicitly referred to in many international conventions and declarations.\textsuperscript{27} To provide an example, the United Nations Declaration on the Right to Development stipulates under Article 8(1):

\begin{quote}
‘States should undertake, at the national level, all necessary measures for the realization of the right to development and shall ensure, inter alia, equality of opportunity for all in their access to basic resources, education, health services, food, housing, employment and the fair distribution of income…’ \textsuperscript{28}
\end{quote}

Furthermore, Principle 2 of the Stockholm Declaration ensures that:

\begin{quote}
‘The protection and improvement of the human environment is a major issue which affects the well-being of peoples and economic development throughout the world; it is the urgent desire of the peoples of the whole world and the duty of all Governments.’ \textsuperscript{29}
\end{quote}

In interpreting these articles, this study is under the assumption that the right to water is essential for the realisation of the right to human development and improvement, and therefore indispensable as a human right. In the case of India, research has found that the excessive exploitation of groundwater by the Coca-Cola bottling plant operations has been a major contributor to water scarcity in many regions of India.\textsuperscript{30} According to the India Resource Centre (IRC), the allegations against the company are divided into three distinct categories:\textsuperscript{31}

\begin{quote}
1. Water shortages: Coca-Cola was granted a license by the Southern Indian State of Kerala\textsuperscript{32} to set up its bottling plants. Within two years of settlement communities nearby the bottling plants were claiming to experience severe water shortages due to the bottling plants of Coca-Cola,
\end{quote}

\textsuperscript{26} The Convention on the Elimination of all Forms of Discrimination against Women and the Convention on the Right of the Child both explicitly include the right to water
\textsuperscript{28}1986 the United Nations Declaration on the Right to Development (1986).
\textsuperscript{29}1972 the Declaration of the United Nations Conference on the Human Environment (Principle 2).
\textsuperscript{31} Ibid.
which were extracting excessive groundwater of approximately 500,000L per day. This accusation has been confirmed by several studies.

2. Pollution: due to Coca-Cola discharging its waste into rivers, public health authorities have declared that the groundwater and soil have been polluted in such that the water is not any longer usable for consumption.

3. Products contain pesticides: the NGO Center for Science and Environment accused the beverage drinks of Coca-Cola with containing unacceptable levels of pesticide residues.

As a counter reaction, Coca-Cola issued a lengthy statement addressing the aforementioned allegations. First, they claimed that drought conditions and depleted water were caused by a severe decrease in annual rainfall in India. Furthermore, it stated that studies support the company’s finding by claiming that there is no scientific evidence to suggest overexploitation in Coca-Cola’s bottling plants area. Lastly, Coca-Cola noted that they had complied with all the necessary state laws and regulations since the bottling plants had been built, and that it is consistent with Corporate Social Responsibility and water stewardship policies.

In an effort to combat this, Karnani’s research emphasised that empirical data did not support the explanation of drop in annual rainfall as a cause of the water crisis. The problem is not per se the decline of annual rainfall but the high variance in annual rainfall; Coca-Cola’s negative impact is due to the fact that water is mainly extracted during the summer period which coincides with the acute water period. Furthermore, the question arises as to how Coca-Cola claims to conduct its operations in line with CSR policies when they have located their bottling plants in water-stressed regions. In

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33 Idem, p. 653.
34 See S. Ghosray (2008); the community assigned by the High Court of India to research the allegations recommended that Coca-Cola should be held liable.
36 Ibid.
37 In October 2002, Dr. R. N. Athvale, emeritus scientist at the National Geophysical Research Institute in Hyderabad, India, stated in his report ‘There is no field evidence of overexploitation of the groundwater reserves in the plant area’. A report from the local Palakkad District Environmental Protection Council and Guidance Society in June 2002 concluded ‘We declare that there is no environment harassment to the public by the factory at any level’.
40 Ibid.
41 Ibid.
the words of Karnani, ‘a socially responsible company would not have located a water intensive plant in that area, and the current proclamations about water stewardship are just a public relations strategy in response to social activism—so called greenwash.’

The second point of water pollution was addressed by Coca-Cola by stating that the technology they used for their water treatment plants is equivalent to the most sophisticated machinery, and that they monitor the quality of the water constantly to prevent water waste.

As a counter argument, research indicated that water near India’s industrialised areas is visibly polluted, which can be seen by the colour and odour of the rivers. More importantly, some doubt was cast upon Coca-Cola rainwater harvesting technology due to field research conducted in areas where these types of machinery are located. Research found a ‘rain water harvesting structure on the roof of a school, and all the pipes were broken making it impossible to collect any rainwater.’ Lastly, Coca-Cola’s claim that they monitor the quality of the water is also found to be flawed. The rain harvesting water technologies do not use measurement of water that is replenished.

When asked for the reports relating to the constant measurement of the water, Coca-Cola again refused to make them externally available.

The third claim concerned allegations that Coca-Cola’s products contained high level of pesticides. The assessment conducted by the CSE found high levels of 4 types of toxic pesticides in Coca-Cola’s soft drinks (i.e. Lindane, DDT and its metabolites, Malathion and Chlorpyrifos), which can cause cancer (especially breast cancer), altered sexual development, muscle weakness, multiple forms of damage to the nervous system and birth defects. The NGO further stated that ‘the operation of the Coca Cola Plant in Plachimada has led to various environmental problems: pollution of water, ground water depletion, reduced crop yields and skin disorders and other physical ailments among the inhabitants.’ This allegation was denied by the company by stating that because their products were produced in different regions, with different water quality, it was not possible to state the precise amount of pesticide contained in the soda bottles. Furthermore, Coca-Cola argued that the CSE’s regulatory system does not

42 Idem, p. 21.
45 A. Karnani 2013, p. 25.
46 Ibid.
47 Ibid.
49 Idem, p.74
50 Burnett & Welford 2007.
meet the criteria of having solid laboratory facilities that can test and monitor environmental corruption.\textsuperscript{51} To combat this, the Indian Ministry for Health and Family Welfare ordered independent testing of more samples of the soft drinks by two reputed Government laboratories, which also found the presence of pesticides in the tested samples.\textsuperscript{52}

Despite the severe accusation against Coca-Cola, in an appeal lodged by the corporation, the divisional bench of the High Court reversed the ruling of the Panchayat council by stating that until a full scientific assessment had been made of the facts, the Panchayat council cannot withdraw Coca-Cola’s license to operate. However, the community assigned to research the allegations concluded that Coca-Cola should be held liable. The community demanded USD 48 million as compensation for the damages it caused in Plachimada.\textsuperscript{53}

This article argues that the aforementioned research findings indicate that Coca-Cola did, at a minimum, violate international human rights by contributing to the water shortages and an increase in toxic chemicals and water waste output in India. However, the question arises: to what extent Coca-Cola’s activities can be accounted as crimes against humanity?

The Rome Statute stipulates crimes against humanity to be an act committed ‘as part of a widespread or systematic attack directed against any civilian population, with knowledge of the attack.’\textsuperscript{54} Whereby the definition of attack is stipulated as ‘directed against any civilian population, pursuant to or in furtherance of a State or organizational policy to commit such attack.’\textsuperscript{55} Therefore, holding Coca-Cola responsible for possible involvement in international crimes involves answering some complicated questions. It must be determined whether the violations that were committed by Coca-Cola were severe and systemic, such that they qualify as international crimes.\textsuperscript{56} Moreover, a causal link between Coca-Cola’s operations and crimes against humanity should be identified in order to hold the corporation accountable for international crimes.

Under the strict interpretation of the aforementioned criteria, Coca-Cola cannot be held responsible for the allegations made against them. First, there is no indication to perceive Coca-Cola’s activities as part of a state or organisational policy to target intentionally the civilian population. Second, there is no causal link between Coca-Cola’s activities and environmental harm because it is difficult to attribute water

\textsuperscript{51} See T. Rajaram & A. Das. 2008.
\textsuperscript{52} L. Sabha 4 February 2004.
\textsuperscript{53} Ibid.
\textsuperscript{55} Ibid.
shortages in a region to the water consumption of a specific enterprise.\textsuperscript{57} Multiple criteria must be met in order to determine Coca-Cola’s impact on the water shortage in India. For example, characteristics of India’s regional climate, the type of soil, density of population in each region, source of water that is used, extent of consumption and general availability of water, other enterprises using the same watershed, and the regional and seasonal characteristics of water consumption.\textsuperscript{58} Lastly, and most importantly, Article 7 of the Rome Statute does not explicitly mention environmental harm as a characteristic of a crime against humanity.

However, the quest for justice for human suffering caused by environmental damage does not stop here. As mentioned before, the aim of this article is to provide a platform to critically debate if the legal construction of international crimes should also include a broader, more inclusive picture of human suffering caused by environmental damage. Therefore, it is worth noting that to date there is a lack of conceptual consensus on what the characteristics of crimes against humanity should contain. Especially, the contextual meaning of an attack by “a State or organizational policy” in Article 7(2)(a) remains disputed by commentators.\textsuperscript{59} The reason for this disagreement is that no single treaty addresses crimes against humanity, which stands in sharp contrast to other forms of international crimes (e.g. crime of genocide and war crimes which are codified in the 1948 Genocide Convention and 1949 Geneva Conventions).\textsuperscript{60} Furthermore, due to a lack of normative and doctrinal conceptualisation of crimes against humanity ‘the context required to qualify an inhumane act as crimes against humanity is subject to considerable controversy.’\textsuperscript{61} As a result of this controversy it is unclear what the features of a crime against humanity should contain in order for the commission of environmental harm to fit into the category.

Thus, the legal concept of crimes against humanity holds certain limitations in contemplating the range of human suffering. However, this article argues that a lack of conceptual consensus on the description of crimes against humanity has several merits for international relations. Fischhendler’s research already indicated that the use of vague language in treaties gives room for flexibility in international relations, by allowing states to change their perspectives regarding treaty violations.\textsuperscript{62} Therefore, the lack of conceptual consensus on the definition of crimes against humanity allows states

\textsuperscript{58} Ibid.
\textsuperscript{60} Ibid.
\textsuperscript{62} R. Haveman & A. Smeulers. \textit{Criminology in a state of denial-towards a criminology of international crimes: Supranational criminology}. Antwerpen: Intersentia. 2008, pp. 3-26
to interpret their scope without necessarily violating treaty obligations. This article holds the belief that states and the international community are able to adapt and respond to new forms of criminality due to the loose interpretation of Article 7 of the Rome Statute. To provide an example, on 16 September 2016 the International Criminal Court announced that it would give more attention to pursuing crimes involving environmental destruction. In line with ICC’s announcement, this article argues that due to globalisation and therefore the increasing connectedness between states and corporations, new forms of criminality are emerging (e.g. the contamination of air, soil, and water). Therefore, security threats like environmental degradation should be perceived with the same critical lens as traditional security threats are being perceived. Furthermore, it is argued by researchers like Smeulers and Haverman that the notion of ‘social harm’ should be used as an alternative to the notion of international crime. This would allow for a ‘broadening of the criminological gaze to include considerations of human activities that cause serious damage to human and social life, but which may fall outside the narrow confines of ‘criminal justice.’

To this end, this article is under the presumption that aforementioned findings indicated that Coca-Cola’s activities caused damage to the sustainability of human life in India. Since human life without a minimum requirement of water would eventually lead to a shortage of every other aspect of human survival. Due to the broad interpretation of Article 7 of the Rome Statute, linking the notion of corporate crime to the preservation of the environment ensures that companies like Coca-Cola will not over-utilise natural resources for their economic corporate benefits.

Conclusion

This article recognises that despite the fact that the ICC has emphasised the importance of environmental violations, India has not ratified the Rome Statute, which makes it difficult to charge Coca-Cola for crimes against humanity. However, during the course of writing this article, a Court in India ordered that India’s rivers should be granted the status of legal person entities. Accordingly, this means that future degradation to rivers in India caused by any corporation is legally equivalent to harming a real person. This shows that India can still hold Coca-Cola accountable for environmental violations on the national level.

64 See ‘Environmental destruction is now a crime against humanity,’ Lifegate - 03 October 2016.
65 R. Haveman & A. Smeulers, Criminology in a state of denial-towards a criminology of international crimes: Supranational criminology. Antwerpen: Intersentia. 2008, pp. 3-26
This article demonstrates that developing economies like India have framed their water quality policies in such a way that is shown to be ineffective. Therefore, regional communities should combine forces to work together in a national institution where water quality will be monitored and safeguarded against pollution and excessive use. By framing legislation in a coherent manner with acceptable standards for limiting water degradation and preserving a good quality of ground water around the country, industries can no longer take advantage of the situation. An increase in India's number of monitoring stations, coupled with a collective strategy throughout the country, should prevent any further environmental harm by industrial corporations like Coca-Cola.