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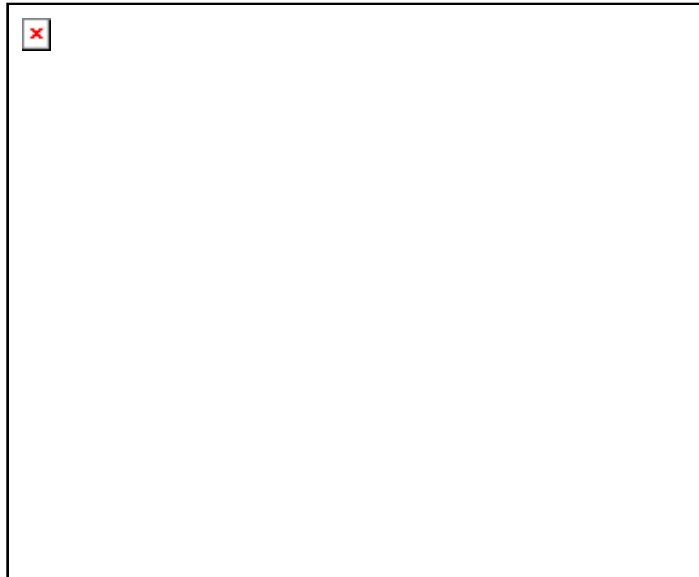
COVER STORY

THE ADOPTION MARKET

ASHA KRISHNAKUMAR

A Frontline investigation lays bare a multi-billion-dollar, countrywide racket in inter-country adoption of children, run by private adoption agencies that exploit the loopholes in the rules.

P. GOUTHAM



A new-born female child, which was sold by her mother in Salem, in the arms of her sisters after she was restored to the family by the district administration in 2002.

THE arrest in Chennai on May 3, 2005, of five kidnapers, who have sold over 350 children to an adoption agency in the city over many years; the inquiry ordered by the Delhi government into the process of inter-country adoptions in 10 agencies in the Capital; and the recent moves in Andhra Pradesh to book Shalini Misra, a former Director of the Women Development and Child Welfare Department, who had cracked the adoption racket in the State in 1999, under the SC/ST Atrocities Prevention Act, have blown the lid off a massive adoption racket in the country. Trade in inter-country adoptions, in particular, appears to be a "roaring business" for some unscrupulous agencies.

In 1999, the country was shocked by the revelation of an inter-country adoption racket in Andhra Pradesh when S. Peter Subbiah of Good Samaritan Evangelical Social Welfare Association was found buying and selling babies. Around the same time, similar stories emerged from Tamil Nadu's Salem district, from where the police arrested five persons on complaints of stealing four babies from the government hospital. The babies were found in an adoption agency in Chennai. The commodification of children should have ended with such revelations. But it has not.

Frontline investigation and the documents obtained in the process show that such revelations are only the tip of the iceberg. With some exceptions, inter-country adoption is a can of worms. Some unscrupulous agencies have made India an international baby shopping centre.

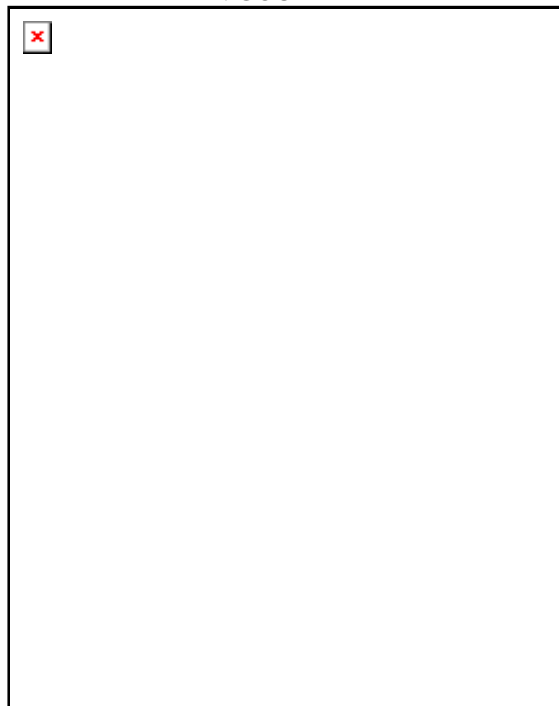
Papers are forged and guidelines violated as babies are matched rapidly with foreign parents. Touts of private adoption agencies hunt for vulnerable families. Often, the mother has little negotiating power. For as little as Rs.150-500, a new-born is handed over to touts who are paid about Rs.6,000 a baby by the agencies. Mothers who go to reclaim their babies are turned away. Some agencies look the other way from the trafficking, stealing, and buying of babies.

Children are sold abroad by providing false information about them, falsifying documents, and making use of loopholes in the adoption guidelines prescribed by the Supreme Court. Some agencies also make bargain offers to adoptive parents for the wholesale purchase of babies; while some others seem to blackmail those who refuse to increase the purchase price of babies. Western placement agencies collect payment far in excess of the actual adoption costs, routing a portion of this to the Indian adoption agency.

While only an estimated 15-20 per cent of adoption agencies seem to indulge in the racket, the gravity of the situation must not be underestimated. There is an urgent need to restructure and reform the system of adoption in India.

Inter-country adoption (ICA), which began primarily as an ad hoc humanitarian response to children orphaned by the Second World War, who could not find a family to care for them in their own country, is now a complex social phenomena that has lent itself to serious abuse. It is substantially commercialised. Several intermediaries have turned it into a profitable business indulging in fraud and illegal and unethical practices. In such cases, the total disregard for the children being adopted turns them to mere commodities.

P. GOUTHAM



A baby at the Tamil Nadu government's cradle baby centre in Salem.

Globally, over the past three decades, 2,65,677 babies, most of them from 10 countries - China, Russia, India, Ukraine, Vietnam, Romania, S. Korea, Cambodia, Gautemala and Kazakhstan - have been placed in ICA. These adoptions have risen from about 9,000 in 1992

to over 20,000 in 2002. Among the sending countries, India holds a prominent position. The United States ranks first among the receiving nations, accounting for over half of all ICAs worldwide. ICAs from developing countries happen primarily with the demand for children increasing in developed countries and the supply rising commensurately from the developing countries.

The demand for children increases in developed countries owing to fertility declines, the greater availability of contraceptive aids, the legalisation of abortion, higher participation of women in the workforce, the rise in the age of marriage, the postponement of childbirth and state support for single mothers. The supply rises in the developing countries owing to an increasing number of orphaned and abandoned children because of poor and worsening socio-economic conditions. According to Hyderabad-based Gita Ramaswamy, who has done extensive research on adoptions in India, the process now represents in many ways the convergence of demand and supply. "To cut the going global rate of \$22,000-\$25,000 per child, international adopters come to India to shop for babies, available at a fourth of this price," she says.

As many as 255 foreign adoption agencies (of which 131 are government bodies) and 74 Indian placement agencies are recognised by the Government of India for ICA. There is no legislation that covers inter-country adoption. There are only rules laid down by the Supreme Court in a series of judgments, most notably the 1984 case of *Laxmikant Pandey v. Union of India*. The Central Adoption Resource Agency (CARA), set up by the government in the wake of this judgment, implements and monitors ICA; it is also the nodal agency in respect of adoption in India. According to the Supreme Court judgment, CARA is expected to act as a "clearing house of information" related to children available for ICA.

Voluntary Coordinating Agencies (VCAs) in the States are supposed to ensure that children are first offered for Indian adoption (in line with the Supreme Court guidelines) and if this fails to happen within a stipulated timeframe, clear the children to CARA for inter-country adoption. No agency in India can proceed with ICA without a 'no objection certificate' from CARA. There are several checks and balances to ensure that inter-country adoptions are done in the best interest of the child.

However, in addition to the loopholes in the CARA rules that are exploited with impunity, there is a nexus among agencies, middlemen, and the authorities that makes a mockery of the rules. While adoption has certainly benefited thousands of Indian children and parents, and is done with a lot of care and passion by some agencies, many institutions violate the child's most basic rights in the pursuit of money.

A series of scandals uncovered in Andhra Pradesh and Tamil Nadu over the past few years is finally laying bare the inter-country adoption network throughout the country.

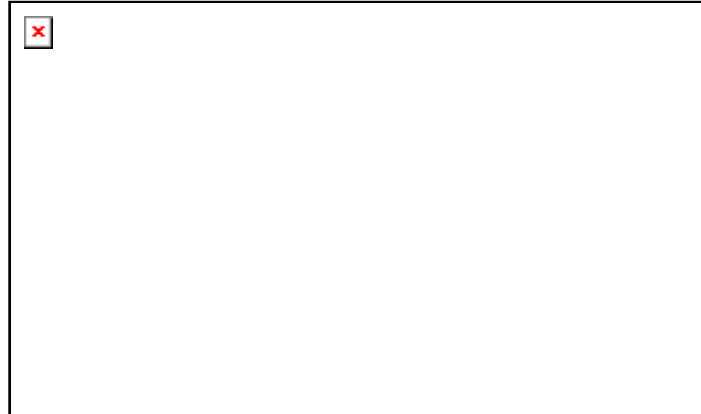
"Inter-country Adoption", an international study by the United Nations Children's Fund's (UNICEF) research institute, International Child Development Centre in Florence, Italy, is one of the most extensive pieces of research on the subject. It brings into the open the "large-scale abuses of the spirit and procedures of inter-country adoptions." According to the study: "During the adoption process, violations of the most basic rights of the child can occur. These violations are often perpetrated under the cover of the supposedly humanitarian aim of the act and 'justified' by the simplistic view that the child will somehow always be 'better off' in a rich country. Illegal acts and malpractice involve criminal networks, intermediaries of all kinds, and couples prepared to carry out, to be accomplice to, tolerate, or simply ignore abuses in order to secure an adoption. The diversity of the methods used and the range of actors demonstrate the complexity of the task of protecting the rights of the child in inter-country adoption. The challenge is greater in that in many, if not most, cases the resulting adoption bears all the

hallmarks of a perfectly legal procedure."

The UNICEF report points to a number of ways in which inter-country adoption is abused using illegal, unethical, and clandestine methods. *Frontline* investigation shows that all these methods are practised by some agencies in India doing flourishing business in ICAs:

Obtaining children illegally

P.V. SIVAKUMAR



A February 2002 picture showing Andhra Pradesh Minister for Women and Child Welfare S. Saraswati (left) and Director of the Women Development and Child Welfare Department Shalini Misra (right) performing 'Annaparasana' for babies rescued from an adoption centre in Hyderabad.

*Abducting babies by a variety of methods, including organised kidnapping as is clear from the Tamil Nadu and Andhra Pradesh experience.

*Identifying vulnerable mothers - from poor families, unwed or single - and enticing them to give up their babies. The pressure may be exerted before the birth, at the maternity clinic or hospital, or in the adoption agency, which may house the mother till delivery. Such pressure is also reinforced by free pre- and post-natal care. For example, a children's home in a Chennai suburb runs a short-stay home for deserted, destitute and abandoned women. It takes particular interest in rehabilitating unwed mothers who give away their children in adoption.

*Falsely informing the mother that her baby was stillborn or died shortly after birth so as to spirit away the infant. For example, agencies operate from within the hospital premises in New Delhi, according to the findings of an inquiry conducted by the Delhi government of 10 agencies.

*Buying children from poor families, for example, from the Lambada tribes in Andhra Pradesh.

*Accepting financial or material rewards for the adoption agency in exchange for children. This seems a common practice among some agencies, as is clear from the letters sent to Indian officials by foreign adopters. In fact, an adoption agency in Chennai admits that the money got from foreign adoptions pays for the maintenance of the institution, and also the orphanage/school it runs.

*Offering women financial incentives to conceive a child specifically for adoption abroad and luring poor women to sell their babies.

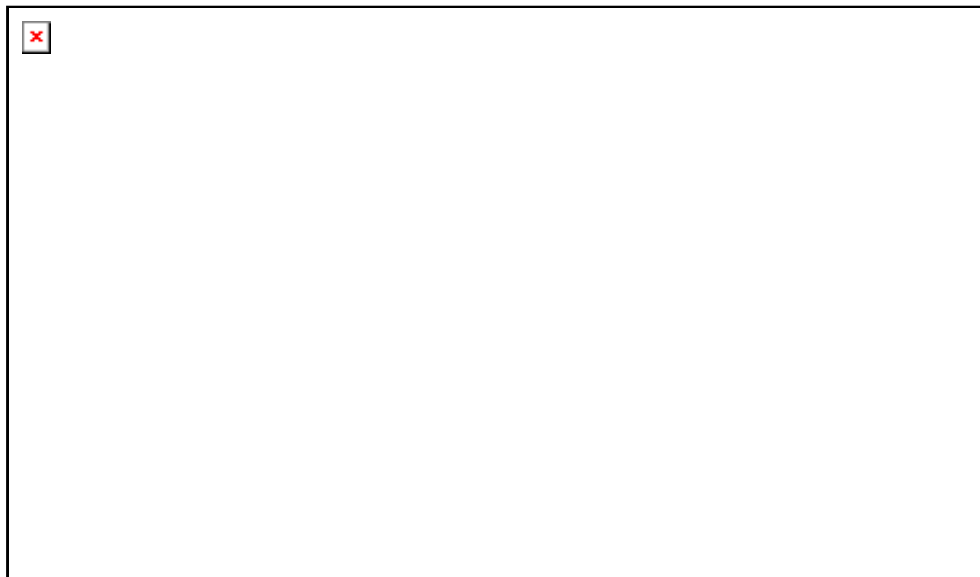
Such instances were reported among the Lambada tribe of Andhra Pradesh. Says Shalini

Misra, former director, in the Andhra Pradesh Women Development and Child Welfare Department, who shut down many agencies that prepared children for overseas adoptions in Hyderabad after a scandal broke out in 2001: "I saw a chain of agents luring the Lambada tribal women when they were pregnant." The agents said: "If it's a male child, you keep it, no problem; but if it's a girl, you won't be able to keep her because of your poverty, so give her to us and we will take care of her and give you money." Middlemen routinely lied. Mothers were told that they could visit regularly, that their children would be given an education and a chance to move up in society. But actually, the children were to be sent overseas. "This practice was widespread, allowing Hyderabad adoption agencies to amass substantial illicit funds," she said. According to Shalini Misra, American parents paid Rs.500,000 to Rs.2.5 million to adopt a child purchased from tribal families for a meagre amount.

*Providing misleading information to the biological parent(s) on the consequences of adoption to obtain their consent. This includes assuring them, or allowing them to believe, that they will be able to maintain links with, or receive news of, the child after adoption.

*Providing false information to prospective adopters. The U.S. Bureau of Consular Affairs, for instance, cautions that one of the most common adoption frauds involves intermediaries who offer a supposedly healthy child for adoption knowing that the child is seriously ill. This is revealed by letters from parents who had adopted from some agencies in India.

Illegally securing permission to adopt



*Falsifying, or falsely obtaining "free for adoption" certificate from the appropriate authorities using loopholes in the rules. According to former CARA Chairperson and honorary general secretary of the Tamil Nadu Indian Council for Child Welfare Andal Damodaran, routine checks at an adoption agency in Coimbatore revealed that it was using loopholes such as falsely matching siblings in order to send children abroad.

*The "child relinquishing letters" supposed to be given by the biological parents or guardians seem to have been signed by the same person, faked, or not signed at all. Yet the magistrates authorised to certify the letter seem to have counter-signed the certificate. This was found in some agencies in Andhra Pradesh and Tamil Nadu.

*Collusion of officials to help agencies with inter-country adoptions.

For example, a Coimbatore adoption agency was hurriedly issued a licence in 2003 without following the mandated procedure of it being registered with the Department of Social Welfare for a minimum of three years. The inspection report of CARA, after the agency's licence expired last year, revealed enormous deficiencies in the operations of the institution.

The agency, at the time of CARA inspection on October 6, 2002, had a 13-day-old baby with no records. The authorities also observed that the institution had not made enough effort to identify the Indian parents. However, the institution was given an inter-country adoption licence on June 19, 2003; an application was even made to CARA for recognising the agency to operate as the second VCA in Tamil Nadu, supported by officials in the Department of Social Welfare.

This apart, despite the July 2, 2004 CARA inspection report that says that the agency has indulged in "unethical practices" and its "registration is not proper," its ICA licence was renewed last month. The report also points to most children from the agency being sent to one Washington-based agency, International Families Incorporated, whose executive director is Mrudula Rao, mother of the treasurer of the Indian agency. E. Ramana Rao, the treasurer's father, has donated "most of the funds to the agency," which is an "unethical practice," the report observes.

Circumventing the adoption process

*In some cases, relatives or 'fake' mothers signed away a child they were temporarily caring for, pretending to be the biological parents.

*In some cases, the biological mother and the adoptive parents actively collude: The former registers in hospital in the adoptive mother's name or assigns paternity to the prospective adoptive father. In such a case the official act of adoption is eliminated altogether.

In several places, the government's 'children homes' are run by adoption agencies. For instance, the children's home in Sambajinagar (Maharashtra) is run by a Pune-based adoption agency. In early 2004, when a team of health workers from the Municipal Corporation went there for a surprise check, it was not allowed entry. However, after government intervention, when it finally managed to get in, the team found children to be in poor health; many of them were malnourished and polio-affected (10 out of 66; *Daily Samana*, January 5, 2004). This raises an important question: Why is the government letting adoption agencies run children's homes?

According to researcher Gita Ramaswamy, "a multi-billion dollar international adoption industry is getting exposed." According to her, for many agencies inter-country adoption is the bread and butter. They adopt various means to circumvent the rules, aided by some unscrupulous officials.

Using loopholes in CARA guidelines



CARA guidelines insist that "at least half of all adoptions done by any agency that is recognised for ICA should be in-country," and that "only after the VCA is unable to place the baby in the country within 30 days and clears the baby for inter-country adoption can the agencies place the baby in adoption outside the country after obtaining an NoC from CARA." But significantly, the guideline exempts from this procedure siblings, special-needs children, and children over six. This is the loophole most abused. However, many Indian adopters now are also asking for siblings and special-needs children.

There have been instances of agencies bringing together unrelated children and declaring them siblings. This helps agencies not only get past the VCA but also earn double for placing two children in adoption. They also get around the "at least 50 per cent in-country adoption" rule.

Most times, the period of 60 days stipulated earlier (it is now reduced to 30) is not sufficient for the VCA to locate an Indian adopter and, almost by default, the child is given clearance for inter-country adoption. Agencies also manage to force the VCA into situations where it has no choice but to clear normal babies for inter-country adoption. According to former Tamil Nadu VCA member Vidya Reddy, agencies plan and co-ordinate their application for clearance at the same time so that the VCA is inundated with proposals. With inadequate time and staff, the VCA finds it difficult to locate Indian adopters within the stipulated time.

According to Andal Damodaran in "Adoption in India - Past, Present and Future," a paper presented at an International Conference on Adoption in Adelaide, April 2004, although the guidelines of the Supreme Court and CARA provide a number of safeguards, "we are constantly faced with deviations, which flout various ethical principles including the adoptability of the child, costs and short-cutting of procedures."

Follow-up reports of children placed in adoption for the mandated period after adoption are rarely done. According to Gita Ramaswamy, while in some cases there is close mandated scrutiny by courts, by and large they have become a mere 'rubber-stamping' institution.

Says Andal Damodaran in her conference paper: "Often, there seems to be lacunae in the preparation of the child and prospective adoptive parents. The history of the child is not fully recorded. In many cases the prospective adoptive parents are not counselled adequately on the likely difficulties they may encounter." She adds: "Market tactics are often used to deal with adoption. The 'supply' rises to meet 'demand', there is 'highest bidding', 'retainer fees', 'expected annual turnover' and so on contrary to the child-centric objective of adoption."

According to Vidya Reddy, agencies invariably view the procedures for getting "abandoned" certificate (as opposed to "surrender" documents) as cumbersome paperwork. Most times, the documents are forged or gone through in haste. Gita Ramaswamy agrees, pointing out that in Andhra Pradesh government officials and their apparatus were aiding these agencies; instead of questioning infringements of procedures, they turn a blind eye or collude in the questionable practices in some cases. She says that institutions such as the VCA and CARA, in a way, failed to perform their duties. Activists also accuse CARA of giving clearances mechanically, despite having access to all the documents.

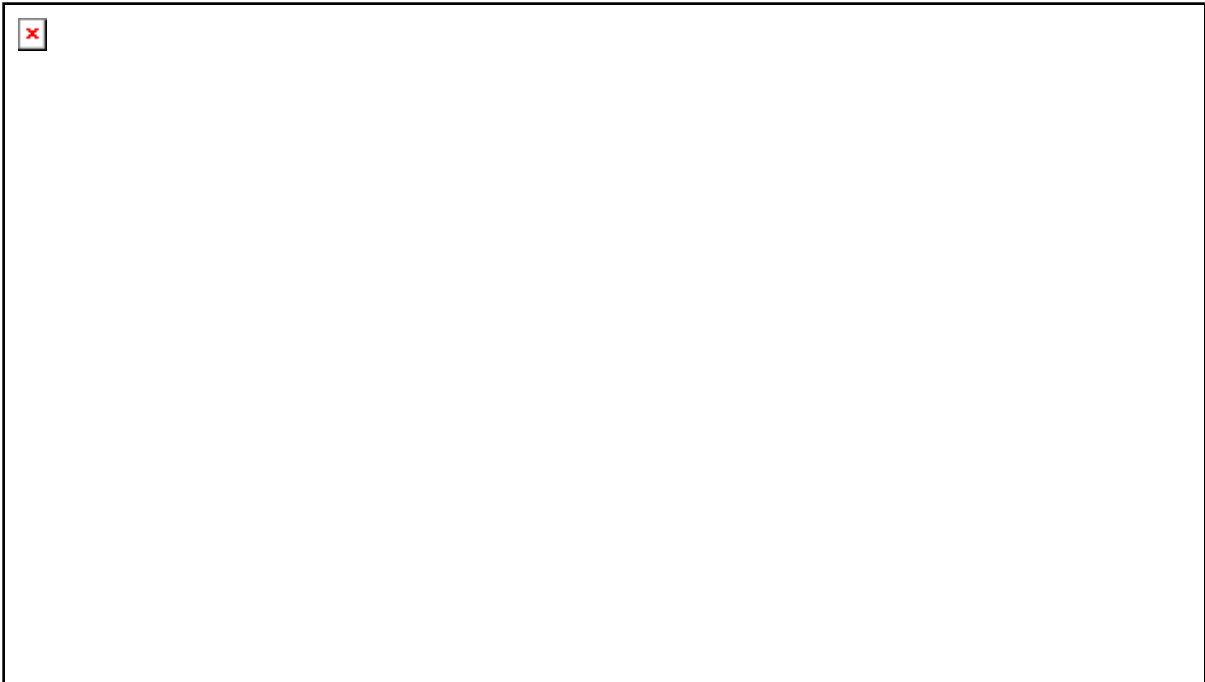
Ironically, in Andhra Pradesh, a charge-sheet has been filed against a former VCA Secretary for alleged involvement in the adoption racket. And the Indian Council of Social Welfare, which was also found guilty of a number of adoption malpractices by the State government, which investigated the adoption racket in 2000, was one of the scrutinising agencies for ICA. The scrutinising agency examines the application for guardianship made on behalf of the foreign parents; now Indian parents are also scrutinised.

Activists such as Gita Ramaswamy demand a thorough revamp of the complex adoption process to make it transparent and child-centric. She regrets that even the legal system has failed to pull up the offending placement agencies. The court-appointed scrutinising agency overlooked obvious breach of procedural regulations, while family courts passed orders without scrutinising the documents. She says: "In the entire system there was no one actually speaking for the child. Most are focussed on getting the child out of the country in the quickest possible time. Many foreign adopters have mentioned this (the quickness of the process) as their reason for choosing India to adopt a child."

According to Andal Damodaran, there are the honourable exceptions throughout the country. One is the Chennai-based Bala Mandir that has been working as a juvenile home and orphanage from the 1950s. The majority of children here are not free for adoption. According to a social worker, most children in Bala Mandir have one parent, a grandparent, aunt, or some relative, with whom the child has a bond. Only in rare cases of abandonment and even rarer cases of surrender do children become available for adoption here. In fact, according to Sujata Mody, who has done extensive research on adoption in Chennai, "Bala Mandir comes closest to being a model adoption agency."

Money involved in inter-country adoptions

There is no doubting that a great deal of money is to be made in ICA. While CARA stipulates that a maximum of Rs.100 a day for a maximum period of six months (Rs.18,000) can be paid by foreign adopters to the Indian agency, in reality agencies charge a hefty "India fee" that ranges from \$3,000 to \$5,000; the fees charged by big agencies start from \$15,000. (The agencies' foreign partners collect them on their behalf.) This `India fee' is on top of costs such as agency fees, home study preparation, immigration fees, post-placement visits, assistance with paperwork, legal fees, and so on, and is openly stated in Internet advertisements.



A letter from the Andhra Pradesh Chief Minister's office to the Commissioner, Women Development and Child Welfare Department, in response to a representation made by St. Theresa's Tender Loving Care Home, a voluntary agency, seeking withdrawal of the ban on such agencies placing children in adoption.

Foreign adopters carry substantial cash to India to pay the agency. Frances Abbott, in her book, *My Gifts from India*, records how she was fleeced at every stage even by lawyers and middlemen when she came to India from the U.S. to adopt a child.

The Evan B. Donaldson Adoption Institute, which surveyed more than 1,600 American families that adopted internationally (including from India) through U.S. agencies, found that 75 per cent of them were asked by their agencies to carry at least \$3,000 to their adoptive child's country of origin to pay "adoption service fees." Some 11 per cent of the respondents stated that when they were abroad, agencies asked them to pay additional fees or donations covertly; 15 per cent reported that their agency withheld information or gave them inaccurate information about the child; 15 per cent said their agency withheld information or gave them inaccurate information about the adoption process; and 14 per cent said their adoption cost exceeded what they were told at the start (testimony of Cindy Freidmutter, Executive Director, Evan B. Donaldson Adoption Institute on "International Adoptions: Problems and Solutions" before the House Committee on International Relations, May 22, 2002, which can be read at www.adoptioninstitute.org).

When asked about the high charges and donations, Preet Mandir (Pune) director J. Bhasin said: "The government stipulates Rs.24,000 for Indian and \$700-900 for foreign adoptions. This is not adequate to run large institutions such as ours. We run only on grants and donations. If parents cannot afford it, we don't ask them for donations, but if they can, they give as much as they want. We don't demand it."

CARA Chairperson Aloma Lobo finds this totally unacceptable: "Maintenance cost is like dowry. Agencies cannot run on donations. They should have a corpus of their own; otherwise they should not be in the business of service." According to her, adoption should not be a money-making venture; it should be part of a larger child welfare programme. "This has to be regulated. I am trying to do something about it."

Is adoption only for the rich?

In the existing set-up, no ordinary childless working class family can afford to adopt. According to the study "Adoption Agencies and Institutional Practices in Tamil Nadu: A Sociological Study" by Sujata Mody of the Chennai-based Malarchi Women's Resource Centre, one adoption agency head in Tamil Nadu said: "It is the privilege of the elite." Some agencies in Tamil Nadu admit that they need money to run the home, so they need to "charge suitably." Even those agencies that charge only nominal legal, maintenance and registration fees do not consider skilled manual workers worthy "adopters." There are, according to Vidya Reddy, a large number of people who are turned away on frivolous grounds.

In the wake of the December 26, 2004, tsunami, the issue of adoption has acquired another dimension with an outpouring of solidarity and generosity from India and abroad. This brings with it clear risks for the orphaned children and the relevant communities. It can open up a Pandora's box. Adoption can be one of the options, provided the safety and welfare of the child can be absolutely guaranteed. There should certainly not be any dilution of the adoption rules. This is particularly important considering the trafficking of children under the guise of adoption. Evidence is pouring in from all tsunami-affected countries of child trafficking.

Some 60 child rights organisations have called for a year-long ban on adoption of children affected by the tsunami, as Gujarat did after the Bhuj earthquake. The options, the child rights activists say, for the orphaned children should be sensitive, kind, humane and, most important, child-centric, addressing the short- and long-term consequences as they have suffered enough. Realising the problems, the Tamil Nadu government has wisely decided not to entertain any adoption of the tsunami-affected children.

While several agencies do strictly child-centric placements, it is the malpractice of an influential section that brings adoption into disrepute. Why is CARA not taking action against the erring agencies? Says Aloma Lobo: "If CARA finds an agency flouting rules, it can only delicense that agency, not arrest the people involved." According to her, CARA has the powers only to initiate investigation.

Adoption, as it is now practised, raises a set of questions: Who is responsible for the sham of ICAs? What is the role of CARA, the VCA and the State governments? Why is the Centre silent on this?

Unless the government intervenes, adoption - largely a social welfare measure - could be swayed by market forces and reduce growing numbers of children to commodities.