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## **The Child Labour in Developing Countries – A Challenge to Millennium Development Goals**

Rena, Ravinder

Head of Economics, Department of Business Studies, The  
Papua New Guinea University of Technology, Private Mail  
Bag, LAE 411, Morobe Province, PAPUA NEW GUINEA

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## The Child Labor in Developing Countries: A Challenge to Millennium Development Goals

Ravinder Rena\*

### Abstract

The problem of child labour is immense and has been growing. Wherever poverty exists, child labour there prevails and it is one of the most striking issues in the developing countries. Hence, there is a need to identify the vulnerable children and point out the problems in relation to the Millennium Development Goals (MDG), particularly poverty eradication, education for all, gender equality, combating HIV/AIDS and creation of a global partnership for development. To understand household labour supply decisions, considering relations to the labour market and to public interventions is critical in designing programmes in order to achieve the MDG. The research on child labour represent in this respect a largely untapped resource of knowledge for policymakers in the fields of education programme and poverty reduction programmes. An attempt is made in this article to demonstrate how increased education opportunities and increased welfare reduces child labour.

**Keywords:** Child labour, MDGs, Poverty, developing countries, UN Convention on the Child Rights, education, etc.

**JEL. Classification:** F16; J13; J24; J24; I3; I21; I32

### 1. INTRODUCTION

Child labor is found in every part of the world, particularly in developing countries. According to the International Labour Organisation (ILO) Convention, child labour is defined as all children below 18 in harmful occupations or work activities in the labour market or their own household; all children undertaking work in the labour market or household interfering with their primary education; all children under 15 in full time employment; and all children under 13 in part time work. Child labour is defined not by the activity but by the effect this activity has on the child. In brief, the work or activities undertaken by children should not interfere with their education or pose

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\* Ravinder Rena, Head of Economics, Department of Business Studies, The Papua New Guinea University of Technology, Private Mail Bag LAE 411; Morobe Province, Papua New Guinea. Email: [drravinderrena@gmail.com](mailto:drravinderrena@gmail.com) ; [ravinder\\_rena@yahoo.com](mailto:ravinder_rena@yahoo.com) .

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any health threats (Grimsrud 2003).

The use of child labour in the early phases of industrialization in many countries has attracted special attention. It is to be understood that child labour hampers the growth of human resources. It not only reduces the individual's education achievements but also reduces the effect and quality of the education system. Further, child labour has redistribution effects on the labour market. Child labour is common in households where poverty is inherited from one generation to another. Hence, the fight against child labour has gained an international momentum during the last decade and became a major challenge for the Millennium Development Goals (MDG). This momentum and information should be utilized to help underpin the work towards the fulfillment of the MDGs.

As this study is exploratory and uses the systematic literature review to identify the vulnerable children and point out the problems in relation to the MDGs particularly in poverty eradication, education for all. The research on child labor represents in this respect a largely untapped resource of knowledge for policymakers in the fields of education program and poverty reduction program. Keeping in view the above facts an attempt is made in this article to demonstrate how increased opportunities and increased welfare reduces child labor. An attempt is made in this article to demonstrate how increased education opportunities and increased welfare reduces child labor.

Organization of the remaining article is as under: in section second literature review of the Millennium Development Goals, Why Children Work?, Poverty and Child Labor, Child Labor and Education, and Child Labor in Developing World are discussed. And finally third section presents the conclusion and recommendations of the study to the policy makers

## **2. LITERATURE REVIEW**

### **2.1. The Millennium Development Goals**

On 8 September 2000, the United Nations (UN) adopted, (with support by all 189 UN Member States), the Millennium Declaration which consists of the MDGs. The Declaration embodies many commitments for improving the lot of humanity in the new century. Subsequently, the UN Secretariat drew up a list of eight MDGs, each of them accompanied by specific targets and indicators. Child welfare is at the heart, as emphasized in the opening statements of the Millennium Declaration, from which the millennium goals derive. By the year 2015, all 191 United Nations Member States have pledged to meet the following goals:

- i. Eradicate extreme poverty and hunger
- ii. Achieve universal primary education
- iii. Promote gender equality and empower women
- iv. Reduce child mortality
- v. Improve maternal health
- vi. Combat HIV/AIDS, malaria and other diseases
- vii. Ensure environmental sustainability
- viii. Develop a global partnership for development

It is understood that the leading international actors in the fight against child labour are the ILO, United Nations International Children's Emergency Fund (UNICEF) and the World Bank. The ILO, strongly embedded in a normative and regulatory tradition, offers a positive factor of fight against child labour into the achievements of reaching the MDG. The World Bank, in contrast, has no tradition or mandate as a norm setting organization and is embedded in the positive economical

school; UNICEF operates on the basis of the UN Convention on the Rights of the Child and the MDG but has no regulatory mandate. The ILO initiative, (the International Programme on the Elimination of Child Labour), is linked to ILO's work for promoting the ILO Conventions on Child Labour (ILO 2003 and Grimsrud 2003)

The ILO Conventions 138 and 182 and the UN Convention on the Rights of the Child make special reference to education in their definition of child labour. In developing countries without universal education (like Eritrea), one will therefore always find child labour. This explains why Sub-Saharan Africa and South Asia have the highest proportion of working children (Rena 2007). For example, ILO estimated there were about 186 million child labourers below the age of 15 in the world in 2000 (ILO 2002). About 110 million were below the age of 12. Among children in the age group ages 5-17, there were approximately 246 million children in child labour. An estimated 171 million children age 5-17 were believed to work in hazardous situations or conditions. In other words, children in hazardous work constituted more than two thirds of those in child labour. In addition to these figures come child labourers in their own households. To date no global estimates exist for this group. Besides children working in their own home, perhaps the largest group of child labourer comprises children working at the family plot or land. The next important group comprises children working in more direct contact with the labour market but still in the households, such as those participating in subcontracted schemes or arrangements where the work takes place at home: for example, the *Beedi* (home made cigarette with tobacco and leaves) child labourers in India work at home children working in their own household, at the family plot, and in subcontracting at home make up the bulk of the world's child labourers. According to the estimates made by Andvig in (2001), this group comprises something like 90 percent of all child labour in Africa. The same is probably true on the Indian subcontinent, the second most common place for child labour after Africa (Burra 1995). Even those working outside the household will in most cases work together with their parents or other family members. Such children help a parent employed in the fields of large farms or plantations to fulfill a production quota or assist in the family business. Another area is family businesses employing children, often in the informal service sector: for example in Eritrea, preparing candles, pasta, and match sticks at home. Only a relatively small number of children are employed directly by an employer, probably less than 10 percent of the working children worldwide: for example, child labour work in crockery industry in Tamilnadu, India. Besides, many child labourers work in small-scale hotel and catering industry.

The extreme forms of child labour are prostitution and children taken from or sold by their parents, which tend to get the public attention. It is estimated that there were about 8.4 million children involved in other worst forms of child labour as defined in ILO Convention No.182, Art 3 a-c.3. (ILO 2002) Genuine street children, children who not only work in the streets but also live apart from their parents, are also relatively few in relation to other child labourers. A reliable number for street children for the whole of Africa is less than 1 million (Andvig 2001).

For intervention purposes, three main forms of child labour can hence be identified:

- i. Parent-controlled work in a child's own household, at family land or in family business (probably more than 85 per cent of global estimate of child labour).
- ii. Children employed by a third person but living in their parental household (probably less than 10 per cent of global estimate of child labour).
- iii. Children living outside the parental household or without parents (probably less than 5 per cent of global estimate of child labour).

## **2.2. Why children work?**

Child labor is defined as an activity with negative impact on the child. This does not mean that it does not feature any gains for the household. The gains or return on child labour can be measured in a number of ways: the child's money income; the value of the child's work in the family enterprise, at the family plot, or in the household; increased income opportunities for adult members of the household; and the skills or increased labour market opportunities the child acquired while working. Several studies have tried to estimate the value of the income of children as a percentage of the total family income. One study in Peru found that working children aged 10 to 12 contribute 7.5 percent and children aged 13 to 15 add 12 per cent of the household income (Siddiqi and Patrinos 1995). Another study revealed that children contribute up to 20 to 25 percent of the family income (Anker and Melkas 1995)

Only a small fraction of the children work for an employer and receive wages making it difficult to generalize the amount of income support children provide in this category. It is more likely that the estimates from a study in rural India, where children's income constituted only 6 percent of family income, give a more complete picture (Rosenzweig and Everson 1997). The unpaid work children perform in the fields or in a small informal family business may be of substantial value for the household as demonstrated by research in the carpet industry in India, where child labour is widespread.

## **2.3. Poverty and Child Labor**

The first Millennium Goal is to eradicate extreme poverty and hunger before 2015. Most child labourers are from very poor families or underprivileged sections of society. Although poverty dictates the need for some children to make an economic contribution to their family, it cannot justify placing the children in hard labour that jeopardizes their lives, safety, physical or psychological development (Rena 2004: 1-2). It is to be noted that, from time to time the children are greatly affected by poverty. Therefore, the present development trends indicate that it is very difficult to achieve this Goal.

Hundreds of thousands of children, due to the poverty, are forced to work as labourers before they ever enter school and many must leave school in the middle of a course of study to become labourers. Once children are snatched from school and put to work, they are cut off from their normal development, education and relationships. Devastated by suffering at early ages, these children require psycho-social rehabilitation, education and economic opportunities within their communities.

The problem of child labour is closely associated with poverty and underdevelopment. It is often pointed out that poverty is the main cause for child labor in general. As in all the developing countries including India, China, Bangladesh, Pakistan, Sri Lanka, Papua New Guinea, Ethiopia, Uganda, Mozambique, Malawi, Sudan, and Chad, the prevalence of poverty is high and therefore, child labour in these developing countries, particularly in Asia and Africa, does exist to a larger extent.

The World Bank (1998) reports that the labour force participation rate of children aged 10 to 14 is highest, 30–60 percent, in countries with per capita income of \$500 or less (at 1987 prices). But it declines quite rapidly, to 10–30 percent, in countries with incomes between \$500 and \$1,000. This

negative relationship between income and child work becomes less marked in the more affluent developing countries (in the \$1,000 to \$4,000 income ranges).

The relationship between the number of female children and child labour also seems to be significant in several places. The oldest girl in a family has a greater likelihood than other children in the household of doing domestic work and not going to school, while boys, in particular those with older sisters, have a greater likelihood of going to school. Research from Africa indicates that in several societies, household composition is deliberately changed through child fostering or adopting children in order to create an optimal division of labour within the household (Pedersen 1987 and Ainsworth 1996).

Child labour might also occur because poor households cannot insure themselves adequately against income fluctuations (Guarcello, Mealli and Rosati 2002; Grootaert and Patrinos 1999; and Rena 2004). Poor families pull their children out of school to provide labour in the face of an income shortfall. Parents put children to work as part of a survival strategy to minimize the risk of an interruption of the income stream, which may be caused by failed harvests or loss of employment of an adult household member. Interruption in the income stream is naturally more severe for poor households, as it can be life threatening. Thus, for extremely poor households, child labour seems quite rational, broadening the base of income sources (Anker and Melkas 1995).

In general, parents of child labourers are not people who let their children work instead of themselves, but people who find it necessary to draw on more of the household's resources to secure the necessary income. Child labour thus does not replace adult labour, but complements it; in some cases it enables adult family members to enter the labour market (Rena 2007).

The causes for the child labour are complex and include mainly economic, social, and cultural factors. Therefore, solutions must be comprehensive and should involve the widest possible range of partners in each society. In fact, a single agency, like UNICEF or WHO, or an organization cannot solve the child labour problem on its own. Hence, child labour that is triggered mainly by poverty needs to be confronted by all social agencies on all fronts. The social agencies need to attack both the problem and its causes. Public and private sectors, with the support of NGOs, should play an important role in minimizing, if not completely eradicating, the child labour problem.

#### **2.4. Education and Child Labor**

The second Millennium Goal is to achieve universal primary education before 2015. This is an objective based on the UNESCO Declaration on Education for All and is defined as ensuring that all boys and girls complete a full course of primary schooling. The duration of primary education will vary from country to country with an absolute minimum of 5 years from the age of 7 to the age of 12. The definition of child labour foresees however that the education or vocational training should continue to at least the age of 14 or 15. In countries where primary education only includes 5 years, one will see a high number of economically active children in the age group of 12 to 14, many of whom will be child labourers. As stated earlier, education is seen a right for all children and as a way for individuals and societies to develop. Given economic development, the return to education is proven to be very high for individuals. However, many developing countries will not be able to meet this objective in the short time frame. Hence child labour will remain a serious challenge to the MDG.

## **2.5. Education and child labour in developing world**

Interestingly, the introduction of compulsory schooling in India would result in a 70 per cent reduction in the current number of child labourers. In neighbouring Pakistan, lack of educational facilities and the quality and socio-economic relevance of education is an essential factor in explaining child labour. Lack of universal education is something that is only found in poor countries but not in all poor countries.

Many countries, like Egypt and Zimbabwe, that have rapidly expanded their primary school coverage, have seen a considerable increase in primary school enrollment which results in a reduction of child labour (Grimsrud and Stokke 1997). Typically in the Sub Saharan Africa and South Asian countries, where school enrolment is low and child labour is wide spread. The children in these areas work in contracts as plantation work, tender arrangements, bounded labour and subcontracted piece work. The world wide campaigns against child labour have helped to put universal education on the agenda. It is to be recalled that links can especially be seen in the work of ILO, UNICEF and the World Bank.

Child labour also affects school performance as children miss important lessons and fall behind academically. This creates a burden not only on the individual child but also on the entire education system. For example, in Yemen, the working children who have to repeat classes probably leads to more than 300,000 additional pupils in the primary school alone (Grimsrud 1998).

The key challenge in order to reach the MDG and eradicate child labour is to enable the type of change in resource allocation in households that can afford to do so. It is understood that households send their children to work to qualify for such an education opportunity. Examples of regulations pulling the right way are measures like a better adjustment of the school calendar to the agricultural season, which reduces the numbers of dropouts. Introduction of compulsory education and child labour legislation would help change social norms to encourage school attendance and reduce the prevalence of child labour.

The UN Convention on the Rights of the Child (CRC), the basis of UNICEF's work, calls for compulsory education, but allows states to ratify the CRC without requiring it. For the last decade, UNICEF has moved towards a larger programme approach, rather than specific projects. One such programme is the Global Campaign for Girls' Education. In general, UNICEF argues for universal compulsory education on a human rights rationale. Child labour programmes follow the drive toward universal education as natural priority for UNICEF.

The World Bank stated in 1996 that it does not have an operational policy on child labour. It clearly states the negative relationship between child labour and economical development and hence makes an argument for that issue to fall within the World Bank mandate. Today this position is not argued within the World Bank. Similarly the World Bank seems to move in the direction of supporting free compulsory primary education, but is far from making this any condition in their lending or other types of involvement. Some other studies are also studied during the write up of this article, are also supporting the revelations of the studies referred in this article Like: Psacharopoulos (1997); and, Swinnerton and Rogers (1999).

## **3. CONCLUSIONS AND RECOMMENDATIONS**

Child labor is found in every part of the world, particularly in developing countries and poses a significant challenge for the MDG. Hence, the solution to the challenges of achieving education for all children, reducing poverty and eliminating child labour lies in making legislation, interventions and education efforts to work together to mobilise household resources and national resources.

Earlier research on child labour concluded that it is a special economic and social issue that needs global attention for the development of the child to reduce the intensity of child labour. These efforts can open the door to achieve the second MDG: reduction of poverty. Intervention at all levels of the society is necessary for the alleviation of child problems. Since this problem is multidimensional, collective action of the governmental and Non-Governmental Organizations (with peoples' support) accomplishes more to curb the prevalence of child labour. There should be strong partnership between government, local communities and the private sector. Government involvement in gradual reduction of child labour can be accomplished through public policies supporting this goal. Governments from all over the world should provide special assistance and substantial financial support to such children. There must be an effort to stimulate rapid and broad reaching economic expansion that will create employment opportunities and uplift the parents of the children and thus minimise the number of child labourers. Additionally, the child labourer must be given education, training and psycho - social treatment. Growing children should not suffer from various work hazards. Hence, it is essential to emphasise poverty alleviation, which is the main cause for child labour. It is in the interest of the international community to commit far greater resources to this goal. A society cannot make the transition to stability unless its children are given hope, dignity and respect.

It is a fact that rapid elimination of child labour is beyond the capacity of many countries. However, the most intolerable forms of child labour must be minimised, if not completely eliminated. Since child labour became a challenge for the accomplishment of MDGs by 2015, hence, the governments, non-governmental organizations and other related international organizations should undertake an inspection process of the exploited child labour and facilitate the objective in the achievement of Millennium Development Goals within the given time frame.

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