

Child Labour and Development

Digital Development Dialogue (3D) 30.01.2025 Seminar Summary

Despite major progress in eradicating child labor over the past decades it continues to be a pressing issue with significant impacts on poverty and economic development. In this seminar **Eric Edmonds**, professor of economics at Dartmouth College, and **Annette Niederfranke**, head of the ILO office for Germany, explored the drivers of child labor, the role of poverty, and the effectiveness of policies aimed at its reduction. While Eric was sharing insights into the results of various studies investigating child labor and its determinants, Annette introduced the audience to the various elements of the ILO's work to eradicate it.

Eric opened his discussion with a definition of child labor as "work that is 'harmful' to children," emphasizing that this definition allows for local variations depending on context. He noted that while child labor has traditionally been concentrated in regions such as East and Southeast Asia, recent shifts—exacerbated by the COVID-19 pandemic—have seen a notable rise in Sub-Saharan Africa. He underscored that child labor not only violates human rights by restricting children's autonomy but also has long-term economic repercussions, such as lower wages in adulthood. Drawing on empirical evidence, Eric showed that improvements in family income generally reduce child labor. He cited a randomized controlled trial in Ecuador where a \$15 monthly cash transfer nearly eliminated paid child employment. However, he also noted that some interventions can inadvertently increase hazardous child labor by shifting work into riskier family entrepreneurial activities, as seen in studies from Malawi, Zambia, and the Philippines. Additionally, he mentioned evidence from Vietnam and Colombia indicating that economic shifts, such as higher rice or gold prices, can have mixed effects on child labor. In summary, Eric concluded that reductions in poverty tend to decrease child labor, while higher returns to unskilled work can increase it, depending on the economic context.

Annette's presentation focused on the ILO's strategic, policy-driven approaches to eradicate child labor. She outlined a multi-pronged strategy that relies on international conventions—such as ILO Conventions 138 and 182—to establish legal frameworks, robust data and research for better monitoring, and development cooperation to fight poverty and strengthen labor inspection systems. She identified key economic factors—including the pursuit of profit through forced labor, poverty, low wages, and crises like conflict, pandemics, and climate change—as major drivers of child labor. Additionally, she discussed enablers such as the lack of social security and limited access to education. Country examples illustrated diverse approaches: in the DRC, efforts include training inspectors and scaling up monitoring systems, while in Ghana, interventions focus on expanding social security and vocational training. A notable action example was the 8.7 Accelerator Lab, which brings together companies from various sectors to share knowledge and participate in ILO projects. Annette stressed that companies play a critical role not only in funding but also in the effective implementation of interventions—a point illustrated by the public—private partnership between Ferrero and the ILO to eliminate child labor in Turkish hazelnut harvesting through improved working and living conditions and educational outreach.

During the Q&A session, participants raised several key questions. One asked if any forms of child labor might be seen as reasonable or beneficial. Eric noted that local understandings vary and that families often face negative stereotypes despite their efforts to make ends meet and that it can be assumed that they attempt to minimize the utilization of child labor. Another question for Annette concerned incentivizing companies with lower public scrutiny to address child labor. She emphasized the importance of collaboration between public actors and governments, particularly in sectors like mining, where government enforcement is crucial. Questions on governance challenges—especially in countries like the DRC—highlighted the ILO's role as a partner that acts only when invited by national governments. Annette also stressed the need for enhanced social security measures, such as harvest insurance, to protect families. Additionally, genderspecific concerns were raised regarding hard-to-monitor sectors involving girls, like domestic work and prostitution. Eric reiterated that changes in contextual factors tend to result in marginal adjustments—often involving older household members or older children—while also noting that parental decisions, though well-intentioned, are frequently constrained by limited information about the future costs of child labor.

Overall, the seminar provided a comprehensive overview of the complex interplay between economic factors, policy interventions, and the social dimensions of child labor. Both speakers underscored that while improvements in household income and economic stability can reduce child labor, targeted interventions and robust social protection systems are crucial for addressing the multifaceted challenges it presents. The discussion highlighted the need for coordinated efforts between governments, international organizations, and private stakeholders to promote decent work and ensure that children are not forced into labor that compromises their future prospects.

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