

*Mita Bhattacharya* looks at the status of child labour in India in the era of trade liberalisation.

# Small hands of slavery

**C**hildren under 14 comprise 3.6 per cent of India's total labour force, with nearly 85 per cent working in agriculture, less than 9 per cent in manufacturing, services and repairs and only about 0.8 per cent in factories. A large number of non-governmental and voluntary organisations are involved, along with national and international organisations, in attempting to reduce this problem.

The Indian Government in recent years has initiated significant policy changes to combat child labour, a socio-economic phenomenon which stems from poverty, illiteracy, unemployment and government apathy. The initiation of an economic reform program and the presence of supportive political forces has given a positive signal to multinational companies (MNCs) and created favourable condition for foreign direct investments (FDIs).

But while India's economy is booming, unfortunately economic success is not reaching the poor.

India has a largely uneducated workforce with inadequate infrastructure for human development and much parental poverty. Since 1991, the incidence of child labour has increased in India. The parental decision to make a school-age child work depends on the costs and benefits of education. Developing countries such as India can enjoy the benefits of globalisation in reducing child labour by spending more on education and public health.

Gujarat, a state in India which has experienced recent economic growth, reports an increase in the numbers of working children. The number of children in the 5-14 age group attending school rises strictly with the increase in

monthly per capita expenditure in the beedi industry in the states of Tamil Nadu and Karnataka.

Between 1983-99, working hours for children increased significantly for Arunachal Pradesh, Assam, Bihar, Gujarat, Madhya Pradesh, Maharashtra, Manipur, Meghalaya and Uttar Pradesh and the national average for working hours for children almost doubled. However, children in Kerala, Himachal Pradesh, Nagaland and Pondicherry spent over 90 per cent of their total time in schools. Kerala has long pursued voluntaristic social policies, which have succeeded in reducing poverty and in allowing every child to benefit from a proper education.

Discussion about child labour has become a contemporary issue on globalisation and international labour standards. India is a classic example of this problem. The incidence of total child labour in India was around 12.66 million in 2001 compared to 10.75 million in 1971.

MNCs such as Nike, Reebok and Adidas now subcontract to enterprises that employ children, a practice not uncommon in India with its abundant supply of cheap unskilled labour, including children, and lax labour standards and low wages.

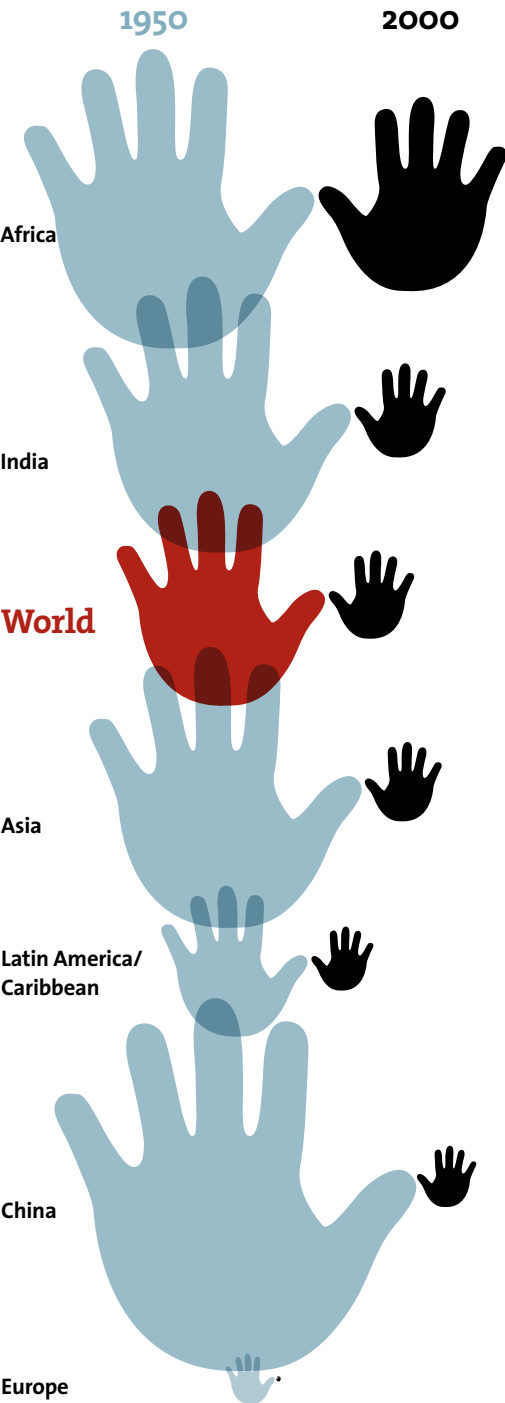
Is there a direct link between globalisation or the opening of trade barriers and child labour? Has the incidence of child labour changed significantly since trade reform was initiated in this country?

How does the Indian Government perform in combating the problem of child labour in the era of trade liberalisation? The answer is mixed. Since the early 1990s, challenges have been met in areas such as edu-

## Working children 1950–2000

Labour participation rates for children have in most cases declined significantly in different regions of the world during the second half of the last century.

Source: Basu (1999, p.1087)



cation, health and the overall development of children. But difficulties remain in assessing the true scope of child labour. Any effort to deal with this issue needs to include children who do not work and who do not attend school. Trade liberalisation, along with implementation of domestic policies towards compulsory elementary education and the eradication of poverty have been identified as key factors in reducing child labour in India.

Literature on the effect of liberalisation on child labour cannot provide definitive conclusions. According to the proponents of globalisation, the international free market will reduce the necessity of child labour with overall economic development through higher income and standards of living. However, according to its opponents, globalisation increases the opportunity to exploit cheap labour, particularly from poor countries. Countries such as Vietnam, Thailand and Mexico have experienced a clear decline in child labour, while other countries such as Bolivia and Zambia have witnessed a decline in schooling and a rise in child labour.

The effect of globalisation on child labour depends on initial conditions and the domestic policies of a country. With the current economic reform program, a few broad priority areas are emphasised here to combat the child labour problem in India:

A more inclusive definition of child labour is required which counts the entire population of working children (including children who are not attending school) and which is not restricted only to the worst forms of child labour associated with hazardous occupations. Improvements in tracking child labour statistics in both formal and informal sectors will provide a proper estimate of the population of working children.

The formulation of complementary policies for achieving universal elementary education including female education. Positive incentives should be introduced, such as a midday meal, providing compensation to families for sending children to school, minimising drop-out rates and the introduction of vocational programs at school level.

Providing adequate infrastructure to motivate parents to send their children to school will help to reduce child labour as will programs to alleviate poverty.

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