

## **Is There Any Way to Stop Child Labor Abuses?**

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A Presidential task force recently called for a worldwide ban on child labor and sweatshop conditions in overseas factories operated by American companies in the apparel industry. While the task force's code of business conduct may be appropriate for rich nations such as the U.S., it is misapplied in Indonesia, Pakistan, Vietnam, and other countries that are the targets of the code.

The poor in these countries send children out to work because families desperately need their meager earnings. They think they cannot afford the luxury of letting children spend many years in school. So they take them out of school by 14 or earlier. It is a hard life for the children, but appalling poverty forces the whole family to struggle with bad nutrition, poor health care, and dismal economic prospects.

The corporations and unions that manufacture goods in the U.S. and Europe often complain about the unfair competition from factories in the undeveloped world that employ children and pay low wages. These groups are responsible for much of the political pressure against child labor in overseas factories.

But Western critics forget that child labor was common in the U.S. and Europe not so long ago. For example, the U.S. Census Bureau reports that in 1890 more than 1.5 million children between the ages of 10 and 15 were gainfully employed, despite the reluctance of parents to admit to the census takers at that time that they were violating laws against child labor in many states. Those American families who sent their children to work instead of to school were generally better off than most parents in the Third World nations today who depend on earnings of their children.

RISING TIDE. Child labor did not decline to negligible levels in all parts of the West until the second half of this century. Although legislation, unions, and other factors contributed to this decline, studies indicate that greater prosperity was essential. It was general economic growth that raised the living standards of families at the lower end of the ladder so that they were able to forgo their children's earnings.

The same pattern has been repeated in nations all over the world as they undergo economic development. As they grew richer, the families at the bottom of the heap became more willing to take their children out of the labor force. There is every reason to anticipate that Indonesia, Vietnam, and other Third World nations will also eliminate child labor when they achieve greater economic progress.

Yet I believe that countries that have large numbers of children in the labor force are being shortsighted when they do not find ways to keep children from poorer families in school longer. Economies tend to grow faster when the educational base is wider and when all children learn to read and write. These skills will become even more essential in

the 21st century as computers and other new technologies require greater schooling and training. Factories in Third World economies that rely on child labor will be able to compete effectively in world markets only in the increasingly obsolete technologies that primarily utilize employees with minimal amounts of human capital.

COUNTERPRODUCTIVE. Nevertheless, minimum-schooling laws and international pressure alone may not succeed in reducing the amount of child labor. In fact, internationally enforced codes that lower earnings opportunities of children might increase rather than decrease the number of children who will be asked to supplement reduced parental earnings--frequently at lower wages in the underground economy.

Schooling laws are much more effective in the cultures of Third World economies when they are combined with financial inducements that encourage parents to keep their children in school for eight or more years. Even poor families would withdraw children from the labor force if they were financially compensated for the loss in income. A few countries in Latin America are considering implementing programs that pay poor parents an annual supplement for each child who remains in school until age 14 or 15.

Everyone who has a genuine concern for the well-being of working children should recognize that the real problems besetting Third World nations are appalling poverty and slow economic growth, not mean parents or selfish manufacturing companies. The best hope for the future prospects for children is that economic progress in poor economies more than ever requires rising education standards for workers.