

Analysis of the economist: economic focus

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The Economist's article published in 2004 which debated the merits of child labor and provided the next steps in reducing child labor is mostly correct in its assertions. Statistics have shown that more than 200 million children that are school-aged are working in third-world countries. These third world countries have the highest rates of child labor and most of these children work for no payment to very little payment for their time.

Many of the critics of child labor, including those in developed nations, threaten to cut off economic ties, or impose economic penalties such as sanctions on those countries that allow child labor to take place. However, The Economist article cites a study and argues correctly that these measures are useless and only set back or create barriers to eradicating child labor. Eric Edmonds, a Dartmouth College professor, researched 3000 Vietnamese households and compiled the results into a paper that claimed poverty forced the parents into sending their children to work.

Due to a series of reforms following the Cold War, the Vietnam national GDP rose 6.5% annually, which then clearly proved his thesis. The number of children that were working after the reforms fell by nearly 30% and this was due entirely to the individual families rising income. This data means that poor households do not want to send their kids to work and toil but are forced to because of economic necessity. These children have no choice but to work in order to keep the family alive in the most basic needs, such as food, care for the elderly or non-working, and perhaps money for family members' education.

If child labor is something that is required for families to stay afloat, not something that families willingly do, the problem can only be solved by fixing the economic problems that cause the poverty. Forcing families not to send their children to work would only cause the problem to grow larger, widening the financial gap to freedom, and causing children never to be able to attend school. According to the International Labor Organization (ILL), it is customary for third- world and developing countries families to employ their children to work on farming and agricultural production.

This tedious work is done manually as there is very little technology available to them to speed up the process. The ILL also notes that these developing countries often have large families and limited ways to support these implies in terms of resources. Often times, older children are employed full-time in order to provide for the family and provide money for the younger children to go to school and work only part-time.

As Eric Edmonds study shows, only when a family has a steady source of income will they reduce the workload on their children. However, what isn't covered in his study is the fact that as one household gets out of poverty, they will find another household in poverty to work for them. The 1995 WED (World Development Report) titled Workers in an Integrating World, finds that while a entry may be slightly economically better, the children in labor and the workforce will remain the same.

The Economist article offers a solution that is much more realistic than the Olio's solution to imposing punitive measures on developing countries and to spend billion to end child labor once and for all. The writer argues that "

pursuing general policies that help [developing countries] grow more quickly, such as cutting tariffs and opening up more to foreign investment, [would cause child labor] to disappear faster. " These general policies are can be grouped into the idea of globalization.

Having production, communication, and various technology spread and interconnected throughout the globe would allow poverty to decrease rapidly in poorer countries and therefore, child labor to cease. Globalization would allow these smaller countries access to a global market boosting agriculture prices and getting more " bang for the buck" in terms of their output. Because these countries focus mainly on agriculture and farming, a boost in market prices for their output would instantly impact their income and living conditions.

If they were able to sell for greater prices, families would be able to reduce the workload to achieve the same output, and thus reduce the number of children required to work. The main argument against globalization and opening up connections between poorer countries and more developed ones was that the smaller, local companies would be in the competition of large multinational corporations and ultimately forced to shut down.

This, assumable, would result in more poverty and child labor as those working in the local companies would become jobless. However, the 1995 WED refutes this fact by conducting a study on the impact of these giant companies. It showed that while some local companies do in fact close down, it does not result in early the amount of unemployment that is often

presumed. In fact, those that do lose jobs often get rehired in these large globalized companies that offer better wages, job security, and stability.

Ultimately, what ends up happening is these better opportunities slowly make way into individual families and these families become financially independent allowing the children to go to school instead of work. In order for the world to slowly eradicate child labor, measures need to be taken to ensure that the countries that still employ children become less impoverished. Countries that are already developed must help this by removing all trade extractions, sanctions, and unfair rules imposed to limit child labor.

Limiting access between developed and undeveloped nations are only going to cause child labor to multiply and regress into a worse situation. The undeveloped nations also need to do their part to ensure that families understand the importance of education and not waste the opportunities given to them. In order for the world to slowly eradicate child labor, measures need to be taken to ensure that the countries that still employ children become less impoverished. In order for the world to slowly eradicate child labor, children become less impoverished.