

# Do Foreign Aid Policy and Institutional Quality Drive Structural Transformation? – Evidence from sub-Saharan Africa

Anasuya Haldar

Dept. of Humanities and Social Sciences,  
National Institute of Technology Rourkela,  
Rourkela, 769008, Odisha, India,  
Email: [halder.anasuya@gmail.com](mailto:halder.anasuya@gmail.com)  
<https://orcid.org/0000-0002-5987-2466>

Narayan Sethi

Department of Humanities and Social Sciences  
National Institute of Technology Rourkela  
Rourkela, 769008, Odisha, India  
Email: [nsethinarayan@gmail.com](mailto:nsethinarayan@gmail.com)  
<https://orcid.org/0000-0003-4298-4928>

## Abstract

*This study mainly focuses on the current socio-economic condition of those people who were child labor in their childhood. In this study, economic indicators are income and employment status. On the other hand, level of education, health status and role in case of decision making in the society are studied as social indicators. The main reason which gives rise to child labour is widespread unemployment and underemployment among the adult poor strata of the population, inter alia, due to sharp growth of population.*

## Introduction

The Child is generally considered to a person who is less than 18 years of age and less developed, the study of child labor is important not only for social reasons but also for economic ones. The impact of child labor on the economy works through its debilitating effect on education which is important component of human capital. The overall population 41,947,358 in Odisha 34,951,234 in rural area 6,996,124 in urban area and child population in the age group 0-6 male 27, 44,552 and female 26, 14,258 total is 53,58,810 (Annual health survey 2011). The participation of children in work in home and outside is often considered to be one of the important reasons for low school enrolment in Rourkela. The Census found an increase in the number of child laborers from 11.28 million in 1991 to 12.66 million in 2001. While an absolute increase of 181 million in the country's population has been recorded during the decade 2001-2011. The Rourkela's children are deprived every winding of social and international aspects such as in trafficking, industrial works, household labors, early marriage, forcedly prostitution, begging, less wages, helping in the vehicle etc. though the government of Odisha has taken many initiatives to prevent child labor and violation of child rights. But the achievement is not satisfactory. Child labor is now a social problem, where infants are been exploited and forced to work at a young age. "Child Labor and

American History," children always had worked either at home or later in industrial companies (Hindman, 2002).

During the Industrial Revolution many of the manufactured industries and factories employed cheap labor, hired younger people to work for them; to the point that the owners of the factories would rely more on children than adults (Mishra, 2012). Moreover, families ethnicity also influenced who would go to work and where. For example, "white families preferred to send children rather than mothers" when the household lost their caregiver, or like British, Irish, French Canadians, southeastern and east Europeans were seen more in "cotton mills" (Kleinberg, 2005).

International Labour Organization (ILO) defines child labour as "work situations where children are forced to work on a regular basis to earn a living for themselves and their families, and as a result they remain backward educationally and socially in a situation which is exploitative and harmful to their health and to their physical and mental development. The children are separated from their families, often deprived of educational and training opportunities and they are forced to lead prematurely adult lives (ILO)".

The worst forms of child labour are those situations where children work more than nine hours in a day; earn less than a minimum wage or no wages at all; work in hazardous conditions for health and safety; have no access to education; and, work outside of their family's home. Children are the future of the nation, they are vulnerable due to their age and physical power and they cannot make plan for their future and cannot understand the result of any work. So they should be protected from exploitation and should be given opportunities for their physical and mental development. Hence the protection of children is the responsibility of the nation. Government of India is also committed to ensuring protection, rights and development of children in our country to overcoming this target government has enacted various legislations such as which prohibit children from working in the particularly hazardous and dangerous activities Child Labour prohibition and regulation act 1986 (Ali and Khan, 2012).

In this context, the study broadly examines an economic perspective of child labour in Odisha. Specifically, the objectives are: (a) to examine the working condition, income, health hazards of child labour associated with the varieties of industry, hotel, restaurant and household activities in Rourkela, Odisha, and (b) to examine the socio-economic conditions of families of child labors in Rourkela, Odisha.

This paper is organized into twelve sections including the introduction. Section 2 presents the Review of Literature. Section 3 presents Methodology and Sample Design. Section 4

discusses Results and Discussion and finally section 5 discusses the conclusion and some policy implication.

### **Present Scenario of Child Labour in India**

Every child is a gift of God –a gift must be nurtured with care and affection, with in the family and society. But unfortunately due to socio-economic and cultural problems, the code of child centeredness was replaced by neglect, abuse and deprivation, particularly in the poverty afflicted sections of the society.

1. The strategy of progressive elimination of child labour underscores India's legislative intent and takes cognizance of the fact that child labour is not an isolated phenomenon that can be tackled without separately taking into account the socio-economic location that is at the root of the problem.
2. While child labour is a complex problem that is basically rooted in poverty.
3. An International Moral Code of Right and Wrong Behavior said that "human rights and fundamental freedoms are the birthright of all human beings" and as a result such rights may neither be granted nor be taken away legislation.
4. The position of India in terms of child labour is not an appreciable one with a credible estimates ranging from 60 to 115 million, India has the largest number of working children in the world. Whether they are sweating in the heat of stone quarries, working in the fields 16 hours a day, picking rags in the city streets, or hidden away as domestic servants, these children endure miserable and difficult lives. They earn little and are made to work more. They struggle to make enough to eat and perhaps to help feed their families as well.

ILO's original Charter of 1919 deals with child labour in a number of hazardous activities and industries. The list has been expanded substantially. Specification of minimum age for entry into the work force has also been growing. It was 12 years for early nineteenth century U.K.; 13 years for the ILO's original Charter and is 18 years in most industrialized countries. In India, it is up to the age of 14. With rising life expectancy and retirement age, rising acceptable age of entry into the work force is understandable (Chaudhri and Wilson, 2002).

### **Employers Preference of Child**

Alongside factors which push children into earning money are others which pull children into the world of work.

#### **(a) Cheap and obedient**

The relatively low wages paid to children are often a reason why employers prefer them to adult workers. Some children work unpaid, particularly as domestic workers, in conditions that would be criticized as “slavery” if they involved adults. Employers find children more obedient and easier to control. Unlike older workers, they are unlikely to initiate protests or form trade unions.

#### **(b) Inadequate laws**

More than 130 countries have signed an international convention saying that children may not work full-time before 14 or 15 years of age. However, in some of the countries concerned, laws on this are confusing or unclear and not enforced.

#### **(c) Poor infrastructure**

Another factor is the practical difficulty of establishing a child’s actual age in countries where the infrastructure may not be in place for e.g. systematic birth registration. This can disadvantage children in many ways law enforcers are hampered because they do not have the means to absolutely establish the ages of e.g. teenagers, and, without appropriate documentation, young people may also be denied access to state services such as schools.

#### **(d) Role of education**

Children who receive little or no school education miss out on the knowledge that can create options for them later in life. Without it, they make less contribution as adults and are more exposed to exploitation and abuse. Not attending school is consequently both a cause and effect of child labour.

### **Type of Child Labour**

Child labour is a term that needs to be unpacked: it cannot be used in a sweeping manner but covers a range and variety of circumstances in which children work.

**Child labour:** Those children who are doing paid or unpaid work in factories, workshops, establishments, mines and in the service sector such as domestic labour. The Ministry of Labour, Government of India has employed the term ‘child labour’ only in the context of children doing ‘hazardous’ work. By implication, children who are not doing ‘hazardous’ work are not considered to be child labourers and are said to be doing child work.

**Street children:** Children living on and off the streets, such as shoeshine boys, rag-pickers, newspaper-vendors, beggars, etc. The problem of street children is somewhat different from that of child labour in factories and workshops. For one thing, most children have some sort of home to go back to in the evenings or nights, while street children are completely alone and are at the mercy of their employers.

**Bonded children:** Bonded child labour is an acute problem in some states. Bonded children are in many ways the most difficult to assist because they are inaccessible. If the carpet owner has bought them, they cannot escape. If the middle-class housewife has paid for them, they cannot run away. If the landlord in the village owns them, they will spend their life in servitude till they get married and can, in turn, sell their children.

**Working children:** Children who are working as part of family labour in agriculture and in home-based work. If children are working 12-14 hours a day along with their parents at the cost of their education, their situation is similar to that of children working for other employers. In fact children, particularly girls, are expected to take on work burdens by parents in complete disproportion to their strengths and abilities. This is the largest category of children who are out-of-school and are working full time. And it is here that we find the largest percentage of girls working at the cost of education.

**Children used for sexual exploitation:** Many thousands of young girls and boys serve the sexual appetites of men from all social and economic backgrounds. Direct links between the commercial sexual exploitation of children and other forms of exploitative child labour are numerous. Factories, workshops, street corners, railway stations, bus stops and homes where children work are common sites of sexual exploitation. Children are especially powerless to resist abuse by employers, either as perpetrators or intermediaries. Village loan sharks often act as procurers for city brothels, lending money to the family which must be paid back through the daughter's work. Almost all such children are betrayed by those they trust and end up with their trust abused. The physical (health, danger of HIV/AIDS, sexually transmitted diseases) and psycho-social damage inflicted by commercial sexual exploitation makes it one of the most hazardous forms of child labour.

**Migrant children:** India faces a huge challenge with "distress seasonal migration". Millions of families are being forced to leave their homes and villages for several months every year in search of livelihoods. These migrations mean that families are forced to drop out of schools, something that closes up the only available opportunity to break the vicious cycle generation after generation. At worksites migrant children are inevitably put to work. All evidence indicates that migrations are large and growing. The number of children below 14 years of age thus affected may already be in the order of 9 million.

**Children engaged in household activities:** Apart from children who are employed for wages (either bonded or otherwise) as domestic help, there are a large number of children (especially girls) who are working in their own houses, engaged in what is not normally seen

as “economic activity”. These children are engaged in taking care of younger siblings, cooking, cleaning and other such household activities.

### **Causes of Child Labor in Odisha**

Odisha is an economically poor state. Most of the people live in below poverty line and in case of high density all kinds of basic needs are not met by anybody. The following reason is very much important:

**Poverty and family size:** In Rourkela the average family size is six persons. In families where children work, the father often works as either a rickshaw puller or day laborer and the mother as a domestic help. Poverty leads to quarrels, tension and can ultimately result in cruel treatment of children. The mother, being overburdened with work, can lose interest in her children and neglect them. Without a stable income the children become a burden to parents and must find work for their own survival.

**Victims of migration:** In general, neglected children migrate to big cities with their families or alone. Often they must beg or drift on the streets in order to earn a living and will consider any work that helps them survive.

**Illiteracy & Ignorance:** Many parents of working children are illiterate and unskilled with little prospect of being able to improve their situation. There is a lack of faith in the existing education system as it does not necessarily lead to employment. Many poor parents feel that it is better for their children to learn by working rather than sending them to school presents results on children currently attending school (age 6-17 years) and Children attended before. The percentage of children (6-17 years) currently attending schools varied from 83.1% in Odisha. The percentage of drop out children (age 6-17 years) is highest in Odisha (14.1%) (Annual Health survey (AHS) 2010-11)

**Child labor law and rights:** Child labor laws in Rourkela do not protect working children. Employers prefer children as they are cheap, productive and obedient. Children working in the industrial sector have no contract of employment and so find it difficult to stand up for themselves and fight for their rights. The demand by factories for child laborers is increasing all the time.

**Family breakdown:** Migration of families, broken families, parental abuse and abandonment, all lead to child labor.