ECONOMIC GROWTH POVERTY AND THE CHILD

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INTRODUCTION

Inspite of rapid economic growth in many Third World countries, a disturbingly high rate of death due to child malnutrition continues. The physical growth of large numbers of surviving children is stunted, and in the case of even larger numbers the possibilities of their creative growth are inhibited as they get pushed into labour at a tender age. In this paper I will very briefly attempt to indicate the relationship between economic growth, poverty and the plight of Third World Children. In Section 1 are presented some of the facts of child malnutrition. It is argued that adoption of scientific methods to deal with the problem are severely constrained by the acute poverty of the families concerned. Thus, the problem is essentially one of access rather than availability. In Section 2, I discuss the mechanism of poverty with special reference to Pakistan. Finally, in Section 3 are presented, in highly summarized form, some of the evidence from a child labour survey I conducted in Lahore recently.

1. THE LEVEL OF CHILD MALNUTRITION

The process of economic growth in many Third World countries is accompanied by growing poverty. The impact of economic deprivation in poor families is clearly greatest in the case of children since they are more vulnerable than their adult counterparts: More than 40,000 children die every day from malnutrition and infection. For every one of the children who have died, six now live in hunger and ill health which permanently affects their physical and mental growth. ²

Inspite of the development of technology and the productive capacity to prevent child malnutrition, progress towards reducing these mortality rates has actually slowed down since the 1970's. The deterioration in the condition of children in recent years is closely related to the growing impoverishment emanating from the economic growth process in many countries of the Third World. Overall, the percentage of the world's children with inadequate food, water and health care, which had been declining in the period between 1945 to the early 1970's is now likely to remain the same at the end of this century as it is today. The UN's Food and Agriculture organization predicts that on the basis of present trends, by the year 2000 there would be "a horrifying increase in the numbers of the seriously undernourished to some 600 to 650 millions." This means a 30 percent increase in the number of malnourished children over the next 15 years.

II. POVERTY AND UNDERDEVELOPMENT

The impact of the available scientific advances on Child Malnutrition is severely constrained by the lack of access over food arising from poverty and unemployment. Approximately one third of the families whose children are malnourished fall into the category of the poor,⁴ and poverty is being systematically generated by a growth process in which private profitability often comes into conflict with social need. The economic structures in most Third World countries are such that industrial growth is inhibited. Whatever industrial growth does occur, is characterized by increasingly capital intensive technologies, and income distribution between capital and labour is shifting in favour of the former and the employment generation capacity in industry is growing at a far slower rate than the labour force. In agriculture where the large

majority of the population of the Third World seeks its living, the growth of capitalist farming while increasing agriculture output rapidly is accompanied by growing landlessness, poverty and unemployment.

Pakistan is a classic example of a capitalist underdeveloped country which has experienced rising poverty and inequality during its periods of rapid growth in GNP. Thus for example, during the decade of the 1960's when the economy registered an impressive aggregate growth rate of over 5 percent per annum, the majority of the population suffered an absolute decline in its living standard: For example, the per capita consumption of the poorest 60 percent of the urban population declined from an index of 100 in 1963-64 to 96.1 in 1969-70.⁵ The decline was even greater in the case of the poorest 60 percent of the rural population whose per capita foodgrain consumption declined from an index of 100 in 1963/64 to only 91 in 1969/70.⁶ There was an even larger decline in real wages in industry. For example, Griffin suggests that in the decade and a half ending in 1967, real wages in large scale manufacturing industry declined by 25 percent.⁷

More recently, in the period 1976 to 1981, there was once again rapid aggregate economic growth of over 6 percent per annum. In industry over 12 percent per annum growth was registered, yet, there was a sharp deterioration in labour's share of national income alongwith a decline in the employment generation capacity of the industrial sector. This is indicated by the fact that labour's share in value added <u>declined</u> at the rate of 5.5 percent over the period1976-81, and the capital labour ratio increased at the rate of 11 percent over the period.⁸

Just as industrial growth in Pakistan was accompanied by growing inequality and a declining employment generation capability, agriculture growth was accompanied by increasing poverty, landlessness and reduced labour absorption capacity in the rural sector. We find that the so-called Green Revolution while it generated an impressive increase in agriculture output, induced large landlords to resume land for owner cultivation on large mechanized farms. The result was increased landlessness and an absolute decline in the quantity and quality of diet of the poor peasantry. During the period of the Green Revolution 0.79 million peasants were displaced and converted into landless labourers, which constituted almost 43 percent of agricultural labourers in 1973.9 The deterioration in the quantity and quality of diet of the poor peasantry over the period is illustrated by the following table 1. The table shows that a significant proportion of the poor peasantry suffered a decline in its level and quality of food consumption precisely during a period when overall food output was rising rapidly. The reason why agricultural growth in Pakistan was accompanied by increased poverty and unemployment was because of the nature of the agrarian structure into which the Green Revolution technology was introduced: It was a situation where there was a high degree of concentration of land ownership (30 percent of farm area being owned by less than 0.5 percent of landowners). Large landlords had traditionally rented out their land to small tenants. When the new technology became available, making owner cultivation highly profitable, landowners began to resume land for owner cultivation on large farms using mechanized techniques. There is now evidence to suggest that the rapid pace of labour displacing mechanization by capitalist farmers is essentially for the purpose of increasing control over the production process.

My study on labour absorption in Pakistan's agriculture¹⁰ suggests that if present trend in farm mechanization continue, labour absorption capacity in agriculture would <u>decline</u> by 6.9 million households by the year 2002.¹¹ (See Table 9). On the other hand, if tractor adoption slows down by 50 percent and the land potential realized there can be an increase in labour absorption in

agriculture by about 20 million households over the next 15 years. Thus, whether agriculture growth creates employment or unemployment would essentially depend on whether or not a redistribution of landownership is achieved and thereby a charge in agrarian structure. A more equitable distribution of landownership in agriculture would by enabling a more intensive use of land accelerate overall food output, and at the same time, achieve greater access over food for the poor sections of rural society.

III. CHILD WORK AND POVERTY

Our discussion in the preceding sections has proposed that the phenomenon of malnutrition amongst children is intimately linked with the phenomenon of poverty. The latter in turn is the systematic consequence of a particular form of economic growth based on a highly unequal distribution of productive assets. In Pakistan, as in many other developing countries, the response to poverty in many families is that children go out to work. Child Work in many cases represents the will of the child to survive in a social system that has forsaken them. I attempted to collect data on child work in terms of a wide range of economic and social indicators. Due to limited resources I was obliged however to use a very small sample. So while the statistical evidence cannot claim generality for the entire country, it is indicative of the condition of child workers in the urban centres. It may also be useful for further research since this is the first time that data has been systematically collected on Child Work in Pakistan.

The evidence suggests that in most professions, child workers contribute a substantial proportion of total family income and are hence obliged to work

because of the poverty pressure in the family, i.e., in order to start supplementing family income at an early age. (See Table 2).

The pressure to supplement family income can be guaged by the fact that child workers are prepared to work typically 54 to 72 hours a week for a pittance: The average monthly income (cash plus benefits) is approximately US\$ 20. The working hours of children are longer than their adult counterparts. This is partly because their low wage rate obliges them to work longer to get anything at all, and partly because the employer feels he can pressurize younger workers to work long hours more successfully than he can adult workers.

It is interesting that although most of the child workers are uneducated, (Table 4), nevertheless, an overwhelming proportion of them wish to acquire an education and consider it useful. This is another indicator of the economic pressures of the family that oblige children to work at an age when they would rather be in school. Education for many of the child workers also meant the opportunity for leisure and play which they are deprived of due to their work. Typically, child workers get an opportunity to play three times per month, and some can play only once a month (Table 6).

Most child workers interviewed preferred to continue with their existing job even though it was extremely poorly paid, and involved long hours of work in a hazardous work environment. This is because of the sense of security that work gives them compared to the uncertainty of looking for work. The ambition of child workers in the case of road side hotel workers however was an exception in the sense that about 60 percent of them wanted to change their job. This is mainly because in this profession working hours are extremely long (See Table 7) and involve late night work with very little sleep, and severe penalties for mistakes.

CONCLUSION

In this paper I have argued briefly that both child malnutrition and child work emerge out of the phenomenon of poverty in the Third World. The problem is not one of production of food as much as access to it; just as the problem of Child Work is not so much a problem of effective legislation as the imperative to work in families whose adult members are unable to earn enough to provide for the children. I have argued that poverty in many Third World countries may arise out of the particular <u>form</u> of economic growth they have adopted. I have used the case of Pakistan to illustrate how rapid economic growth if it is based on an unequal distribution of productive assets, may generate affluence for the few and poverty for the many.

TABLE 1 CHANGE IN THE QUANTITY AND QUALITY OF THE DIET OF FARMERS BETWEEN 1965 TO 1978 BY SIZE CLASS OF FARM

	Quantity of Diet ¹			Quality of Diet ²				
Size of Farm (Acres)	Percentage Number of farmers whose diet has improved	Percentage Number of farmers whose diet has deteriorated	Percentage Number of farmers whose diet has remained unchanged	Total	Percentage Number of farmers whose diet has improved	Percentage Number of farmers whose diet has deteriorated	Percentage Number of farmers whose diet has remained unchanged	Total
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Less than 8	11	33	56	100	0	67	33	100
8 to < 25	0	25	75	100	0	69	31	100
25 to < 50	0	0	100	100	0	25	75	100
50 to < 150	0	0	100	100	0	0	100	100
150 and above	0	0	100	100	0	0	100	100

Source: Field Survey 1978

Note: (1) Quantity of Diet: A reduction in the quantity of diet refers to a reduction in the quantity of one or more of the following items, without an increase in any:(i) Number of chappatis consumed during the day. (ii) Quantity of milk consumed during the day, (iii) Quantity of lassi consumed during the day,

(iv) Number of times during the day lentils or vegetables are eaten along with Chappatis.

Similarly an improvement in the quantity of diet refers to an increase in the quantity of one or more of the above items without a reduction in any.

Quality of Diet. A reduction in quality of diet refers to a change of one or more of the following: (i) A reduction in the quantity of milk with an increase in the quantity of lassi, (ii) A reduction in the frequency of meat consumption per month by the peasant household, (iii) A replacement of home-made butter and ghee with canned vegetable cooking oil purchased in the market. The latter has a much lower fat content than home-made ghee and is also often adulterated according to the respondents.

TABLE 2 AVERAGE SHARE OF CHILD LABOUR TO FAMILY INCOME BY PROFESSION AND AGE Percentage AGE **PROFESSION** Under 9 9 - 11 12 - 14 All Ages Lathe Machine 6 5 Automobiles 7 Service Station * 10 20 17 Welding 5 11 Sweepers 14 19 18 15 12 Carpets Roadside Hotels 4 22 31 24 Cobblers 25 17 **Tailoring** 11 11 Tin Packing 18 18

9

15

13

Note: * Indicates no interviewees in the group.

3

All Professions

TABLE 3 AVERAGE MONTHLY TOTAL WAGES (CASH + BENEFITS) BY PROFESSION AND AGE **PERCENTAGE** AGE **PROFESSION** Under 9 9 - 11 12 - 14 All Ages Lathe Machines Automobiles Service Station Welding Sweepers Carpets Roadside Hotels Cobblers Tailoring

Note: * Indicates no interviewees in the group.

Tin Packing

All Professions

TABLE 4 EDUCATION LEVEL OF CHILD WORKERS BY PROFESSION

PERCENTAGE

PROFESSION	EDUCATION			
	None	Primary	Middle	
Lathe Machines	70	30	*	
Automobiles	50	50	*	
Service Station	60	10	30	
Welding	80	20	*	
Sweepers	80	20	*	
Carpets	80	20	*	
Roadside Hotels	70	30	*	
Cobblers	50	40	10	
Tailoring	20	70	10	
Tin Packing	70	30	*	
All Professions	63	32	5	100

Note: * Indicates no interviewees in the group.

TABLE 5 PERCENTAGE OF CHILD WORKERS WHO CONSIDER EDUCATION AS USEFUL BY PROFESSION					
PROFESSION	PERCENTAGE				
Lathe Machines	70				
Automobiles	100				
Service Station	80				
Welding	70				
Sweepers	90				
Carpets	80				
Roadside Hotels	90				
Cobblers	90				
Tailoring	90				
Tin Packing					
All Professions	86				

Note: * Indicates no interviewees in the group.

TABLE 6 AVERAGE NUMBER OF DAYS CHILD WORKERS PLAY IN A WEEK BY PROFESSION AND AGE

PERCENTAGE

	AGE			
PROFESSION	Under 9	9 - 11	12 - 14	All Ages
Lathe Machines	1	1	3	2
Automobiles	*	2	2	2
Service Station	*	5	1	3
Welding	4	*	4	3
Sweepers	*	7	2	3
Carpets	7	7	2	3
Roadside Hotels	*	2	1	4
Cobblers	4	*	*	1
Tailoring	*	*	1	1
Tin Packing	*	*	2	1
All Professions	3	3	2	2

Note: * Indicates no interviewees in the group.

TABLE 7 AVERAGE NUMBER OF WORKING HOURS PER DAY BY PROFESSION AND AGE

PERCENTAGE

	AGE			
PROFESSION	Under 9	9 - 11	12 - 14	All Ages
Lathe Machines	10	10	10	10
Automobiles	*	10	10	10
Service Station	*	10	11	11
Welding	8	9	9	9
Sweepers	*	4	4	4
Carpets	8	8	8	8
Roadside Hotels	12	13	11	12
Cobblers	8	9	8	8
Tailoring	*	*	10	10
Tin Packing	*	*	9	9
All Professions	9	9	9	9

Note: * Indicates no interviewees in the group.

TABLE 8 AMBITION OF CHILD WORKERS FOR NEXT FIVE YEARS BY PROFESSION

PERCENTAGE

	AMBITION				
PROFESSION	Study	Continue Present job	Change job	Go Abroad	
Lathe Machines	10	70	*	20	
Automobiles	*	60	*	40	
Service Station	30	30	*	30	
Welding	10	50	10	10	
Sweepers	20	40	3	10	
Carpets	*	90	*	10	
Roadside Hotels	10	10	*	20	
Cobblers	10	20	60	50	
Tailoring	*	30	20	70	
Tin Packing	*	100	*	*	
All Professions	9	5	12	29	

Note: * Indicates no interviewees in the group.

TABLE 9 PAKISTAN

ESTIMATED CHANGES IN LABOUR ABSORPTION LEVEL IN CROP PRODUCTION DURING THE PERIOD 1981 TO 2002 UNDER VARIOUS POLICY ASSUMPTIONS

	Policy I	Policy II	Policy III	Policy IV
Change in labour requirement (Man-days/Year)	- 240,778,140	- 120,392,910	+567,935,090	+ 709,918,860
Change in total farm households	- 1,069,650	- 534,842	+ 2,523,035	+ 3,153,793
Change in total population in farm households	- 6,952,725	- 3,476,473	+ 16,399,727	+ 20,499,654

Sources: i) Pakistan Census of Agriculture, 1972.

- ii) Pakistan Census of Agricultural Machinery, 1975.
- iii) WAPDA XAES Labour Coefficients, Unpublished data.
- iv) Report of the Farm Mechanization Committee, Ministry of Agriculture & Works, Government of Pakistan, March 1970.

Note 1: Estimates: Ours

Note 2: Policy I: (a) Growth rate of tra

- (a) Growth rate of tractors and size of tractors in the period 1975 to 2002, same as in the period 1968 to 1975.
- (b) Level of annual investment in agriculture unchanged.
- Policy II: (a) Tractor adoption in the period 1975 to 2002 slows down to half the growth rate observed in the period 1968 to 1975, while tractor size remains unchanged.
 - (b) Level of annual investment in agriculture unchanged.
- Policy III: (a) Tractor adoption in the period 1975 to 2002 slows down to half the growth rate observed in the earlier period, while size remains unchanged.
 - (b) A 13% increase annually in water sector investment upto 1990, bringing 27.8 million new acres under irrigated cultivation.
- Policy IV: (a) Tractor adoption slows down to half the earlier growth rate.
 - (b) A 13% annual increase in water sector allocation, bringing 27.8 million new acres under irrigated cultivation.
 - (c) Realizing some of the potential for increased yields leading to a 25% increase in

labour requirements per acre.

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