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DIMINISHING OF SOCIAL DISORDERS THROUGH FINANCIAL INCLUSION: EVIDENCE FROM INDIA

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Abstract

Financial inclusion helps to ensure the monetary stability of an economy by increasing the scope of savings, investment, and consumption decisions among people from all levels, especially from rural/remote areas. For a long time, Financial inclusion has been well-established in developed nations, but still, it is a new area for developing nations i.e. in mostly Asian, African, and Latin American countries. Financial inclusion targeted the monetary benefits and it is found as a successful tool too in many cases around the globe. This paper tried to identify the non-monetary impact only, considering the evidence from Indian society. It charted the series of social factors that have been directly connected to financial inclusions and those have been changed over the years with its introduction in India. The paper had attempted to investigate all the in and out the financial inclusion based on content analysis.

Keywords: Financial inclusion, social development, social disorder, Indian economy

Introduction

Financial inclusion is defined as the availability and equality of opportunities to access financial services. It reduces the cost of cash management and enlargement of economic activities (Burgess & Pande, 2005). Financial inclusion means providing affordable banking services to the vast segment of the society whether they are poor or excluded (Chattopadhyay, 2011). It helps not only to develop the economy or financial gain and welfare distribution, boosts saving, increases credit availability, but also to have social stability through breaking the vicious circle of poverty of a nation (Ellis, et. al 2010). As it pushes more circulation of money in an economy and intensifies

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the rate of investment and purchasing power parity by reducing the rate of inflation. As a developing nation, India observed a great introduction of financial inclusion over the years.

No nation gains socio-economic development other than financial activities. Finance is one of the crucial parts of an economy to run, whereas savings and investment are its tubes and vessels. Thus a solid financial system is one of the fundamental characteristics of a stable economy. However, the process of bringing all the people from all levels of society (lower to higher) into the mainstream financial activities is called financial inclusion.

The European Union (EU), Association of Southeast Asian Nations (ASEAN), or South Asian Association for Regional Cooperation (SAARC) all are common regional platforms for their collective social, economic, cultural, and technical development. The European Union (EU), Association of Southeast Asian Nations (ASEAN), or South Asian Association for Regional Cooperation (SAARC) all are common regional platforms for their collective social, economic, cultural, and technical development. With an aim of the impetus for the social development of the member countries, those had been formed and later on issued the same currency (as regional currency) to have more financial inclusion at the regional level. Financial inclusion has had more economic development for them in the last few centuries. This paper aims to investigate the real impacts of financial inclusion, especially for non-monetary sectors in India.

Literature Review

Financial inclusion strategies are aimed at increasing the number of people having bank accounts for bringing in their savings and investment in the formal financial system with extended coverage. It also stimulates the usage of formal and modern banking usages tools e.g. ATM, net banking, mobile banking, etc. Financial inclusion can be achieved easily if the adult population has easy access to financial services at an affordable cost. People with higher financial awareness have greater chances of getting better financial services by optimum utilization of their savings and investment (Chattopadhyay, 2011).

The rural cooperative banks, micro-financial inclusion, and postal banking services played an important role in increasing the level of financial inclusion in developing nations. In particular, a country like

India, where rural banks have a greater role in bringing the people into the formal banking system, and then utilizing their role positively for the faster development of the overall banking system, as well as the overall Indian economy (Kelkar, 2010). In this way, the impact of monetary policy changes was implicitly reflected on the rural households as they were affected in terms of their savings and investment decisions (Kumar, 2013).

Ravikumar (2020) stated that the definition of financial inclusion varies from region to region. It is also measured using different indicators. The important indicators of financial inclusion measurement include access indicators, usage indicators, quality indicators, and financial education indicators. Most of the researchers use access indicators and usage indicators to measure financial inclusion. Access indicators comprise demographic and geographic branch penetration, demographic and geographic ATM penetration, and population per branch.

There have been many studies that explain how financial inclusion is supported to develop a nation's economy while those have been ignored about non-monetary impacts on society. Considering this research gap, the paper has tried to figure out the non-monetary effects on social issues in the context of India, a developing nation located in South Asia having a greater scope of financial inclusion.

Methodology

This study has been carried on to analyze the ins and outs of non-monetary developments as a by-product of financial inclusion in the context of India. Mostly data has been collected from secondary sources such as articles from journals, newspaper columns, annual reports published by international agencies, etc. A simple excel spreadsheet has been used to analyze and prepare graphs and easy of presentation. It had conducted only content analysis and tried to disclose all non-monetary implications of financial inclusion in Indian society.

Discussion

Financial inclusion provides access to formal financial services at a reasonable cost to financially excluded people. It has been considered one of the most sought-after topics in recent times for policymakers, researchers, and academicians. Nonetheless, for achieving sustainable growth, economic growth must ensure the

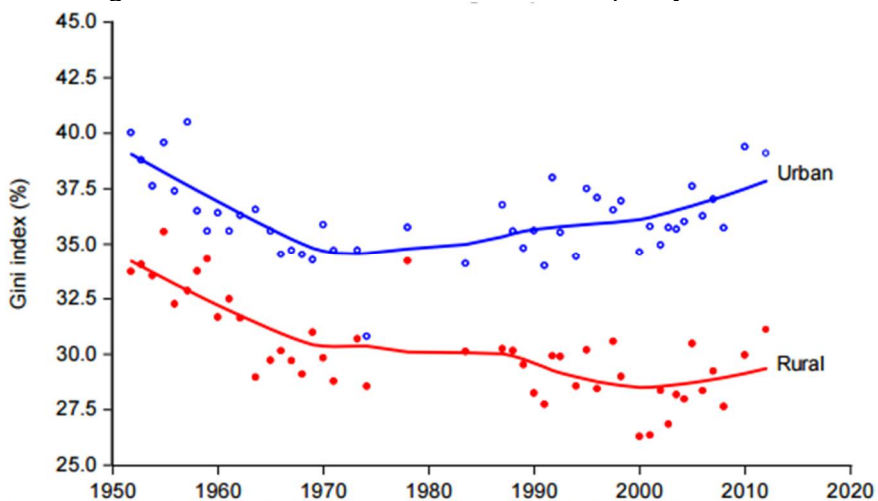
benefit of the financial system to the population in a breadth and depth range that means inclusive manner. That is why economic impoverishment arises when low-income people or rural peoples are excluded from formal financial services i.e. financial inclusion.

To achieve inclusive growth, insurance companies and other financial institutions also need to come forward besides banks by providing financial services to the bottom of the pyramid customers (Beck et al., 2007).

India is the second-largest country in the world concerning the size of population and in the first position for land size in South Asia. It had made tremendous development during recent decades by overcoming multi-level challenges. About 70 percent of the population lives in rural areas for agricultural purposes in India where communication and infrastructure are very poor.

Government policy, public-private participation, and contributions from Non-government organizations have played an important role in this achievement. Though financial inclusion has been considered as a tool for economic development, it has contributed to many non-monetary fields found in Indian society too. It had reduced the gap between rural and urban facilities/inequalities (See. Figure 1). Other issues have been discussed under the following points-

Figure 1: Trends in Urban and Rural Inequality in India



Source: Manur, 2016

i. Rural Development and Standard of Living

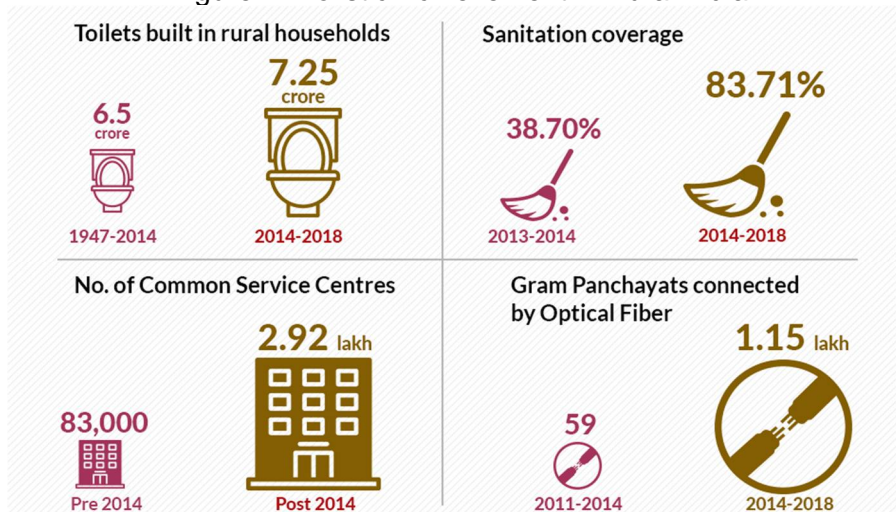
Rural development is the process of improving the quality of life and economic well-being of people living in rural areas. Until the 1970s, rural development in India was synonymous with agricultural development and hence focused on increasing agricultural production.

Today, Inclusive rural development is a more specific concept than the concept of rural development of earlier, in broader terms, inclusive rural development is about improving the quality of life of all rural people which is highly inter-dependent on economic, social, and political dimensions.

In this economic and social dimension, financial inclusion encompasses providing both capacity and opportunities for the poor and low-income households, in particular- benefit from the economic growth, supports social development of poor and low-income households, promotes gender equality and women's empowerment, and provides social safety nets for vulnerable groups, etc.

Financial inclusion is defined as the availability and equality of opportunities to access financial services, and those services can be viewed as having significant positive externalities when more people and firms participate (See. Figure 2).

Figure 2: Holistic Achievement in Rural India

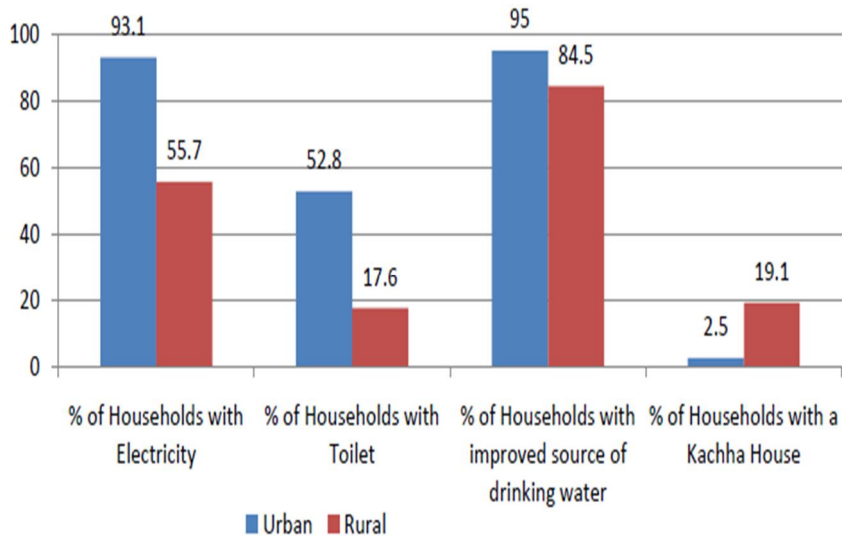


Source: The Logical Indian, 2018

The solid financial system endures longer if its foundation is concrete and subsists in the people of grass-root level. They are those who live in villages and small towns, earn meager income, work in the primary sector, spend more on food, and have minor social security.

In 1961, The Reserve Bank of India, which is India's central bank, had performed its first banking nationalization phase and directed every bank to open four rural branches before opening an urban bank branch. People have more access to other basic services as well (See. Figure 3).

Figure 3: Access to Basic Services in India



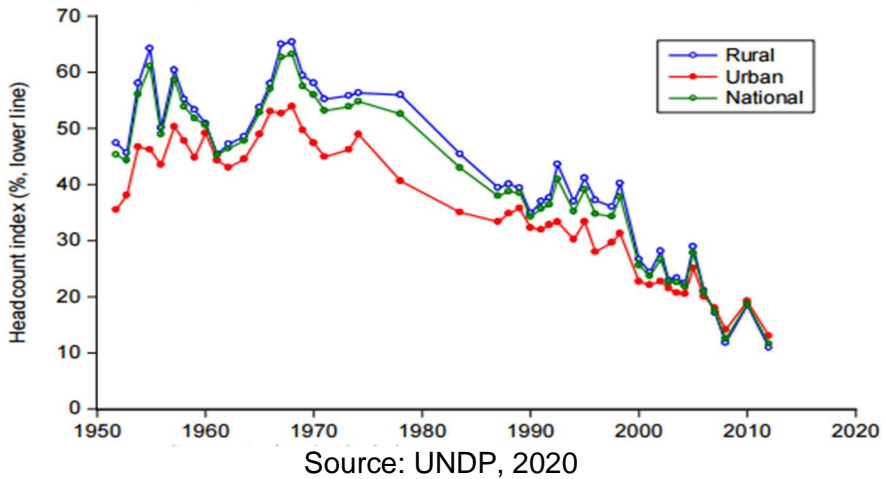
Source: Logical Indian, 2015

ii. Income-generating Activities and Poverty Reduction

Rural households' life is much more challenging as they have limited income sources. The accessibility of banking facilities enables them to use the facility of crop insurance, rainfall insurance, farm income insurance, and calamity relief fund (Mehrotra & Yetman, 2015).

It also reduced the overall level of rural poverty in the country (See. Figure 4) (Mbutor & Uba, 2013).

Figure 4: Poverty Measures in India



iii. Reduce Suicide Mortality and Morbidity

Over the years, as financial inclusion had increased the scope of saving, loan, and investment of rural people in India, it had solved many social disorders that were created as a by-product of poverty. Since many financial problems were drawn out, it reduced farmers' suicide rates also (Mehrotra & Yetman, 2014).

Figure 5: Deaths (Teenage) by Suicide in India

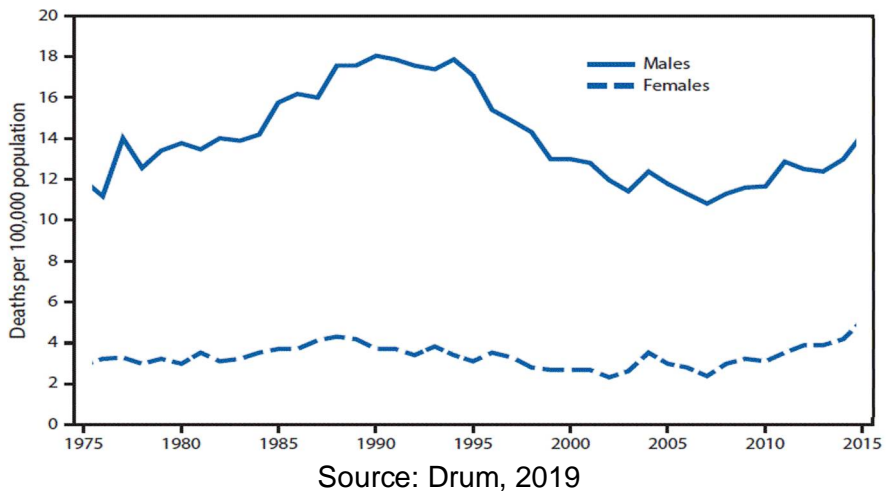


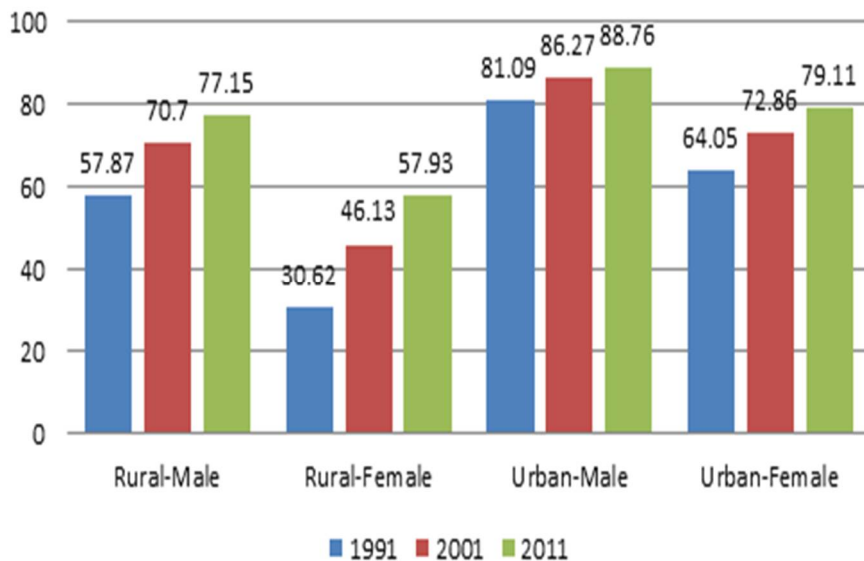
Figure 5 shows, the suicide rate has been reduced to 35 percent as compared between 1995 and 2010.

iv. Enhanced Education and Literacy

Financial inclusion expands financial services to all the segments of society including the poorest of the poor people by providing them bank accounts. Here, those who are financially included are found to invest more in education and business than in consumption (Ratti, 2012). It has increased over the years (See. Figure 6).

People had realized that expanding on education and business gives returns as well as endowments and makes life better. In addition, investment in education also gives them long-term returns as it increases the human capital of the country. Hence, education is one of the prime choices for investment as well (Subbarao, 2009).

Figure 6: Literacy Rate in India



Source: Government of India, 2020

v. Investment Opportunities

The expansion in rural branches of financial firms with financial inclusion projects increases the total per capita output of a country, which helps the rural households to take credit on a lesser interest rate (IR) than of moneylenders (Ray, & Prabu, 2013). Today's development of India, especially the rural development, was possible due to investment opportunities via financial inclusion.

vi. Enhance Social Safety and Security

There is a remarkable crisis for social safety and security issues in rural areas of India (Devereux, 2001). That is why people feel more comfortable, secure to deposit their money with banks rather than having it in their hands/home as they give interest on the principal amount and provide borrowing facilities also.

Therefore, the liquidity with the rural population can be controlled by the monetary policy decisions of the central bank. It reduces the risk of deposit, getting of loan, lack of financial literacy, etc.

So people feel safer to save or make deposits to banks and bank's official hubs which have increased the social security of those rural people. They are now getting modern banking and non-banking financial facilities/services from remote places too via internet banking, mobile banking, and ATM facility (Sarma, 2015).

vii. Increased the Purchasing Power of the Rural People

Price stabilization and liquidity control are the main objectives of monetary policy, where the tools used by the central bank for the same can be effective only if people use the formal financial market (Banks and other financial institutions, e.g. insurance companies, mutual funds, etc.), and it is well proved that solid presence of banking sector assists to collect and redistribute the scattered savings (Mehrotra & Yetman, 2015).

Financial inclusion also actively controls the price level in an economy by controlling the rate of inflation (Mbutor & Uba, 2013). Thus the purchasing power of people has increased at the rural level and is enjoying a higher living standard.

viii. Out from the Landlord Trap

When the central bank of India stepped in to establish bank branches on root-level villages, the whole picture of the Indian banking sector had drastically changed. The rural household borrowing from banks surged extensively by slashing the share of landlords in issuing loans.

Thus, it brings many positive externalities by bringing them out from the trap of landlords, utilizing the launched schemes of government, minimizing the corruption, and fueling back the money in the economy which they were accustomed to keeping idle with them

(Kumar, 2013). It has created a more comfortable zone for the rural people to get financial access with mental peace.

Concluding Remarks

Financial inclusion is an extended view to ensure access to formal financial services at an affordable cost fairly and transparently. It brings the rural people into the mainstream banking fold who did not have banking access. In addition, financial inclusion is a necessary condition for the sustainable and equitable growth of an economy (Chakravarty & Pal, 2013).

It helps in economic growth and makes monetary policy to work on. People at the grass-roots level who do not have any direct relation with banks or savings and investments are now getting financial service/s. Such people consume most of their income that does not increase investment and if they save them then they keep their savings idle (Mehrotra & Yetman, 2015).

If the bank account facility is provided to the poor and rural people then they may keep their money with banks and this way the money will not be idle, and it is evident that enhanced financial inclusion spurs the effectiveness of monetary policy (Mehrotra & Yetman, 2015). However, if the operating or transaction costs of financial inclusion-related services/facilities i.e. internet banking, mobile banking, and ATMs in the rural area are to be reduced, it might enhance more happiness and coverage of rural people as well (Ratti, 2012).

Financial access facilitates day-to-day living and helps families, businesses especially for unexpected emergencies in remote places. Now people (especially those living in rural areas) are more likely to use many financial services, such as smart payment or e-payment, business expansion, investing in education or health, managing risk, etc which have improved the overall quality of their lives and reduced social inequalities and disorders.

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CHILD LABOR IN BANGLADESH: STATUS, CAUSES AND EFFECTS

Rushni Korishi¹

Abstract

Child labor usually means the work done by children under the age of 15, and therefore interferes with their education, damages their physical, mental, social or psychological development. UNICEF reported in 2021 that the number of children engaged in child labor has risen to 160 million worldwide, with an increase of 8.4 million children in the last four years and another 9 million additional children at risk due to the impact of COVID-19. This paper has been focused on critically identifying the real scenario of child labor in Bangladesh. All data has been collected in this research for analyzing purposes from both primary and secondary sources. As the cause of poverty, child labor has been found as a deterrent phenomenon for the development of the nation. This paper has conducted a percentage analysis with a few recommendations and policy level suggestions for eliminating this social disease from Bangladesh.

Keywords: Child worker, child labor, child abuse, poverty, malnutrition

Introduction

Child labor is very common in Bangladeshi society. Weak law and order practice, lack of knowledge related to the impact of child labor, and public awareness had contributed to have such a situation. Children or adolescents below the minimum age for admission to employment in work that directly affects not only their health and personal development, but also interferes with their schooling negatively. Many of them engage to support their family for financial gains outside school hours and during school holidays.

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There is a basic difference between 'child work' and 'child labor'. It is claimed that the work of the children becomes 'child labor' when it occurs outside the family and under dangerous environments. It may be measured as hazardous when it harmfully affects the teenagers' health, development, psychosocial growth, and educational opportunities. On the other hand, the term 'child work' is considered to be non-harmless, generally happening in family farms or family enterprises. About 42 percent of child workers are involved in child labor (ILO, 2003).

No doubt, child labor deprives children of their childhood and creates a harmful effect on their physical and mental development. Child labor refers to the work done by the children that are mentally, physically, socially, or morally dangerous and harmful and/or interfere with their schooling, make schooling irregular; may lead them to leave school prematurely, or require them to attempt to combine school attendance with excessively long and heavy work.

Some of the worst forms of child labor are happening in children's life at the age between 3 and 5 years old that found some under developed countries including Bangladesh. NGOs have reported many reasons for children's motivation to work. Poverty is found as one of the main reasons for increasing the supply of child labor in developing nations.

Nonetheless, family problems including a breakup, parent-lawlessness, uneducated parents' interest towards their child employment at early ages or having no parents, etc made this scenario more critical. Absolutely, child labor may support financially to an individual family or own but harm itself as well the whole economy.

A child may seem insignificant in determining the status or condition of a society, but collectively it is a major determinant in a society's progress. Unfortunately, in Bangladesh, street children are victims of trafficking for odd jobs like factory work, shopkeepers helper, conductor of Bus and Track; ever for totally illegal employment (for adults too) as prostitution-worker, drug seller, etc too. This is due to the poverty, hunger, and abuse which a street child experiences at an early age. Street children become more susceptible to these illegal treatments because of the lack of education and awareness toward their society, environment, and human rights. As a result, they

tend to disregard education and start working at an early age to be able to support themselves as well as their family financially.

According to the Bangladesh Institute of Labor Studies (BILS), there are about 2000 children and adolescents (between the ages of 10 and 14) out of 30 thousand works in shipbreaking yards. Although most of these child workers work as 'helpers', as said by the industry owners, the real situation is different. In 2008/09, while an average adult worker is paid between Tk. 140 to 180, a child 'helper' is paid Tk. 60 for 8 hours of work a day (BILS, 2011).

However, many of these child workers are found working shoulder-to-shoulder with adult workers in scrapping an entire vessel with their bare hands. Cranes used to remove engines and other overweight items are rarely tested resulting in frequent fatal accidents. Standing at the wrong place at the wrong time can easily crush or behead a child worker. Many of the future adults are found barefooted or only wearing flip-flops with sharp, rusty metal shards and splinters lying scattered on the floor. The ships remain full of dangerous gasses and sufficient measures are not taken to clean those before scrapping. The reality in Bangladesh is that a large number of children work under exploitative or hazardous conditions.

Literature Review

Amin et. al (2004) had conducted research to examine poverty and other determinants of child labor in Bangladesh. The paper had found that a family's poverty affects the probability that a child would be involved in work and keeping children away from work is a luxury for these families that cannot be afforded at all. A demographic group is also an important determinant of child labor in Bangladesh since the effects of child and family variables on the probability that a child will work differ among these groups.

Salmon (2005) had used the Bangladesh Labor Force Survey 2000 data to analyze the magnitude, nature, and determinants of child labor in Bangladesh. It had found the number of 'child labor' is in Bangladesh in between 5.4 million and 7.9 million. That means about one out of every five children between the ages of 5 and 14 years had been classified as child workers in 2000 and mostly involved in agricultural working. Those children had contributed the share of family income by nearly 50 percent.

The number of working children between the ages of 5 and 15 is at least 120 million worldwide and mostly from Asia, Africa, and Latin America (ILO, 1996). Bangladesh is considered to be one of the child-labor-abundant countries. This is a serious issue that has drawn the attention of economists, social scientists, policymakers, and business people (Rahman et. al. 1999).

Jakowan and Afrah (2018) had conducted an investigation on the causes of child labor in Bangladesh. It tried to evaluate the opinions of the child laborers and reflect their situation by their views on different questions and identified the major causes that are influencing this harmful practice in this nation.

It had found that the parent's interest towards engaging their children in work due to the increased cost of education, unawareness of the families, employers' reluctance to obey the labor law and inequality of income distribution respectively. It recalls the government and relative stakeholders' measures to remove the problem of adherence and economic imbalance of the nation to build a country where all the children will get the things that they deserve. It had guided how to enrich the human capital development, financial stability and peace as well.

Methodology

Child labor is a common issue for developing and under-developed nations. Public awareness and government policies may prevent or reduce this problem in society.

In this research, all the data has been collected from both primary and secondary sources. Primary data had been collected through the observation method and the secondary data had been gathered from Government of Bangladesh (GoB) record-books, articles published in the international journals, and related reports published by the International Labor Organization (ILO), UNICEF, and other organizations.

A Simple table was prepared and presented for ease of understanding. A percentage analysis had also been done in the right column of the table too. This paper has conducted a systematic review of the literature and recommended some of the policy level suggestions to reduce this social problem in Bangladesh.

Discussion

The International Labor Organization (ILO) estimated that 250 million children only worked in factories, plantations, and fields and down mines all over the world (ILO, 2003). This does not include children working as domestic servants which is very difficult to count or estimate in countries like Bangladesh, where it is next to impossible to get reliable figures even though child labor is rampant.

Recently, UNICEF reported that the number of children in child labor is 160 million worldwide, with an increase of 8.4 million children in the last four years and another 9 million additional children at risk due to the impact of COVID-19 (UNICEF, 2020).

The number of child-labor (added in the labor force) in Bangladesh is recorded at 6.58 million out of 34.45 million children in the age group 5-14 years old which constitutes 12 percent of the total labor force of the nation (BBS, 1996). The child labor scenario in Bangladesh is very much critical and complex in nature (See Table 01).

Table 01: Child Labor Scenario in Bangladesh

Description	Total	Age	Gender-wise		Zonal Distribution		Sector-wise Distribution				
			Boys	Girls	Rural	Urban	Formal	Informal			
							Total	Agriculture	Service	Industry	
Amount (in Million)	7.9	5-17 Years	5.8	2.1	6.4	1.5	0.53	7.37	4.5	2.1	1.4
Share (in %)	100		73.5	26.5	76.6	23.4	6.7	93.3	56.4	25.9	17.7

Source: BBS (2003)

The table 01 stated that according to the second National Child Labor Survey (NCLS) conducted by the Bangladesh Bureau of Statistics (BBS), the total working child population between 5 and 17 years old was estimated at 7.9 million in Bangladesh.

The proportion of boy and girl child workers, in the age group of 5-17 years, is 73.5 percent and 26.5 percent, respectively; the total number of working children aged 5-17 years in rural areas is estimated at 6.4 million as against 1.5 million in urban areas; as many as 93.3 percent of all working children in the age group of 5-17 years operating in the informal sector.

Nonetheless, as a part of informal sector, agriculture engages 4.5 million (56.4 percent children), while the services sector engages 2.1 million (25.9 percent), and industry engages about 1.4 million (17.7 percent).

Most of the child labor has to work average of 40 hours a week and more than 1.3 million children are estimated to be working more than 43 hours per week. More boys than girls are engaged in this form of child labor across all age groups. Bangladesh is one of the developing countries that have the largest number of children, who work under difficult conditions.

About 3.45 million children aged 5-17 years were working in 2013, out of which 1.28 million (about forty percent) children are engaged in hazardous work (ILO, 2013). Time-able steps taken by GO and NGOs had been improved the situation somehow. A comparison table of child labor status in Bangladesh had been made between the years 2003 and 2013 (see Table 02).

Table 02: Measures of Child Labor Age 5-17 Years in Bangladesh

Recorded Year →	2003			2013			% Change in Total
Categorizes ↓	Male	Femal e	Total	Male	Female	Total	
	Amount in Thousand						
Total Child Population	22,689	19,698	42,387	20,596	19,055	39,652	-6.5
Working Children	5,471	1,952	7,423	2,103	1,347	3,450	-53.53
Child Labor	2,461	718	3,179	953	746	1,699	-47
Hazardous Work	1,172	120	1,291	772	508	1,280	-0.85
Child Labor % of							
Total Working Children	45	36.8	42.8	45	55.4	49.3	15.18
Total Children Population	10.8	3.6	7.5	4.6	3.9	4.3	-42.67

Source: BBS (2003 and 2013)

Table 02 shows the progress in child labor scenario of Bangladesh from the year 2003 to 2013 based on the National Child labor Surveys (NCLS) conducted by Bangladesh Bureau of Statistics (BBS). It found that between 2003 and 2013, the number of working children aged 5-17 has reduced from 7.6 million to 3.5 million (53.53%). Among them, the number of children engaged in labor was

3.2 million which reduced to 1.7 million in 2013 (-47%) where-else the total child population had reduced by 6.5 percent.

Recently, the Multiple Indicators Cluster Survey (MICS) indicates that in 2018, 6.8% of total children aged 5-17 are engaged in child labor which is higher (almost double) compared to the number (4.3%) found in the year 2013. After that, obviously the covid-19 impact would be there as UNICEF (2020) have recalled.

Fundamental Cause of Child Labor

Across the world especially in underdeveloped nations, the main cause of the existence of child labor, even in this recent time when high-tech technology is available, is only 'poverty'. When adult family member/s can not manage the family expenses as they earn, they provoke their children to be involved in income generating activities. Thus, the unemployment or low level of income of parents increases the likelihood of children being sent to work as children 'have to' contribute to the family income.

According to UNICEF (2010), 46 percent of working children in Bangladesh live below the poverty line with one quarter living in extreme poverty. Living in poor and extremely poor households, these children are deprived of the basic needs as such- food, shelter, medical care, sanitation facilities, and drinking water. With the average wage of less than \$5 a day, parents are forced to send their children to work to have additional financial support to family income (Al Jazeera, 2020). Children from poor families are more likely to be engaged in child labor than children from non-poor families. Thus, poor living standards and poverty stimulate the use of child labor in Bangladesh.

The National Child labor Survey in 2013, an establishment survey, and five baseline surveys on the worst forms of child labor in five segments (welding, automobiles, street children, battery re-charging, and transport) have also been conducted under the supervision of the Bangladesh Bureau of Statistics with technical and financial support from the ILO. The final reports of the establishment survey and the baseline surveys had opened up the factors that generate child labor in Bangladesh.

The awareness level on social issues including child labor and its laws to prohibit it is still low. Society, in general, has a rather

indifferent attitude towards the problem. When children work, they are denied an education and so have no chance of escaping from poverty. Illiterate child laborers usually become poverty-stricken, illiterate adults who in turn have to send their children out to work, and so perpetuate this cycle of poverty.

“Child labor is not only a by-product of poverty, but it also generates poverty..... The argument that child labor can't be eliminated until poverty is eliminated reverses cause and effect and provides an excuse for tolerating child labor. Ending child labor is a way out of poverty.” (Harvey, 2011).

However, poverty with some other socioeconomic and cultural reasons have been reported as the causes of child labor. Here it had been described under two sub-categories:

(i) Sociocultural Causes of Child labor

A lot of sociocultural factors contributing to child labor are rapid population growth, adult unemployment, bad working conditions, lack of minimum wages, exploitation of workers, low standard of living, low quality of education, lack of legal provisions and enforcement, low capacity of institutions, gender discrimination and traditional arguments in favour of child labor (ILO, 2021).

There is a direct link between child labor and education. Nearly 50 per cent of primary school students drop out before they complete grade 5, and then gravitate towards work, adding to the number of child laborers. The high drop-out rates are correlated with the low quality of public primary education, low adult literacy, low awareness of the importance of education, teacher-student ratio (sometimes this goes up to 1 per 100), non-availability of didactic and learning materials, and the cost of education. Basic primary education is free as far as direct costs and school books are concerned. But many indirect costs are involved as well, such as transport, uniforms, pens, pencils, and notebook, etc.

(ii) Economic/Financial Causes of Child labor

Economic reasons are very critical as child labor is cheap compare to adult labor, preference goes to the children and forced into work rather than education, mostly in the under-developed nations where law and order are very weak in nature. Thus the economic structure keeps child labor as a part of its whole system. In many families,

adults are sitting idle as they charge higher but children are working as they are paid less. So children are getting more jobs frequently compared to adults. It seems that poverty creates child labor, but in reality, child labor also keeps poverty.

The increase in the demand for child labor is caused by the intense pressure on many companies to become more competitive and win a greater market share because children are seen as a cheap source of labor, which may be enough to give a company a slight edge over competitors or provide an opportunity to increase profits (Hossain, 2012). Business firms are trying to maximize their profits by cost-cutting methods. One of the easiest ways to reduce the cost is to employ child labor as their payment is less compared to adult labor. With this aim, the international business organizations sometimes move their offshore to the developing nations or use overseas sub-contractors to avail the cheapest possible wages that of child labor.

Life-Long Effects of Child labor

Effects of Child labor on a child depend upon the type of working conditions and environment, but there are some other serious effects of laboring on a child, which are long-lasting and damage their whole life due to continuous work and stress. Especially, the worst forms of child laboring such as bonded labor, prostitution, pornography, and children involved in armed conflicts, etc. even lost his / her lives in that Process.

The International Labor Rights Forum (ILRF) had reported that children who labor intensely are often smaller than those who are allowed to play and grow naturally. They are also at a higher risk for illnesses such as respiratory illnesses and are exposed to harmful chemicals that can also affect their physical development. Often, these children also suffer from malnutrition which leads to other serious health and mental conditions later in life (ILRF, 2021).

Some most vulnerable and serious effects of child laboring are as follows:

- deprives a child of a proper childhood,
- deprives a child of proper growth and development,
- deprives a child of proper education and career,
- deprives a child of proper family bonding,
- deprives a child of being good adulthood, future family life, and sexual life, etc.

Conclusion and Recommendations

All over the world, child labor is the illegal and the minimum employment age is set at 15 to 18 years. Children are supposed to be guided under their parents or legal guardians. In poor nations, they misguide their children too. Generally, in the developed nations, a school-going child under the age of 15 may help to her mother to cook or household chores which are not counted as child labor. So work done by children after school, on weekends or during holidays to help their family non-financially, in some cases financially too can be counted as a real-life lesson for them. Furthermore, it should be prohibited, the child's work may endanger their life, safety, health, and morals or it hinders them from schooling. It also includes the situation of children below the age of 18 who are employed in hazardous occupations such as the heavy iron or mining industry.

In this modern world, child labor has become one of the concerning issues for many governments all over the world. Working long hours with dangerous equipment and exploitation of employers at the workplace hinders the physical and mental development of the child as a child could not use his potential for his own to attend school and university, consequently, he cannot count on a well-paid job in the future. The utilization of under-aged children in the workplace abuses and harms their health.

In Bangladesh, child labor is an important topic that is being debated as a serious issue in the country. It is one of the developing countries that have the largest number of children, who work under difficult conditions. Millions of children are being forced to work under hazardous working conditions because of poverty, demographics, and the indirect cost of education in Bangladesh.

The government of Bangladesh has developed and adopted a number of legislative measures to address the issue of child labor. The effective implementation of the UN CRC, the ILO Convention, the Bangladesh Labor Act 2006, the Children Act 2013 improved the situation of child labor in Bangladesh. By the Bangladesh Labor Act 2006, which determines the basic principles of employment of adults and children, an individual has to issue a particular certificate from a medical practitioner to be permitted the employment of a maximum of 42 hours a week, while children aged 12 years could be involved in a light work without any negative impacts to their health and education.

If a child works more than 42 hours a week, it is considered to be hazardous child labor or working under hazardous conditions.

Unfortunately over 1.2 million children work under hazardous working conditions in Bangladesh (ILO, 2013). Despite the adoption of the National Labour Elimination Policies 2010 and 2012-2016, further measures should be taken to eliminate child labor more effectively since there are a number of socio-economic causes of child labor in Bangladesh. Acknowledging children's rights and restricting their exploitation has become a demand to time.

The GO-NGOs cooperation is highly required to further promote the rights and interests of children by formulating legislative acts to solve this issue. Implementation of existing law may get priority before creation a new one. Covering on public media along with online and offline mass-media may be involved in campaign for creating public awareness to prevent this social disease. As today's children are the future of a nation, it should pay close attention to secure their future at any cost.

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