The Role of Bolsa Familia in the Labour/Education Problematic for Children in Brazil

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Abstract

Brazil is a massive country in both size and population, and is considered an economic and political leader in Latin America. However, it suffers from many development issues faced by other developing countries around the globe; the state struggles to educate the entire population and it has not yet fully eradicated child labour. The specific problematic in this thesis, is the opportunity cost associated with child labour and education, and its relationship with conditional cash transfer programs. Child labour is thought to be an impediment of human development as it is often considered a means of continuing the cycle of poverty. It is likely that many children work to support themselves or their families. The focus of this thesis is to discuss the effects of the education conditionality imposed by Brazil’s conditional cash transfer program on child labour in the country. The research question of this thesis is, what is the trade-off between education and child labour in relation to Brazil’s conditional cash transfer program, Bolsa Familia? The main conclusion of this thesis is that the trade-off between school and work is not as black and white as originally assumed; education and child labour are for the most part not substitutes. Bolsa Familia has had a greater impact on increasing enrolment and retention than reducing child labour in Brazil, leading to the assumption that many children are likely combining both school and work. Recipient children are more likely to miss school to help with domestic activities, but non-recipient children are more likely to miss school to work or look for work.

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<tr>
<td>CCT</td>
<td>Conditional Cash Transfer</td>
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<tr>
<td>CEDPLAR</td>
<td>The Center for Regional Development and Planning</td>
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<td>ECLAC</td>
<td>Economic Commission for Latin America and the Caribbean</td>
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<td>EFA</td>
<td>Education For All</td>
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<td>FA</td>
<td><em>Familia en Acción</em></td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<td>GNI</td>
<td>Gross National Income</td>
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<td>HDI</td>
<td>Human Development Index</td>
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<td>IHDI</td>
<td>Inequality-adjusted HDI</td>
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<td>ILO</td>
<td>International Labour Organization</td>
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<td>IPCE</td>
<td>International Poverty Centre Evaluation</td>
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<td>IPEA</td>
<td>Institute for Applied Economic Research</td>
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<td>LDC</td>
<td>Less Developed Country</td>
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<td>MDC</td>
<td>More Developed Country</td>
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<td>PETI</td>
<td>The Program for the Eradication of Child Labour</td>
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<tr>
<td>PISA</td>
<td>Programme For International Student Assessment</td>
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<tr>
<td>PNAD</td>
<td><em>Pesquisa Nacional por Amostra de Domicílios</em></td>
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<tr>
<td>PPP</td>
<td>Purchasing Power Parity</td>
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<tr>
<td>PROGRESA</td>
<td><em>Programa de Educación, Salud, y Alimentación</em></td>
</tr>
<tr>
<td>RPS</td>
<td><em>Red de Protección Social</em></td>
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<tr>
<td>UCW</td>
<td>Understanding Children’s Work’s</td>
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<td>UNDP</td>
<td>United Nations Development Programme</td>
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<td>Acronym</td>
<td>Description</td>
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<tr>
<td>UNESCO</td>
<td>United Nations’ Development Program</td>
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<td>UNICEF</td>
<td>United Nations Educational, Scientific and Cultural Organization</td>
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<td>WB</td>
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Section 1: Introduction

Children are the building blocks to a better future and are an important link in breaking the cycle of poverty. The broadest theme of this thesis is education and development. Education has only been at the forefront of the development dialogue for the past few decades despite previous acknowledgement of its economic, social and cultural benefits (Paloheimo 2011). Although there is clear and extensive importance associated with education in development; millions of children are denied basic schooling because they are too poor, they have limited access to schools or perhaps because they have to work to provide for themselves or for their families (UNICEF).

The evolution of the development discourse has resulted in importance placed on human development and the realization of human potential. Building human capital and stopping the intergenerational cycle of poverty has been internationally recognized as an ethical and economic imperative for the betterment of mankind. In recognizing the insufficient progress in poverty reduction, governments and international bodies have designed various social safety nets and poverty alleviation programs (Caldes et al. 2006). The social cost associated with the economic policies of the 1980’s and 1990’s has resulted in a recent trend in policy making; the construction of social safety nets or poverty alleviation programs designed to protect the poor. One of the most widely implemented forms, particularly in Latin America, are Conditional Cash Transfers (CCTs) (Lewis, Lloyd-Sherlock 2009; Grugel, Riggerozzi, Thiekkell-White 2008).
The specific problematic focused on in this thesis is the opportunity cost associated with child labour and education and its relationship with conditional cash transfer programs. Child labour is thought to be an impediment of development as it is often considered a means of continuing the cycle of poverty. It is likely that many children work to support themselves or their families. To narrow the focus further, this thesis looks specifically at the effects of the education conditionality imposed by Brazil’s conditional cash transfer program, on child labour in Brazil. The research question of this thesis is centred upon the trade-off between education and child labour in relation to Brazil’s conditional cash transfer program, Bolsa Familia. It is important to note that in this thesis, education refers to formal education provided by the state or private institutions and child work or child labour is simply conceived as the employment activities of children, whether it be paid or unpaid, and within or outside of the household.

The methodology for this thesis was primarily obtaining data from secondary sources, as I did not have the opportunity to conduct my own fieldwork. The specific sources consist of several journal articles and studies, which analyse data from international, regional and national surveys and standardized tests as well as major reports from sources such as the World Bank (WB), (UNICEF) and Education for All (EFA).

This thesis will be structured in the following way; Section 2 is the Literature Review, which focuses on the debates in selected literature pertaining to the thesis question. It looks specifically at the view of education through the frameworks of Human Capital and Capabilities Approach, the definitions of child labour and the proliferation of western notions of childhood, and the debate surrounding whether CCTs are a remedy for the child labour/education problematic. Section 3 is comprised of empirical data and is structured in a similar framework as the Literature Review. The issues elaborated in the empirical section are; education and
development, specifically the importance and accessibility of education and its influence in
development; education and child labour, looking at the relationship between the two and the
variation and proliferation of child labour itself; the trends and effects of conditional cash
transfer programs in relation to education and child labour; and finally I will focus in on Brazil’s
conditional cash transfer program, Bolsa familia and the role it plays in the opportunity cost
between child labour and education in the country. Section 4 is the analysis and discussion. It is
organized into five main sections pertaining to education and development, working children, a
specific focus on Latin America and education, working children and Bolsa Familia. Section 5 is
the final section and is comprised of my conclusions and recommendations.
Section 2: Literature Review

2.1 Education and Development

Education has moved to the forefront of the development discourse within the past two decades. It is now commonly accepted that investment in education can combat poverty and stimulate development. Because of this advancement, education has been internationally recognized as a core element in the development process (Paloheimo 2011; Tarabini 2012). As a result, there is little debate that the failure to provide education can seriously impede a society’s progression (Ismail; Cazden 2005). Governments from both developed and developing nations, international bodies and non-governmental organizations agree that education is a key investment in achieving development. In consequence of this, several international strategies and programs have evolved in attempt to provide education to all and alleviate global poverty (Tarabini 2010). Education is now not only considered intrinsic to development, it is considered by many to be a basic human right. The United Nations clearly upholds this notion through various international programs and initiatives such as Education for All (EFA) and the Millennium Development Goals (MDGs).

The MDGs incorporate many development related issues into eight goals ranging from combating extreme poverty, improving environmental sustainability and providing universal primary education, all hoped to be achieved by 2015 (UN). Despite the international solidarity
and cooperation shown in such projects, cynicism still exists. Saith (2006) offers such a view, describing the MDGs as,

“…a cloud of soft words and good intentions and moral comfort…They give well-meaning persons in the North-West a sense of solidarity and purpose; they provide a mechanical template of targets and monitoring indicators aptly suited to the limits of the bureaucratic mind; they form ready populist seasoning for politicians; and of course, they provide another gravy train for development consultants…”

This sentiment is not unique and it sheds light on important issues, such as the strong western and universal ideals from which these goals were forged, a notion that will be discussed further in this thesis. However, it is necessary to note that these goals are also thought to be a necessary catalyst in global development efforts.

Although the international community recognizes the importance of education; debate continues regarding what education should accomplish, and how it fits into development policies. Landorf, Doscher and Rocco (2008) argue that formal education should,

“…[result] in the enhancement of human well-being, conceived in terms of the expansion of individuals’ agency, capabilities and participation in democratic dialogue, both for now and for future generations.”

They share this concept with the idea of human development advanced by Amartya Sen, called the human capabilities approach.

This approach, developed by Sen in the 1980s, is a development paradigm that attempts to conceptualize the correlation between inequality, poverty and human development (Paloheimo 2011; 17). The capabilities approach hypothesizes ‘real’ poverty as “…the deprivation of opportunities, choices and entitlements…” and is based on the notion that development is
freedom (Tilak 2002). Tilak (2002) and Saito (2003) describe education as an integral aspect of the capability approach as it constitutes an aspect of human capability and freedom. Sen recognizes education as a public good and a human right that should be provided to all (Tilak 2002). The common arguments against the human capabilities approach outlined by Paloheimo (2011; 19) are focused on the broadness and lack of specification provided by the framework. Robeyns (2006) validates this statement, arguing that it is open to a vast array of interpretation and fails to provide enough direction for policy makers. Despite criticism, this approach has been implemented in measuring development in the form of the Human Development Index (HDI), a widely used development indicator that attempts to analyse socio-economic development of a country by accounting for adult literacy; average years of schooling, per capita income and marginal utility of income (Saito, 2003).

It is clear that education goes beyond schooling; it fulfils necessary social and economic functions. Since the formulation of the human capital theory in the 1960s, it has been generally accepted that education improves economic growth and labour productivity (Tarabini, 2010). This theory views education as a tool for poverty reduction by generating human capital, a key factor in economic growth (Tilak 2002). As Cited by Paloheimo (2011; 11) education, within the paradigm of human capital, “serves as a vehicle” for increasing productivity of a worker and consequently resulting in higher economic growth (Paloheimo 2011; Robeyns 2006; Tilak 2002).

Education is given restricted value within human capital theory. Its value is seen as entirely economic and instrumentalist (Paloheimo 2011; 16). Through this lens, the only benefits accrued from education that are taken into account are increased productivity and increased wages. Another critique of human capital theory outlined by Paloheimo (2011; 16) is that it “…ascribes no value to the cultural, social and non-material dimensions of society,
conceptualizing the world purely through mainstream economics…” It also has limitations because it attributes the generation of money as the key for advancing development. It also assumes that investing in education unquestionably leads to economic growth.

Both Sen’s capabilities approach and the human capital theory are beneficial tools for studying the role of education in development. The capabilities approach focuses on development issues that go beyond economic growth and productivity. Using human capital theory in development allows easy correlation with the standard indicators for development such as GDP per capita. For example, Patrinos and Psacharpoulos (1995) estimate that “…there are substantial monetary benefits in the form of future labour market earnings associated with child school attendance” However, in the case of child labour, sending a child to school instead of work may not spur growth at all, because perhaps the quality or access to school may be so low that it is not worth sending a child to school rather than work. In the developing world, the foregone earnings associated with schooling are an important deterrent factor, especially if the child “…is expected and needed to contribute to meagre family income and household well-being” (Patrinos, Psacharpoulos 1995). In many circumstances, family income is a major variable in determining the demand for school as well as “…the availability of schools, the quality of schooling and the attitudes of parents towards schooling…” (Patrinos, Psacharpoulos 1995).

2.2 Education and Working Children

A child working is by no means a recent phenomenon; in fact, it is argued that child labour has a long history. What has changed are the forms of labour children are performing and how we define it (White 1994). Child labour, like many issues in development, is difficult to define as it is relative to culture life-style and popular opinion. Pierik and Houwerzijl (2006)
make an important distinction within the concept of child labour. They elaborate two understandings of child labour; the first and most general, is the understanding that child labour takes form in all economic activities performed by children. The second understanding distinguishes child labour as activities that “…take the child’s growth and development into account…” and child labour as work that “…hinders children’s physical, psychological, emotional or social development.” It is argued that this second understanding stems from western and protectionist notions of childhood, and is commonly attributed to international institutions. Defined by Free The Children, child labour is work performed by children under the age of 18, who are working long hours on a regular basis are mistreated by employers and have no or poor access to education.

It is imperative within the discussion of child labour, education and the values surrounding their care, to understand the Universalist and Western ideals, which influence such programs as the Millennium Development Goals (MDGs) and Education for All (EFA). White (1999) explores the difference between universalistic and relativistic strategies and standards designed to prevent “the abuse of children’s capacity to work”. Global standards, White states, require universal notions of childhood, while standards stemming from cultural relativism, are based on the idea that childhood is socially constructed and therefore “specific to time, place, nation and culture.” For the purpose of this thesis, child labour is conceived simply as the employment activities of children, whether it be within or outside of the home; but will explore a multiple dimensions of working children.

Peirik and Houwerzijl (2006) offer insight into the complicated concept of Western notions of childhood and how they relate to child labour. Their article refers specifically to the implementation of Western policies abroad; however, they provide an interesting discussion
surrounding the influence of ‘Western’ ideals on child labour in the developing world. They deliberate that since the beginning of industrialization, child labour within Western society was more prevalent than in developing countries today. White also argues that this is when child labour also began to be seen as morally wrong. To this day, child labour is generally morally condemned, illegal and almost non-existent in Western liberal democracies. Negative views of child labour can arguably be attributed to widespread ideals originating in the West. Hungerland (2007) contests that the construct of the modern notion of childhood is a result of European values in which “…children are considered individuals with specific and unique characteristics which make them subjects of protection and whose main occupations should be play and school attendance…”

The majority of reviewed literature focuses on the possible negative outcomes associated with child labour. Yap, Sedlacek and Orazem (2001) argue that child labour is detrimental to the health of children. Psacharpoulos (1997) attests that,

“…beyond the issue of child labour having an adverse effect on the child’s physical development, the fact that a child is obliged to work has detrimental effect on the accumulation of human capital…”

Psacharpoulos (1997) also argues that a working child may reduce his or her education attainment by approximately two years and increase the likelihood of grade repetition. Psacharpoulos makes an interesting argument, that child labour may be an important cog in the intergenerational cycle of poverty. Addressing child labour in the development discourse may aid in improving the lives of children, providing them with greater opportunity and alleviating poverty by breaking that cycle so often spoke of.
Beegle, Rajeev and Gatt (2009) argue that there is an “assumption that labour is harmful to children’s development” which they argue is the underpinning of both the theoretical literature and the policy debate on child labour. They also state that it is often assumed that child labour has negative consequences “…despite the evidence that rigorously quantifies the consequences of child labour is limited.” Beegle, Rajeev and Gatt (2009) associate child labour with the opportunity of wage work, which they argue is linked to higher living standards. “The increased participation in this activity implied the possibility that some of the negative effects of foregone schooling could be offset by the benefits of the earlier work experience as a child ” (Beegle, Rajeev and Gatt, 2009).

White (1998) argues that these descriptions of child labour are often muddled with assumptions, and that they assume certain forms of labour are better than others, for example; “…that working for one’s parents, inside the home, or without pay is more acceptable than working for others outside the home, or for money; in the case of paid employment, that work in small scale enterprises is less harmful than work in large-scale enterprises; that work in enclosed spaces is more harmful than in the open air; that work is never a proper substitute for, or complement to, school.”

He deliberates further, that attention should not be placed on the eradication of child labour but the improved understanding of how work and employment takes form in the lives of children and identify what constitutes abuse and where support is needed. This argument is supported by Leibel (2002) who states, “…it is not enough to determine and complain that children work, but rather it is questioned for what reasons and motivations they work.”

Pierik and Houwerzijl (2006) make important observations concerning the reasoning behind children working,
“...the poverty implications of child labour are often transferred within families. If a child has to labour and is therefore insufficiently educated, then as an adult he can only be employed as a low-skilled, low-paid labourer.”

This clearly illustrates the roles education and child labour play in the cycle of poverty, particularly because as a low-skilled, low-paid labourer they may eventually rely on their child to provide supplementary income to support their family.

Jenson and Neilson (1997) explore the relevant economic literature and also find that explanations for child labour are often correlated with poverty and that “...poverty may force the households to keep the children away from school and instead send them to work.” They also suggest that poor quality schooling may cause households to substitute their child’s education for work. Brown (2001) assumes that families that allocate their children’s time between school and various forms of work “...compare the current value of the child’s labour against the future value of increased productivity of an educated worker.” Brown also agrees that poverty probably has a direct effect on such decisions and also states that families struggling to survive are not likely to place much weight on the future earning potential of their children in relation to their immediate needs. One innovative attempt to solve this dilemma is the implementation of conditional cash transfer programs that offer incentives to households to send their children to school, rather than to work.

2.3 Education, Working Children and Conditional Cash Transfers

The establishment of Conditional Cash Transfer programs (CCTs) in recent years has been prolific. CCTs are a form of development scheme or poverty alleviation program, thus they have a tendency to act like ‘recipes’ for development in the sense that they can be applied in any
situation and have positive outcomes. They are designed to provide short-term assistance to impoverished families and promote long-term human development. CCTs involve making payments to the poor on the condition of certain behavioural requirements, or conditions, normally involving attention to children’s health, schooling and nutrition. Not only do development circumstances change from country to country, they change from to village to village, each with unique variables and different needs. In contrast to more traditional social assistance programs, which offer short-term poverty alleviation during times of crisis, CCTs attempt to achieve long-term human capital accumulation while providing short-term financial assistance. The main recipients of these human capital investments are usually children (Rawlings; Rubio 2005). Children are targeted as the main recipients of this human capital accumulation because it is believed that it will break the intergenerational cycle of poverty (Ponce; Bedi 2009). In attempt to achieve long-term poverty reduction, CCTs require adherence to specific conditions in order for benefactors to receive transfer payments. These conditions normally require recipient’s attention to their children’s health, nutrition and education (De Janvry, n.d.).

It has been found that the majority of CCT programs with an educational conditionality improve school enrolment and regular school attendance, however, as Ponce and Bedi (2009) argue; “…if CCT programs are to ensure that students accumulate adequate human capital to break the cycle of poverty, then a focus on enrolment is not enough.” They also confer that the reduction of working children is associated with these programs, which may in turn have a positive impact on educational achievement (Ponce; Bedi 2009). In contrast, Skoufias et al. (2001) argue that, “…an increase in child school attendance does not necessarily imply a
reduction in the incidence or even in the intensity of all the kinds of work performed by children” and that school and work are not always substitutes.

Rawlings (2005) acknowledges evidence concerning the effectiveness of conditional cash transfer programs, however she argues that “…these programs cannot function effectively in isolation from the provision of quality health and education services.” The obvious defining features of CCTs are their conditionalities. One particular debate is centred on the ‘fairness’ or ‘morality’ of requiring certain behaviours from the poor to receive relief. Rawlings (2005) makes a just argument, that with no expectations for recipients to behave or react a certain way, it is unlikely that the desired outcomes would be achieved. Another central debate is that of commitment and accountability of service providers to provide accessible, quality services to their populations. How can a policy maker expect real changes if the conditions applied are rendered moot by poor education or health care? Rawlings (2004) argues that, without proper investment in social services, it is unlikely that real improvement or ‘graduation’ from social assistance is possible.

2.4 Education, Working Children and CCTs in Latin America

Conditional Cash Transfer programs have been particularly abundant in Latin America in recent years. Hall (2008) describes the social and economic environment in Latin America that inspired the initial creation and implementation of conditional cash transfer programs. Under structural adjustment and social spending cutbacks, the social protection infrastructure in the region was severely eroded.
“Furthermore, the lion’s share of state subsidies in key areas such as health, education and pensions was already monopolized by the middle and upper classes, leaving little fiscal space for directly benefitting the poor…”

Rawlings (2005) introduces several CCT programs currently functioning in Latin America. The vast majority of these programs are comprised of a combination of education and health objectives. Rawlings (2003) continues by evaluating the initial results of CCT programs in Brazil, Mexico and Nicaragua and argues that they are,

“…an effective means for promoting human capital accumulation among poor households. In particular, there is clear evidence of program success in increasing enrolment rates, improving preventive healthcare and raising household consumption.”

Hall (2008) acknowledges some achievements made by CCTs, and states that these programs are thought to be more cost effective than other social programs; however gaps exist between the spending on CCTs and actual investment in improving services such as health care and education.

It is widely accepted that high-quality education can significantly add to a country’s development. In terms of economics, it is thought to improve wages and stimulate growth. It is also associated with alleviating poverty and improving income distribution. Puryear and Goodspeed (2011) argue that despite some recent progress, Latin American schools do not meet the needs of students and offer low-quality education. They state that in almost every country, there has been an increase in government expenditure on education, “…building schools, adding teachers, raising salaries, and enrolling more children. These efforts have clearly expanded the
quantity of education (in terms of the number of children attending school), but there is little
evidence that they have improved the quality of education (measured by the scores on
achievement tests).” The increase in enrolment and attendance is admirable but will only
contribute modestly to the generation of human capital (Purear; Goodspeed, 2011).

In relation to child labour, education can be a determining factor. According to Brown
(2001), several families who live above the poverty line have working children. Family members
claim that it incites independence, skill acquisition and socialization to name a few positive
benefits. An important and troubling point offered by Brown is that the major reason for high
child labour participation, particularly for higher income families, is poor education quality.
Understanding these trends, similarities and differences between programs in Latin America may
offer insight into the situation in Brazil.

2.5 Education, Working Children and Brazil’s Conditional Cash Transfer Program, Bolsa
Familia

Historically, ensuring high-quality and accessible education has not been a top priority
for the Brazilian government. There have been recent increases in spending on education in
Brazil, but spending per student on primary and secondary education is lower than most other
Latin American Countries. Despite the improved access to basic schooling, Brazil has performed
very low in education the majority of its population (Draibe 2004; 380, Hunter, Sugiyama 2009).
Birdsall and Sabot (1996) explore the evolution of Brazilian education after fundamental
economic changes in the mid-1990s, which slowed inflation and may lead to sustained growth.
They estimate that these economic gains provide the opportunity to improve upon other social
issues, such as education, and deliberate that Brazil’s poor educational performance can be
partially attributed to on the tremendously unequal distribution of income, “Poor families had such low income that they had difficulty keeping their children in school and out of the workforce… they had little reason to do so because of low quality available school…success in schools was unlikely in economic pay off to school ring was not high.” (1996:8) Birdsall and Sabot (1996) also remark that there are much higher dropout rates for students from poorer households and that they do not receive the quantity or quality of schooling required to compete in the labour market (1996:35).

Child labour is a pervasive issue in Brazil. Primarily seen in rural areas, it is often performed by adolescents who have already left school. (Schwartzman, 2005) Their earnings are generally very low, ranging from children helping their parents earning nothing at all, while many others only receive payment in kind. “In Brazil, child laborers earn one-third the minimum wage, although they contribute one-third of family income (ILO, 1992)” (Patrinos, Psacharpoulos 1995). Mablyn (2010) determines that in the North-Eastern region of Brazil, many children are employed in a very broad rural economy. Mablyn (2010) also argues that, “…the dominant protectionist perspective of this literature, children’s labour tends to be framed solely in terms of its material contribution…” to the household or global capitalist structures. This may prove true in other regions of Brazil.

DeGraff, Levison and Robinson (2009) provide an interesting perspective on child labour and its relationship with the laborious activities of parents. Their article reviews the connection between working children and the employment of status of their mothers in Brazil. They argue that a better understanding of this relationship is imperative for policy makers who intend to
reduce the instance of child labour. They make an important point, stating that working children are often under the supervision of their parents and that,

“…children could be viewed as members of families, where work is part of a child’s socialization and the question of who does what is not decided in isolation but as part of a family strategy.”

It is therefore important that policies not only account for the individual child but the effect on the entire family. Soares, Ribas and Osorio (2007) implore that it is important to analyze the child labour, education trade-off in relation to cash transfers, focusing particularly on seeing if the “…conditionality succeeded in taking children out of work or whether children continued to combine both school attendance and work activities.”

The Program for the Eradication of Child Labour (PETI) was initiated by the Brazilian government in 1996 in Brazilian coal mining areas, and was eventually extended to other industrial and agricultural activities. It provided a conditional cash subsidy to poor families with children who worked in hazardous conditions based on school attendance. It also applied longer school days in attempt to prevent children from working and provide education and training for potential future employment. It is thought that this program was quite successful. Soares, Ribas and Osorio (2007) confirm that by adding an extra shift in school, this issue has been addressed, “…This not only has helped the school performance of beneficiary children but also has constrained them from spending such time at work.” It was then absorbed into an amalgamation of various cash transfer programs in the country to become Bolsa Familia (Barrientos, Dejong 2006).
Bolsa Familia is the oldest and most expansive conditional cash transfer program in the world. Beginning in 2003, Bolsa Familia was merger of four existing federal programs,

“Bolsa Escola, a minimum-income grant related to primary education; Fome Zero and Bolsa Alimentação, two income grants related to food security, the former unconditional and the latter conditional on health checkups and immunization updates; and Vale Gás, a subsidy to help poor households buy cooking gas” (Soares; Ribas; Osorio, 2007).

The most distinctive features of the program are the use of self-declared income to assess eligibility in lieu of a proxy means method, the unconditional cash transfer offered to the extremely poor and the decentralized organization of the program, placing key responsibilities on municipal governments (Soares; Ribas; Osorio, 2007).

Hall (2008) remarks that there have been positive outcomes from Brazil’s Bolsa Familia program, “…there is evidence that cash transfer programs have helped reduced levels of income inequality in Brazil.” Soares, Ribas and Osorio (2007) add that reforms have increased provision of primary healthcare and education, yet they remark that their quality is inconsistent, “…with particularly poor services in the North-East where the largest number of Bolsa Familia beneficiaries are located.” Hall (2008) notes that the program may not enable children to break out of the intergenerational cycle of poverty if there are no improvements in funding and implementation of education in the country. Despite these criticisms it is argued that Bolsa Familia has improved expenditures on important goods and services such as food, education and children’s clothing (Soares, Ribas, Osorio 2007).
Soares, Ribas and Osorio (2007) find that Bolsa Família has been effective in improving school attendance and decreasing dropout rates, however, they have also noted that this has lead more children to be lagging behind in school, “…the program does not necessarily enable disadvantaged children to break the intergenerational transmission of poverty if educational policies do not concomitantly improve the performance of such children while in school.”

Sanchez-Anochea and Mattei (2011) found that according to a Center for Regional Development and Planning (CEDPLAR) study, the program had very little impact on class performance; in fact, children who were benefitting from the program were less likely to pass their classes than those who were not.

Gamilin and Pastor (2003) also found that with the implementation of Bolsa Escola, children were spending less time at work. However, they note, “…several authors deny that the program is substantially reducing child labour, most agree that school attendance is up (Cardoso; Souza, 2004), suggesting that children may be combining school and work.” They remark that the effects of the program on child labour will probably only be seen in the long term (Gamilin; Pastor, 2003). Hall (2008) draws similar conclusions, stating that Bolsa Escola noticeably improved attendance, but had little positive impact on levels of poverty or child labour. Hall argues that perhaps the economic incentives for families were perceived to be too small (Hall, 2008). In terms of labour, Soares, Ribas and Osorio (2007), argue that Bolsa Família has had a positive impact on the adult labour force, and they estimate that this could be because parents are replacing their children in work. They deliberate, despite many critics, that the receipt of cash transfers does not lead recipients to exit the labour force.
Keeping the issues and debates in mind, this thesis will now focus on the relevant data pertaining to the thesis topic to explore the possible answers to the research question, what is the trade-off between education and child labour in relation to Brazil’s Conditional Cash Transfer program, Bolsa Familia?
Section 3: Empirical Data

3.1 Education and Development

3.1.1 The Increasing Importance of Education in International Development

In recent decades there have been global trends concerning education and international development. The proliferation of the understanding that investment in education can stimulate development may have been a contributing factor in the slightly higher public spending on education in less developed countries (LDCs) (Paloheimo 2011; Tarabini, 2012). Since 1980, countries with low human development have, on average, increased public expenditure on education by 2.5% of GDP and countries with medium human development have increased their public expenditure by 1.5% (World Bank, 2008 as cited by Puryear and Goodspeed, 2011).

This evolution in the understanding of education in development was influenced in part by the changes in development thinking marked by the development of paradigms such as Sen’s Capability Approach and the Human Capital Theory (Tilak 2002; Saito 2003; Robeyns 2006; Paloheimo 2011). For example the wide use of the Human Development Index (HDI) and the annual publishing of the United Nations’ Development Program’s (UNDP) Human Development Report, both of which are partially based on the capability approach (Robeyns, 2006). The various components of the HDI include life expectancy, mean years of schooling, expected years of schooling and Gross National Income (GNI) per capita. In terms of HDI, Sub-Saharan Africa
has the lowest human development at 0.475 and Europe and Central Asia have the highest at 0.771 (Human Development Report 2013; 23). In consequence of this improved understanding, the world has seen increased international cooperation manifested in the form of gargantuan programs such as the Millennium Development Goals (MDGs) and Education For All (EFA). These programs hope to increase enrolment and quality of education globally, along with other development goals. There has also been an increased effort to monitor education as it is now seen, as a key indicator of development (Tarabini, 2010).

3.1.2 Education Globally

Noting the progression of education on a global scale offers insight on how LDCs compare to more developed countries (MDCs). Since 1999, almost every developing region has seen an increase in net enrolment rates in primary education for a total average increase of 8%. This change however, mostly took place between 1999 and 2004; meaning progress in improving enrolment rates has slowed down. In 2010 more than 90% of primary school aged children were enrolled in schools in the developing world, apart from sub-Saharan Africa. Despite these seemingly high enrolment rates, 61 million primary school aged children and 71 million lower secondary school aged children were out of school in 2012 even though primary and secondary schooling is compulsory in the majority of countries. As seen in Figure 1.2.1, there has been a steady increase in net primary enrolment in all developing regions, and apart from Sub-Saharan Africa, they are not much behind MDCs (MDG Report 2012; 17-18).
Figure 1.2.1: Adjusted net enrolment rate in primary education, * (percentage)

*Defined as the number of pupils of the official school age for primary education, enrolled either in primary or secondary school, expressed as a percentage of the total population in that age group Note: Date for Oceania are not available

*Source: MDG Report 2012;16

3.1.3 Out of School Children

According to the most recent EFA Global Monitoring Report, many children do not complete primary schooling and it states that out of every 100 children not attending school, 47 are expected to never enrol at all (2012; 34). These numbers increase for secondary school aged children. Beyond the disparities in age, gender regional inequalities still remain quite stark (EFA Report 2012; 35). The main determinant of secondary school aged children being out of school, outlined by the 2012 MDG Report are; income, gender and location of the household. As seen on Table 1.3.1 poverty is the most predominant reason for school exclusion. Young adolescents from poorer households are three times more likely to be out of school than those from more affluent households. Rural youth are also more likely to be out of school than urban youth (MDG Report 2012; 18). (For similar statistics on Primary school aged children see UNICEF’s Progress for Children 2007)
Table 1.3.1: Percentage of lower secondary-age children out of school by sex, household wealth and location, 55 countries, 2005/2010

Source: MDG report 2012; 18

3.2 Education and Working Children

3.2.1 The Global Proliferation of Child Workers

As stated in the literature review, working children are by no means a recent phenomenon, (White 1994). This section begins by looking at child labour on a global scale, to understand the propagation and manifestations of the issue. Figure 2.1.1 shows that there are several areas in the developing world with a child work force, many of which constitute over 30% of the population between 5 and 14 years old. According to UNICEF’s Progress for Children (2007), one in six or 158 million children worldwide between the ages of 5 and 14 are likely to participate in some form of labour.
On a global regional scale; gender, income and location are also the main determinants of inequality. As shown in Table 2.1.2, both the poorest 20% and children living in rural areas are most likely to be engaged in some form of labour. The poorest quintile, made up of 5 to 14 year olds, are 10% more likely to participate in child labour than the richest quintile and rural children are 5% more likely to work than urban children. UNICEF’s report also shows that girls are as likely to be labourers as boys, however there are differences in the types of labour they are likely to perform.

Table 2.1.2: Percentage of Children age 5-14 engaged in child labour, by background characteristics (1996-2006)
3.2.2 Manifestations of Child Labour

On a global scale, boys are more likely to partake in economic activity and girls are more likely to work in household (Progress for Children, 2007). The most recent report on child labour produced by the ILO (Diallo et al, 2010) states that 60% economic activities performed by children are in the agricultural sector, 25.6% work in the service sector, 7% in the industry sector and 7% remain undefined (See Figure 2.2.1). The majority of these children (67.5%) are also classified as unpaid family workers (See Figure 2.2.2).

3.3 Education, Working Children and CCTs in Latin America

3.3.1 Education in Latin America

The literature review refers to Puryear and Goodspeed (2011), who studied the implications of education within Latin America. Sources show that public spending in Latin America has steadily increased in the past two decades, however as later data will show, this progress has done little to improve the quality of education in most Latin American countries. The average spending in 1990 was 3% of the GDP. Since then there has been a modest increase to around 4% which is closer to the world average of 4.6%. Spending per primary student has
also risen on average, but this is partially due to the increase of school aged children in Latin America. Spending in Latin America is only around $1000 Purchasing Power Parity (PPP) while the average is almost $6000PPP for OECD countries. (See figure 4.1.1) (Puryear and Goodspeed, 2011).

Figure 3.1.1: Public Spending per Student on Primary Education (SPPP), 2007

![Figure 3.1.1: Public Spending per Student on Primary Education (SPPP), 2007](image)

Source: Puryear and Goodspeed, 2011: 113

The number of school-aged children actually enrolled in school is at the highest it has ever been. Most children graduate from primary schooling, and enrolments in secondary school have increased. There have also been expansions in access to education to reach poor and rural children to reduce inequalities. As seen in Figure 3.1.2, Brazil (over 11%), Honduras (6%), Paraguay (4%), El Salvador and Nicaragua have seen the greatest narrowing of gaps in school attendance between rich and poor, while Ecuador and Bolivia saw an increase in these disparities. Despite these improvements, there are still problems with coverage in the region. Enrolment rates do not compare well with those of MDCs, especially in terms of secondary
education, from which less than three quarters of students are expected to graduate (Puryear and Goodspeed, 2011).

Apart from enrolment, quality is a major concern for both rich and poor Latin American students. For example, the wealthiest 20% of Latin American students (except for those from Chile) did not perform as well as the poorest 20% from European OECD students in reading, math and science (Puryear and Goodspeed, 2011). In a study outlined by Puryear and Goodspeed (2011), conducted by UNESCO of 16 Latin American countries, almost half of third graders scored at the bottom in math and science, and nearly a third in reading. In comparison, nearly half of Cuban third grade students achieved the highest score in all subjects and only 5% scored at or below the lowest level. For almost all other Latin American countries, well over 10% of students received the lowest scores. Latin America has however been relatively successful in closing the gender gap in education. Girls are usually just as likely as boys to enrol and complete their studies (Puryear and Goodspeed, 2011).

3.3.2 Child Labour in Latin America

In a study outlined by Psacharopoulos (1997; 379-381) using Bolivian data from the “Encuesta Integrada de Hogares 1990” carried out by the Instituto Nacional de Estadística, found that there are disparities in educational attainment between working and non-working children. By the age 14, a working child has a deficiency of about 1.4 years of schooling compared to a non-working child and by the 18; this disparity increases to 2.5 years (See Table - 3.2.1; and Figure 3.2.2). The conclusions drawn by Psacharopoulos are: despite the seemingly small effect working has on years of schooling; it in fact may have greater implications. He determined that non-working children are more likely than non-working children to continue school and that given grade repetition, the 4.9 years on average a 13 year old working child will
obtain, is likely not enough to even retain literacy.

Table 3.2.1: Mean Years of Schooling By Age, 1990

<table>
<thead>
<tr>
<th>Age</th>
<th>Non-working</th>
<th>Working</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>0.5</td>
<td>0.3</td>
</tr>
<tr>
<td>7</td>
<td>1.1</td>
<td>0.9</td>
</tr>
<tr>
<td>8</td>
<td>1.9</td>
<td>0.8</td>
</tr>
<tr>
<td>9</td>
<td>2.8</td>
<td>2.4</td>
</tr>
<tr>
<td>10</td>
<td>3.7</td>
<td>2.7</td>
</tr>
<tr>
<td>11</td>
<td>4.5</td>
<td>3.9</td>
</tr>
<tr>
<td>12</td>
<td>5.4</td>
<td>4.5</td>
</tr>
<tr>
<td>13</td>
<td>6.3</td>
<td>4.9</td>
</tr>
<tr>
<td>14</td>
<td>7.3</td>
<td>5.8</td>
</tr>
<tr>
<td>15</td>
<td>8.1</td>
<td>6.2</td>
</tr>
<tr>
<td>16</td>
<td>9.0</td>
<td>7.0</td>
</tr>
<tr>
<td>17</td>
<td>9.6</td>
<td>7.0</td>
</tr>
<tr>
<td>18</td>
<td>10.4</td>
<td>7.9</td>
</tr>
</tbody>
</table>

Source: Psacharopoulos 1997; 379-381

Figure 3.2.2: Mean Years of Schooling by Age

Source: Psacharopoulos 1997; 379-381

3.3.3 Conditional Cash Transfers in Latin America

To begin this section, we must look at the propagation of Conditional Cash Transfers (CTTs) in a global context. Figure 3.3.1 shows a dramatic difference in the number of CCT programs implemented. In 1997 Mexico and Brazil were the only two. By 2008, twenty-six new ones manifested, many of which were also in Latin America.
Since 1997, the number of CCTs in Latin America has steadily risen from 2 to 18 in 2011 (Stampini, Tornaroli 2012; 22). Rawlings (2005) states that, “… several of these programs have acquired an important role in individual countries’ portfolio of poverty alleviation strategies.” For example, Mexico’s CCT program, PROGRESA, reached over 4 million families in 2002, which represented 20% of the country’s population and the annual budget was approximately 0.32% of the GDP (Rawlings, 2005). And, as shown in Figure 3.3.2, most programs contribute greatly to the incomes of beneficiaries, particularly to those who are poor, between 6% (Chile) and 52% (Panama).
In the Literature Review, several authors agreed that CCT programs have, for the most part been successful in improving enrolment rates. In Colombia, for example, before the implementation of their CCT program, *Familia en Acción* (FA) primary (ages 7 to 13) enrolment in rural areas was 92%. After it was implemented, these rates rose by 1 to 2 %, however there was no change in the urban enrolment rates. This change is seen even more dramatically for secondary level (ages 14 to 17) enrolment rates, which were originally 50% in rural areas and 64% in urban areas, went up to around 55% and 77% respectively. The effect of CCTs on attendance rates is more varied however. In Nicaragua, the *Red de Protección Social* (RPS) increased attendance by approximately 30% in the proportion of children who had less than six unexcused school absences in a two-month period, while in Mexico, PROGRESA (now *Oportunidades*) had more of an effect on enrolment than attendance (Rawlings, 2005).

According to Rawlings (2005), Conditional Cash Transfer programs are also thought to reduce the instance of child labour.

Rawlings and Rubio (2005) evaluate data (Skoufias 2001, IPRI 2002b, Attanasio et al. 2003) and determine that PROGRESA in Mexico, FA in Colombia and RPS in Nicaragua. They
find that all programs have had a positive effect on enrolment for both boys and girls. For example, they estimate that primary enrolment in Mexico increased from 90-94% by 0.74% - 1.45% after the implementation of PROGRESA, Nicaragua and Colombia found similar and even more dramatic results after the implementation of their programs. Despite these improvements, impact on attendance is more variable. RPS in Nicaragua had more substantial effects on attendance than enrolment and PROGRESA had the opposite effect. (Rawlings and Rubio 2005; 46)

Attanasio et al; 2010 studied the effects of Colombia’s CCT program, FA, on the allocation of time for children between school and work. They found that it had a positive effect on school attendance. They found in terms of domestic work participation, that the time spent at work was reduced by less than the increase in time at school. They estimate that these results are due to parents deciding to substitute their child’s other uses of time for work. They also estimate that the conditional subsidy is not being used to replace the earnings from their child’s work. They did however find that the largest substitution effects were largest for children between the ages of 14 and 17 in urban areas and 10 to 13 in rural areas. These groups saw more than a 25% increase in time spent at school that would have otherwise be spent working. Attanasio et al (2010) suggest that because there is little evidence that FA had a profound effect on time allocation, it is not likely that household income has been negatively affected.

3.4 Education, Working Children and the Brazilian CTT Program, Bolsa Familia

3.4.1 A Snapshot of Brazil

With a population of just under 200 million and a landmass of over eight million square kilometres, Brazil is the largest and most populous country in South America. Arguably, it is also one of South America’s top economic powers. In spite of strong economic performance in recent
years, Brazil still is host to the some of the world’s largest socio-economic disparities with a Gini Coefficient of 0.519 (CIA World Factbook). In 2008, Brazil was the seventh most unequal country in the world in terms of income distribution, in which the poorest 20% of the population only earned 2.5% of the national income, while the wealthiest 20% earned almost two thirds. (Paes de Barros; Carvalho 2003; Hall 2008). With this great inequality comes a large portion of the population, 40%, living below the unofficial poverty line, earning less than half of the legal minimum wage (Jaccoud 2006; Hall 2008).

Despite these disparities, Brazil is ranked in the ‘high human development’ category with an HDI value of 0.730, which is a dramatic increase from its HDI from 1980 of 0.522, meaning that,

“Between 1980 and 2012, Brazil’s life expectancy at birth increased by 11.3 years, mean years of schooling increased by 4.6 years…expected years of schooling increased by 4.3 years [and] Brazil’s GNI per capita increased by about 39 percent…” (Human Development Report 2013; 2-3)

However, when accounting for inequality, Brazil’s HDI falls to 0.531, which is relatively on par to other countries in the region (See Table 4.1.1).
Table 4.1.1 Brazil’s IHDI for 2012 relative to selected countries and groups

<table>
<thead>
<tr>
<th></th>
<th>IHDI Value</th>
<th>Overall Loss (5%)</th>
<th>Loss due to inequality in life expectancy at birth (%)</th>
<th>Loss due to inequality in education (%)</th>
<th>Loss due to inequality in income (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazil</td>
<td>0.531</td>
<td>27.2</td>
<td>14.4</td>
<td>25.4</td>
<td>39.7</td>
</tr>
<tr>
<td>Mexico</td>
<td>0.593</td>
<td>23.3</td>
<td>10.9</td>
<td>21.9</td>
<td>35.6</td>
</tr>
<tr>
<td>Colombia</td>
<td>0.519</td>
<td>27.8</td>
<td>13.7</td>
<td>21.5</td>
<td>44.5</td>
</tr>
<tr>
<td>Latin America and the Caribbean</td>
<td>0.55</td>
<td>25.7</td>
<td>13.4</td>
<td>23</td>
<td>38.5</td>
</tr>
<tr>
<td>High HDI</td>
<td>0.602</td>
<td>20.6</td>
<td>12.4</td>
<td>19.9</td>
<td>28.6</td>
</tr>
</tbody>
</table>

Source: Data from the Human development report 2013; 3

3.4.2 Education in Brazil

The population children in Brazil between the ages of 5 and 18 is around 44 300 000 (UNICEF Data) and since 1990, Brazil has made significant improvements in terms of educating them. Brazil’s spending however does not compare to that of other OECD countries (Puryear and Goodspeed, 2011; World Bank Data). Despite minimal increase in expenditures on education, enrolment rates for children 8 to 11 year old rose by over ten per cent between 1990 and 2001, however that rate is lower for older children. The enrolment rate for 15 year olds was only 87% (Glewwe and Kassouf, 2012). Primary net enrolment increased from just over 91% in 2001 to almost 94% in 2005 and secondary enrolment rates jumped from around 68% in 2001 to almost 81.5% in 2005 (World Bank Data). There has also been a significant decrease in school attendance disparities between rich and poor between 1990 and 2006 (Puryear and Goodspeed, 2011) (See Figure 4.2.1).
Despite improved enrolment rates since the 1990s, quality of education in the country remains concerning. As cited by Puryear and Goodspeed (2011), over half of students in Brazil scored below the lowest level in science on recent international tests, which is characterized by the OECD as being unable “to participate in life situations related to science and technology”, and Brazil performed similarly in both math and reading. Seen in Figure 4.2.2, Brazil falls behind many other Latin American countries including Mexico, Argentina and Colombia. Brazil’s results are also three times worse than the OECD average (Puryear and Goodspeed, 2011; 116).

However, according to the most recent Education for All Report (EFA, 2012; 141), this number of low performers has fallen between 2003 and 2009 (Ferreira and Gignoux, 2011).
3.4.3 Child Labour in Brazil

The ILO’s Report (2002) states that Brazil is currently home to 2.2 million child workers between the ages of 5 and 14, which accounts for about 6.8% of the child population. (ILO, 2002) According to the Understanding Children’s Work’s (UCW) working paper (2011), Brazil has made substantial progress in reducing the instance of child labour. The incidence of child work has decreased from 18% to 7% between 1992 and 2009 (2011; 36). Child labour in Brazil is largely attributed to household income. Several studies cited by UCW’s working paper, (Spindel, 1985; Fausto and Cervini, 1991; Rizzini, Rizzini and de Holanda, 1998), found there is
a negative relationship between income and child labour and show that child labour is usually the result of household poverty that “forces parents to send their children to the labour market.” (2011; 22)

In Brazil, 47% of employed 7 to 15 year olds work in agriculture, making it the most highly concentrated sector for child work compared to 34% in trade and services, 10% in manufacturing and 7% in domestic services. The concentration of agricultural child workers also increases in rural areas, while child work in trade and services is more common in urban areas. These disparities are also seen in terms of gender. Girls are more likely to perform domestic services compared to boys who are more likely to work in agriculture (UCW 2011; 41). Unpaid labour within the household is the most common form of child work. As seen in Figure 4.3.1, 59.7% of child labourers work without wages and 27.1% are a paid employee, while the remaining children are either self-employed (6.1%) or a domestic worker (7.1%). The majority of children working in rural areas are employed by their families and do not receive a wage. In rural areas, 90% of all employed children work for their families and 5% are employed in the formal sector. Urban child labourers in comparison are more likely to work in the formal sector rather than their families. (2011; 42)
3.4.4 The relationship for a child’s educational attainment and employment

There is a general acknowledgement that child labour is detrimental to educational attainment and the accumulation of human capital or capabilities. A study outlined in the UCW (2011) conducted by Bezerra, Kassouf, and Arends-Kuenning (2009), analysed the educational outcomes of math and Portuguese students who worked and attended school. Their data suggests that the students who did not work obtained better grades than those who did work (2011; 27). Emerson and Souza (2003) find that there is a strong correlation between the intergenerational persistence of child labour amongst Brazilians based educational attainment of the parents and how young they were when they entered the work force. Their study estimates that the younger the parents were when they entered the labour force and the lower their education attainment; the
more likely their children were to partake in child labour (As Cited by UCW 2011; 28). Another study mentioned in the UCW (2011; 28) by Emerson and Souza (2007) suggests that the younger children are when they enter the work force, the less they will earn as adults.

Based on the *Pesquisa Nacional por Amostra de Domicílios* (PNAD) a national household survey from 2008, outlined in UCW (2011, 33), 6% of 7 to 15 year olds in Brazil attend both school and engage in economic activity, while only a small number engage in employment exclusively and 91% of children attend school exclusively. As seen in Figure 4.4.1, school attendance does not vary greatly among regions, however, the number of children engaging in economic activity does. The highest occurrence of child work is situated in the North and Northeast regions of Brazil, 7.8% and 10% respectively.

**Figure 4.4.1: Children’s Involvement in Employment and Schooling, by region, 7-15 year-olds (percent)**

Source: UCW calculations based on Brazilian National Household Survey (PNAD) 2008.

*Source: UCW 2011; 34*

Figure 4.4.2 shows there is a direct relationship between the numbers of hours a child works and if they attend school. Employed children between the ages of 7 and 15 typically work an average of 21 hours a week, but non student workers work 35 hours a week and student workers, 19 hours a week. Work intensity also increases with age, from 14 hours for younger
children to 22 hours for older children. Urban children engaged in the labour force also work longer hours than rural children, 23 hours versus 18 hours per week, respectively. Children working in the agriculture work fewer hours than any other sector and significantly less than children working in domestic services. Unpaid labourers also work more than paid labourers.

Figure 4.4.2: Average Weekly Working Hours by School Attendance, Age, Sex, Residence, Industry and Modality

<table>
<thead>
<tr>
<th>Sector and modality</th>
<th>7-11 years</th>
<th>12-15 years</th>
<th>7-15 years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Non-student working children</td>
<td>Student working children</td>
</tr>
<tr>
<td>Total</td>
<td>14.0</td>
<td>25.5</td>
<td>13.6</td>
</tr>
<tr>
<td>Sex</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>14.8</td>
<td>25.4</td>
<td>14.5</td>
</tr>
<tr>
<td>Female</td>
<td>12.1</td>
<td>27.1</td>
<td>11.9</td>
</tr>
<tr>
<td>Residence</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban</td>
<td>14.3</td>
<td>36.7</td>
<td>13.5</td>
</tr>
<tr>
<td>Rural</td>
<td>13.8</td>
<td>15.9</td>
<td>13.8</td>
</tr>
<tr>
<td>Agriculture</td>
<td>13.5</td>
<td>14.5</td>
<td>13.5</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>15.3</td>
<td>34.7</td>
<td>13.7</td>
</tr>
<tr>
<td>Sector</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade and services</td>
<td>13.9</td>
<td>36.1</td>
<td>13.7</td>
</tr>
<tr>
<td>Domestic services</td>
<td>18.9</td>
<td>-</td>
<td>18.9</td>
</tr>
<tr>
<td>Other</td>
<td>24.1</td>
<td>42.6</td>
<td>11.7</td>
</tr>
<tr>
<td>Unpaid family</td>
<td>18.9</td>
<td>38.6</td>
<td>16.7</td>
</tr>
<tr>
<td>Paid employee</td>
<td>13.6</td>
<td>17.2</td>
<td>13.5</td>
</tr>
<tr>
<td>Domestic worker</td>
<td>18.9</td>
<td>-</td>
<td>18.9</td>
</tr>
<tr>
<td>Self-employed</td>
<td>12.1</td>
<td>40.0</td>
<td>10.3</td>
</tr>
</tbody>
</table>

Source: UCW calculations based on Brazilian National Household Survey (PNAD)

The indicators expressed in Figure 4.2.3 attempt to show the effects of employment on a child’s school attendance and thus benefit from school. These age-specific rates show that working children are behind non-working children at every age, with the most pronounced
differences at the beginning and end of the spectrum. The most dramatic difference is seen for children over the age of 16, who, in comparison to non-working student attend school 6.8% to 13.1% more than working students (UCW 2011; 40). Similar data outlines the school life expectancy, which provides a measurement of the number of years a “child can expect to achieve in their future” and illustrates the prospects associated with child work. The data shows that at every age level, a working child can expect to remain school for a shorter time than if they weren’t working, though the percentage at each age is minimal and varies under 1% (UCW 2011; 41).

Figure 4.4.3: School Attendance by Age and Employment (percent)

Source: UCW 2011; 40

3.4.5 Brazil’s Experience with Conditional Cash Transfers

Brazil is one of the most unequal countries in the world and still experiences high levels of poverty, however in recent years, these levels have improved significantly. According to data from ECLAC (as cited by Sanchez-Ancochea and Mattei 2011, 303), the instance of poverty in Brazil between 1990 and 2009 decreased by 44%, with most of the reduction beginning in 2002 when economic growth improved and the conditional cash transfer umbrella program, Bolsa
Familia, was introduced. Using data from IPEA (2009), Sanchez-Ancochea and Mattei (2011, 303) determine that better income distribution was imperative to the reduction of poverty. Income per capita for poor households increased, on average, by 9% a year compared to wealthier households who’s income increased by only 4%. Because of this, Brazil’s Gini coefficient steadily reduced from 0.593 in 2001 to 0.542 in 2009. As mentioned in the review of selected literature, it is thought that the introduction of CCTs and Bolsa Familia in particular has contributed to these changes (Sanchez-Ancochea and Mattei 2011, 303).

In 1995, Brazil instituted it’s first conditional cash allowance program at the municipal level to improve school enrolment called Bolsa Escola. This program required students between the ages of 6 and 15 to attend school a minimum of 85% a month so their families could receive a monthly stipend (Sanchez-Ancochea and Mattei 2011, 303). PETI was implemented only in rural areas and was meant to reduce the worst forms of child labour by also requiring a minimum attendance rate and offered after-school programs as a secondary incentive. Other similar programs followed to improve healthcare, pensions and housing; many of these programs were extended to reach the entire country. However there was a great lack of coordination and a plethora of inconsistencies between programs (Soares and Sátyro 2009, as cited by Sanchez-Ancochea and Mattei 2011, 303). In 2003, these inconsistencies lead the government to amalgamate existing programs into one, Bolsa Familia. This umbrella program was created to expand healthcare, education and nutritional services, integrate CCTs with other social protection measures and reduce poverty through improved targeting. With the implementation of Bolsa Familia, the number of recipient households went from 6.5 million in 2004 to more than 13 million in 2010. Following several reforms, the value of benefits varies from US$ 20 to US$152. (Sanchez-Ancochea and Mattei 2011, 303) A household’s per capita income must be
below 120 Reals (US$60), less than half the legal minimum wage, to qualify for Bolsa. Those with a monthly per capita income between 60 and 120 Reals are eligible if there are children under 16 in the household. They receive 15 Reals for each beneficiary, up to three. However, households with a per capita income of less than 60 Reals receive stipends even if they do not have children. As seen in figure 3.3.2, the stipends can account for on 22% on average for all beneficiaries’ household incomes and 38% for the poorest beneficiaries. To receive the 15 Reals for each child, the children must attend school regularly (Glewe, Kassouf 2012).

In 1992, the enrolment rate for boys was 76.1% and in 2001, it was 90.6%. For girls the enrolment rate was 79.8% in 1992 and 90.5% in 2001, which falls in line of the implementation of Bolsa Escola and PETI. (Glewe, Kassouf 2012) determine, that the there was an increase in grade promotion and a reduction in drop out rates during the times of greatest expansion of the Bolsa program. The promotion rate between 1998 and 2000 was 68% to 70%, which increased to 72.4% in 2001 and 73% in 2002. Drop out rates were around 13% in 1998 to 2000, then fell to 10.6% in 2001 and 9.5% in 2002 and has remained around 9-10% thereafter. However, an IPCE study conducted by Soares, Ribas and Osorio (2007), shows that children benefiting from Bolsa were 4% more likely to fail to advance than children not benefiting children.

PETI and Bolsa Escola, thus Bolsa Familia, are correlated with the steady decrease in working children in Brazil. Boys participating in the labour force decreased from 36.3% in 1992 to 23.5% in 2001 and girls working decreased from 18.5% to 12.5% in the same time frame. These changes were most pronounced in 1992 to 2001, occurring amongst children between 14 and 17 years old (Soares, Ribas and Osorio 2007; 21). As cited by Schwartzman (2005), IBGE and PNAD data from 2001 (see table 4.5.1) shows that school attendance based on participation in Bolsa Escola was slightly higher (though still variable) for beneficiaries than not. The most
dramatic comparisons are when children are not missing any days, a difference of 7.3% and when they do not attend at all, a difference of over 10%.

Table 4.5.1: School Attendance in the Two Months Previous to the Survey, by participation in Bolsa Escola

<table>
<thead>
<tr>
<th>missing days</th>
<th>participation in bolsa escola</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>yes</td>
</tr>
<tr>
<td>none</td>
<td>56.70%</td>
</tr>
<tr>
<td>1 to 5</td>
<td>33.80%</td>
</tr>
<tr>
<td>6 to 10</td>
<td>5.50%</td>
</tr>
<tr>
<td>11 to 20</td>
<td>1.60%</td>
</tr>
<tr>
<td>more than 20</td>
<td>1.30%</td>
</tr>
<tr>
<td>do not attend</td>
<td>1.10%</td>
</tr>
<tr>
<td></td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Source: tabulated from IBGE, PNAD 2001

Schwartzman (2005) also outlines the main reasons for children missing school in relation to participation in Bolsa Escola for the lowest 20% of the population. 4.6% of children who participated in Bolsa Escola missed school to help with domestic activities, 4.9% were working or looking for work, 6.3% had lack of transportation, 0.9% lacked the money for school activities, and 1% were too far away from school. In contrast, 3.2% of non-recipient children missed school to help with domestic activities, 6.5% were working or looking for work, 4% lacked transportation, 1.6%, lacked money and 0.8% were too far away. The most common reason for all children was the lack of a teacher (10.9% and 13.4% respectively). The results are somewhat variable, for example, recipient children were more likely to miss school to help with domestic activities, but non-recipient children were more likely to miss school to work or look for work. Other major reasons for missing school include, lack of transportation, lack of teacher and illness (See Table 4.5.2).
In terms of economic activity, children who are economically active attend school less than children who are not. This likelihood is minimal between the ages of 10 and 12, however it increased significantly as children get older. Table 4.5.3 also shows that the number of active children increases dramatically as they get older, for example 5.8% of 10 year olds are employed, 19.5% of 14 year olds are employed and 50.4% of 17 year olds are employed.

<table>
<thead>
<tr>
<th>Age</th>
<th>% attending school</th>
<th>% active</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Economically active</td>
<td>Economically inactive</td>
</tr>
<tr>
<td>10</td>
<td>98.0%</td>
<td>98.5%</td>
</tr>
<tr>
<td>11</td>
<td>97.4%</td>
<td>98.6%</td>
</tr>
<tr>
<td>12</td>
<td>98.5%</td>
<td>98.2%</td>
</tr>
<tr>
<td>13</td>
<td>93.9%</td>
<td>97.0%</td>
</tr>
<tr>
<td>14</td>
<td>88.7%</td>
<td>95.3%</td>
</tr>
<tr>
<td>15</td>
<td>83.0%</td>
<td>92.3%</td>
</tr>
<tr>
<td>16</td>
<td>77.3%</td>
<td>87.2%</td>
</tr>
<tr>
<td>17</td>
<td>68.6%</td>
<td>79.3%</td>
</tr>
</tbody>
</table>

Source: Schwartzman 2005; 11
The data presented in this section provides insight on the key problematic and theme of this thesis, the education/labour problematic presented in Brazil and its relation to Brazil’s CCT program, Bolsa Famillia. This data will be further analysed, discussed and synthesised with the debates presented in the Literature Review in Section 4: Analysis and Discussion.
Section 4: Analysis and Discussion

4.1 Education and Development

As seen in both the literature review and the empirical data, international importance placed on education has indeed increased in recent decades. The increased investment in education is seen on a global scale as evidence of this importance and has been notably more substantial in LDCs. Although the increased investment has not been monumental, it may show that more emphasis has been placed on education in the development process and poverty alleviation. This is shown in the proliferation of international programs such as the Millennium Development Goals (MDGs) and Education for All (EFA). There is little doubt that these programs, which are at the forefront of the development discourse, have been key in maintaining certain values like universal education. However, it is equally important to note that cynicism of such programs exist; and as seen in the statement provided in the literature review by Saith (2006), who offers the opinion that these programs are in fact a product of hegemonic ideals stemming from the West or MDCs. It is possible that there are limitations to these ideals, as they overshadow notions or values in development shared by the main recipients of these programs, LDCs. These massive programs attempt to instil regimens or remedies for issues in development; however, their success is variable and is unlikely to meet their goals.
The evolving conception of education in development is also seen in the development of theories and approaches outlined in the literature like the Human Capabilities Approach and the Human Capital Theory. Both of which provide varying frameworks to understanding education within human development. Both approaches have been widely used for monitoring and evaluating development, which is clearly demonstrated in the nature of the empirical data of this thesis. The HDI, a product of the capabilities approach, is a main feature in the UNDP’s annual Human Development Report, a dominant source for development data. The importance of the accumulation of human capital is also seen throughout the collected data.

A primary education indicator is enrolment, which both the literature review and empirical data show is highly correlated with development. The data shows that there has been an increase in enrolment globally of 8% since 1999 and in 2010, (excluding Sub-Saharan Africa) more than 90% of primary school aged children were enrolled. The data also shows, however, that there remains a great disparity between LDCs and MDCs. Interestingly, sub-Saharan Africa shows the lowest primary enrolment rates, below 80% in 2010. The region has shown some of the greatest improvement since 1999, by almost 20%. (See Figure 3.1.1 and Figure 3.1.2) This data is important to share as it offers insight into the more dire circumstances in the field of education and development. It is also important to note that these percentages account for many millions of children. Although percentages that seem low, they still account for large numbers of people. This data only accounts for primary school aged children, for which most international efforts have been made. As seen later on, it is in fact older children that now require substantial aide. This data shows the great disparities seen between genders, yet does not show the inequalities between younger children and secondary school aged children and the differences between children residing in urban areas or rural areas (See Figure 1.3.1).
With the data from section 3.1 and issues and debates outlined in section 2.1 of the literature review, 4 points are very clear. 1) Education has become substantially more important in the developing world, and is seen as an important part of the development process. 2) Human capital and capabilities are both common frameworks used when looking at education and development. 3) There have been some substantial improvements made in education globally, even in the most dire situations; and that there is still more to be done. And 4) Gender, income, location and age are all major determinants of enrolment and retention. Only a few of these elements are addressed by the MDGs and EFA, which are clearly not cure-all solutions.

4.2 Education and Working Children

White (1994) acknowledges the on-going proliferation of child labour, and as clearly seen in Figure 2.2.1, it exists almost everywhere in the world. This image provided by UNICEF’s Progress for Children report (2007; 43) distinctly shows that child labour is highly concentrated in Africa, Asia and Latin America, in short, the majority of the developing world. It is also notable that there is no data for most MDCs, which likely means that the instance of working children is minimal. White (1994) argues that this non-existence of working children in western-liberal democracies is due to the commonly shared western perception that child labour is morally wrong, a concept detailed in the literature review. Although many authors agree that current perceptions of child labour are highly influenced by western ideals, it’s necessary to point out that even in western society, older children participate in the labour force, most likely as part-time workers. An important distinction to make however, is that the working youths in MDCs are most likely (but not all) working to sustain their own economic interests, rather than those of their families, while in LDCs children are most likely working as a means of subsistence or supplementary income for their families. Essentially in LDCs, child labour may often be
necessary. By looking at the map of the world showing the instance of child labour (Figure 2.1.1), one can determine that child labour is most prevalent in LDCs, a deliberation also made by Jenson and Neilson (1997) and Brown (2001). Clearly, income and wealth, along with gender and location are determining factors in the enrolment of children in school. This is demonstrated in Figure 3.1.2, where data suggests that the majority of child labour between the ages of 5 and 14 is most common within the poorest 2 quintiles, and is significantly more common in rural areas. This is likely because of the prevalence of agrarian practices in rural areas. This figure also shows that, on a global scale, there is little difference in the instance of child labour between boys and girls. This does not mean, however, that gender that disparities do not exist, as gender values vary greatly around the world; nor is it a determinant of the kinds of labour performed by children based on gender.

In the empirical data, a report by the ILO shows the distribution of child workers based on sector and payment. This data shows that the majority of employed children work in agriculture (60%) and the majority of employed children are also unpaid family workers (67.5%). With this data, one can speculate that a large proportion of working children labour on family farms. This is notable because many children may work not only for economic need but also for the subsistence needs of their entire family, and it also may be an important determining factor for households in the decision to send their children to school or not.

In the literature review, White (1998) states that there are general assumptions that can be made about children working for their parents without pay, and those who partake in paid employment. Working for one’s parents, he claims, is generally seen as more acceptable and less harmful than working in large-scale enterprises for money. These assumptions may be based on the common understanding that parents’ are supposed to care about the well-being of their
children and not put them in harm’s way. They may also be derived from the idea that these children work for their families as a matter of survival, which overshadows the importance of school. In contrast, assumptions made about working for large scale enterprises or for money may stem from concerns about industrial labour, long hours and hazardous work and that these enterprises may care more about turning a profit than the well-being of their young workers.

Section 2.2 of the selected literature and section 3.2 of the Empirical Data show 1) that child labour is a prevalent issue around the globe, particularly in developing countries. 2) It manifests itself in many forms and is subject to societal values, which alter perceptions of it. 3) The instance of working children is linked to poverty, poor access and poor quality education. 4) Child labour is most prevalent in agrarian societies and is likely a means of subsistence for the household. And 5) child labour may not only be detrimental the health of a child, but may significantly alter their educational attainment and therefore future earnings.

4.3 Education and Working Children in Latin America

The Empirical Data Section 3.3.1 looks specifically at education in Latin America. Referenced in the literature review Rawlings (2003) suggests that CCT programs in several Latin American countries have been successful in promoting the accumulation of human capital through the improvement of enrolment rates, health and consumption. The data shows that enrolment in Latin America is at its highest, and disparities among the rich and poor in terms of education in general, have improved and in some cases such as Brazil, Honduras and El Salvador, quite significantly. Given that Latin America is one of the most unequal regions in the world, this is quite significant (See Figure 4.2.2).
In spite of these improvements, the literature and data show that the education systems in Latin America are still lacking in terms of quality. This is shown particularly through standardized testing. The study by Puryear and Goodspeed (2011) summarize findings from several national and international tests and find that Latin America is significantly behind in comparison to other countries. The anomaly in this case is Cuba, whose students scored quite well in comparison to global standards. Nearly 50% of Cuban third graders achieved the highest level in all subjects and only 5% at the lowest level, while almost 50% of other Latin American third grade students scored at the bottom for most subjects. This may be due to the fact that Cuba spends relatively more on education in comparison to other Latin American countries, thus improving educational quality. One of this issues with the data derived from standardized testing is the method itself. Standardized testing uses a strict process in evaluating children based on certain assumptions that do not account for unique culture, societal or individual norms and values. However, it is likely they are the most effective way of determining the educational attainment of students en mass even though there is probably and incidence of error because of these limitations.

Debate in the literature suggests that a the most plausible cause for child labour is not the lack of quality education or access to it, the data and literature show that poverty is the leading cause of child labour as the prevalence of working children is most highly concentrated in LDCs. In Latin America, 5% of all children are employed in some form of labour. It is likely that Latin America mirrors global trends in terms of child labour. For example, the majority of children work for their families, which is likely unpaid.

Psacharpoulos’ (1997) analysis of a Bolivian study outlined in the empirical section of this document is based on similar notion put forth by White (1998), that work is generally seen
as an inappropriate substitute for school. Psacharopoulos’ analysis estimates that working students are less likely to complete schooling and lag behind students who do not work. That being said, he concludes that working impedes a child’s ability to accumulate human capital. This is an important conclusion that offers insight for the research question of this thesis. It offers the idea that there often is no trade-off between school and work for children, however there is often a distinct correlation between the two.

As mentioned in the literature review by Pierik and Houwerzijl (2006), it is thought that if a child has to work and subsequently become poorly educated, they are likely to be employed as a low-paid, low skilled labourer as an adult. This notion reiterates the role that education and labour play in the intergenerational cycle of poverty, as a poor adult labourer may rely on supplementary income of their child to help support their family. In recent decades, one attempt to break this transmission of poverty has been prolific. If a child must work and go to school, he or she is possibly giving up some (but not always all) educational attainment which may aid in their progression into secondary and post-secondary education, adulthood and with that, a higher paying job.

Section 2.4 of the reviewed literature and Section 3.3 of the Empirical data suggest that 1) Despite recent improvements in enrolment and retention, Latin American students are lagging behind. 2) Disparities, similar to those on a global scale, exist within education systems within the Region. 3) Child Labour in the region also follows global trends, as it is likely caused primarily by poverty, then limited access to poor education. 4) The trade-off between school and work is better described as a correlation or relationship because it is more common for children to attend school and work, rather than just exclusively one or the other. 5) This common
combination of these two concepts results in many Latin American students lagging behind in school even more.

4.4 Conditional Cash Transfers and their implementation in Latin America

Based on the data and with reference to the Literature Review, there is no question that Conditional Cash Transfers have become an immensely popular form of social assistance in the developing world, most notably in Latin America. (See Figure 3.3.1) In response to high levels of poverty, poor healthcare, low enrolment rates and in some cases, persistent child labour rates, the majority of Latin American countries adopted some form of conditional cash transfer program as a cornerstone of their poverty alleviation strategies. As shown in Figure 3.3.2, CCTs can contribute greatly to household income, thus likely improving consumption. The flaw in focusing on consumption is that, despite the conditions required with the transfers, governments cannot control everything that a family purchases. By targeting the female head of household, governments are likely relying on assumptions based on gender specific values to head desire consumption outcomes. For example, they may hope that by giving women the stipend as opposed to men, the money will be spent on goods to benefit the household such as nutritious food, school supplies and clothing for their children.

In the literature review, most authors agree that CCTs have, for the most part been successful in improving enrolment rates in the region. As previously mentioned, a common feature for CCTs is an educational conditionality, that requires children to attend a minimum amount of time at school in order for their families to receive a monthly monetary transfer. Ponce and Bedi (2009) state that CCT programs have improved school enrolment and attendance, however, evidence from Mexico, Nicaragua and Colombia show varying results after
the implementation of such programs. This variable may be caused by social, cultural and economic differences, as well as the design and implementation of each program.

Skoufias et al. (2001) argue that increased school attendance not necessarily causes a reduction or change in intensity of child labour. Their argument is backed up by evidence from Colombia’s CCT program (FA) outlined in the empirical section. Attanasio et al. (2010) estimate that FA had a positive effect on school attendance but little change on the allocation of time spent working. This data shows that although conditional cash transfers may be successful in promoting school enrolment and attendance, they are not a cure-all remedy and do not solve the education/child labour problematic, they simply change the allocation of time, and as some evidence suggests, not by much.

Section 3.3.3 of the Empirical Data and Sections 2.3 and 2.4 conclude that 1) Conditional Cash Transfers are not only immensely popular, they are also commonly seen as successful social safety nets and break the intergenerational cycle of poverty. 2) The most common critique is that they are often not backed up by suitable government spending on social services. 3) They have been attributed to the improvement of enrolment and retention rates in the region, as well as a reduction in income inequality. 4) They have been attributed to the reduction of child labour in the region, however, as many authors note, there has not so much been a reduction in child labour as a change in the allocation of children’s’ time. 5) The results for both education and child labour in relation to CCTs vary substantially in the Region.

4.5 Education, working children and conditional cash transfers in Brazil

Brazil is a massive country, both in landmass and in population. It is both a major economic power in Latin America, and has high levels of poverty. This is manifested in the
deplorable income inequality, as shown in the empirical section. It is the seventh most unequal country in the world in terms of wealth, with a large proportion of the population living in poverty. Interestingly, despite these inequalities, Brazil is still thought to have ‘high human development’, with an HDI of 0.73. However, when factoring in inequality, this HDI (IHDI) falls to 0.531, similar to other countries in the region. This drop is most greatly seen in both inequality in income and inequality in education. Simply for the purpose of comparison and to offer an idea of where Brazil stands globally in terms of HDI, Canada’s HDI is currently 0.905 and is one of the highest in the world, the Democratic republic of the Congo has one of the lowest at 0.466. (UNDP country profiles) In comparison to both of these countries, Brazil’s IHDI is closer to lower human development than very high human development.

As Draibe (2004, 380) and Hunter and Sugiyama (2009) argue in the literature review, education is Brazil has not been a major priority for the Brazilian government. However, in recent years, more effort and expenditure has been put forth to remedy this. Although expenditures have been minimal, enrolment rates have seen an improvement. The data show that in both primary and secondary age groups, enrolment has increase substantially since 2001. An important deduction derived from enrolment and attendance data is the disparity amongst age groups. These rates are significantly higher in primary aged children in comparison to secondary aged children, which will be discussed in greater detail later in this analysis.

As a comparison to Brazil, Cuba may be used as an example in relation to spending on and value of education. Regardless of improved enrolment and minimal increases in expenditures, Brazil’s education system is seriously flawed in terms of educational quality; particularly a country in the OECD. Puryear and Goodspeed (2011) deduce that over 50% of Brazilian students scored below the lowest level in math and science. Brazil performs more
poorly than Mexico, Argentina, Chile and Uruguay. One would assume, that a country that appears to be faring comparably well economically, would achieve better educational attainment from their students. As mentioned before, educational quality and accessibility is only one reason for lower enrolments and dropouts. Birdsall and Sabot (1996; 35) suggest that poverty is a major underlying factor. They estimate that the income of poor families is so low that they are hard pressed to keep their children from entering the labour market and in school. They also determine that the quality and quantity of schooling being offered is not enough to allow them to compete successfully in the labour market. This statement may have been written in 1996, but judging from the most current data available, it may still hold true.

The data shows that 6.8% of the population of children in Brazil participate in some form of child labour, this number may not seem extraordinarily high but given that the population of the country is in the vicinity of 200 million, this small percentage accounts for about 2.2 million children. According to a recent paper from Understanding Children’s Work (UCW), Brazil has made progress in reducing child labour rates. This is largely attributed to increase household income over the past few decades. The data shows that from 1992 to 2004, there has been a decrease in child labour by 11%. According to several authors cited in the UCW paper, data from this thesis and debates from the literature review show that as long as poverty remains a pervasive issue, it is likely that child labour will as well, as they are thought to have a negative relationship. An aspect that has not been discussed in depth in this thesis but my be important in making firm conclusions, is the societal and cultural values associated with child labour that remain untouched by the influences of cash transfer payments and improved education systems.

The data illustrates however that income is not the most common determining factor for most cases of child labour. Seen in figure 4.3.1, unpaid household labour is the most common
form of child work. Agriculture also accounts for the most common sector for child labour and child labour is more prevalent in rural areas. As assumed previously in this discussion, it is possible that many children partake in family farming and subsistence practices. It is deduced however, that urban children are more likely to work in the formal sector rather than with their families. Data also shows that these regional disparities are quite pronounced. Figure 4.4.1 shows that children in the North and Northeast regions of the country are more likely to work than those in other areas. This is important to point out because those regions are the poorest and most agriculturally driven regions in the country. Interestingly, the enrolment rates for all regions varies very little, however the child labour rates vary substantially, suggesting that in regions where child labour is more prominent, it is also more common for children both work and go to school.

As seen in the literature review and data provided by Psacharpoulos (1997), there is the understanding that working is detrimental to the educational attainment of children. Data analysed by Bezerra, Kassouf, and Arends-Kuenning (2009) (as cited by UCW, 2011) reiterates this idea. Their analysis shows that educational achievement is higher for students who do not work. The repercussions of child labour do not stop there. According to Emerson and Souza (2003), data suggests that there is a strong connection between the intergenerational cycle of child labour amongst Brazilian and educational attainment of the parents and how young they were when they entered the work force. Another study by Emerson and Souza (2007) suggests that the younger children are when they enter the work force, the less they will earn as adults. Both concepts can be associated to the cycle of poverty, referred to by Psacharpoulos (1995-7). Brazil is not exempt from suffering from this cycle of poverty. Even in MDCs there is difficulty for many children to break from the poverty from which they were born. A key difference is that
for many children in LDCs, such as Brazil, have much more limited choices and opportunities influenced by gender, location and income.

In attempts to address this issue, over the past few decades, Brazil has implemented various CCT programs. One is PETI, focused in rural areas and the most extreme forms of child labour and Bolsa Escola, geared towards improving enrolment and retention at a national level. Both require school attendance as a primary conditionality and both have been seen as relatively successful. In 2003, both were absorbed into Bolsa Familia, Brazil’s national CCT umbrella program.

In the literature review, Hall (2008) and Soares, Ribas and Osario (2007) confer that Bolsa has contributed to the reduction of income inequality and have improved the provision of healthcare and education. However, they both remark that these successes are inconsistent based on regional disparities. They also agree that the success of the Bolsa is limited because without the proper investment in social services and improved implementation, it will be more difficult for children to break out of the cycle of poverty. Soares, Rubas and Osorio (2007) add that despite these critiques, there has been an improvement on the household expenditures on basic goods and services such as food, education and children’s clothing. The data suggests that these arguments hold true. For example, enrolment for boys increased by 14.1% from 1992 and 2001 and enrolment for girls increased by 10.7% in the same time frame, which matches the time line of the implementation of Bolsa Escola and PETI. Glewwe and Kassouf’s (2012) analysis also shows that there were noticeable decreases in dropout rates and increases in grade promotion during a similar time allowance. An IPCE study concludes that children benefiting from Bolsa were 4% more likely to fail to advance than children not benefiting from the transfer program. (Soares, Rubas and Osorio 2007)
Not only was there an improvement in education seen with the creation of the Bolsa, there were also positive outcomes associated with child labour. Between 1992 and 2001, child labour dropped by 6% for girls and over 12% for boys. This IPCE study (Soares, Rubas and Osorio 2007) suggests that because the change was more dramatic in families where the head of household had less than three years of schooling that the changes occurred among the poorest families. This study also finds that as a result of Bolsa transfers, there was a mild decrease in the incidence of a child only working and a more substantial increase in the combination of school and work. (21) This correlates with the sentiments expressed in the literature review by Gamilin and Pastor (2003) who found that children were spending less time working, however the change in child labour was not significant compared to the increase in enrolment, suggesting that the combination of school and work increased.

The study conducted Schwartzman (2005) referred to in the Empirical Data, participation in Bolsa Escola led to slightly higher enrolment rates. As shown in table 4.5.1, the most notable difference in attendance between beneficiaries and non-beneficiaries is when no days of school were missed and when they do not attend at all. This study also offers data on the main reasons why children do not attend school. Interestingly, the main reason is not child labour. Apart from illness, the primary reason for children not attending school is the lack of a teacher. Other major reasons were lack of transportation and simply not wanting to go. That being said, working and domestic activities did account for a considerable percentage of reasons for missing school. The difference between Bolsa beneficiaries and non-beneficiaries working or looking for work instead attending school is 1.6% higher for non-beneficiaries. It may be a marginal increase but still suggests that the Bolsa stipend may influence households to send their children to school instead of paid work. As mentioned previously, recipient households receive 15 Reals (US$7.50)
per child a month for a maximum of three children if they attend school regularly. Perhaps this meagre stipend was enough to pull some children out of the work force and put into school. Students who do benefit from Bolsa missed school 1.4% more than non-beneficiaries to help with domestic activities. Again, this is a marginal difference, however, it may suggest that the stipend does not deter households from keeping children at home to fulfil necessary tasks for the betterment of the family. (See Table 4.5.2)

As seen in previous data, secondary school aged children are less likely to attend school and more likely to work. Schwartzman’s (2005) analysis in the Empirical Data shows that children who combine work and school attend school less frequently than those who do not. This likelihood also increases significantly as children get older. (See Table 4.5.3) There is no surprise the labour rates rise as children get older, because as mentioned before, even youths in MDCs work part time. However, most of them do not give up there schooling as the youths in Brazil seemingly do.

Brazil and Bolsa Familia present an interesting and complex standpoint from which to view the relationship of child labour and education. This analysis and discussion will be summarized in the following section (Section 5) and from this, conclusions are drawn and recommendations are made.
Section 5: Conclusions and Recommendations

Education is now a driving force in many developing processes, whether viewed from the standpoint of human capital theory or the capabilities approach. Substantial progress has been made in improving education globally. However, the lack of quality education or access to schooling are prevalent issues, particularly in relation to child labour, which is also correlated with poverty. Not only is child labour associated with these issues, it is also thought to be detrimental to academic achievement and future earnings for individuals. This relationship between school and work, previously assumed in this thesis as a trade-off, is better described as a correlation. To address these and several other development issues, such as health, many countries have implemented innovative social safety nets, conditional cash transfers. These programs are thought to reduce child labour, improve enrolment and retention rates, reduce inequality and alleviate poverty.

From looking at the empirical data and the reviewed literature, one can conclude several things in relation to the research question; what is the trade-off between education and child labour in relation to Brazil’s conditional cash transfer program, Bolsa Familia? 1) Despite recent economic growth and improvements in development, Brazil still suffers from poverty and most notably, inequality. 2) Brazilian students are enrolling and attending more school, however they perform poorly on international standardized tests, suggesting that educational quality is lacking in the country. 3) Similarly to the rest of Latin America, poverty is the primary reason for child
labour, however, poor quality education, the lack of resources and poor access to education may also be contributing factors. 4) Bolsa Familia and associated programs, PETI and Bolsa Escola, have contributed to the reduction in child labour and the improvement in enrolment and retention rates. 5) However, working children are also thought to perform worse in school, drop out earlier and earn less as adults. 6) Secondary school aged children are far more likely to work than primary school aged children. 7) And finally to answer my research question specifically, the trade-off is not as black and white as I originally assumed, education and child labour are, for the most part, not substitutes. Bolsa Familia is attributed to some reduction in the instance of child labour and a greater increase enrolment and attendance; therefore many children are likely combining both school and work.

These conclusions may lead to three potential choices for households. The first would be to send their children to school and not expect them to work and receive a modest monthly stipend per child. This is most often the case. The outcome of this may be that there childrens’ educational achievement would be higher than it would be if they did not attend school and only worked or combined the two. This may also take away from essential subsistence labour that needs to be done in the household, for which the stipend does not cover. The education they are receiving however is not great relative to other education systems in the region and other OECD countries.

The second outcome would be to send their child to school and expect them to work so the household would benefit from both the stipend and the contributions of the child’s work. This combination may lead to a lower educational attainment for the child and may increase the likelihood of dropping out of school. This is most often the case for working children.
The third outcome would be if the child only worked and did not attend school at all and the household would not receive any stipend, only the benefits accrued from the child’s work. They would receive no formal education and therefore are the most likely to perpetuate the intergenerational cycle of poverty, as they are the most likely to receive lower wages as adults and may not accumulate enough human capital to compete in the labour market.

One recommendation in terms of deterring child labour, is for the Brazilian government to improve the accessibility and quality of education offered to students and increase the Bolsa stipend for school attendance. However these actions may prove extremely difficult due to the immense regional disparities and decentralization of the municipal governments. It is also possible that these changes would not affect the outcome of children working or going to school because of the deeply embedded values of the population.

If combining school and work is necessary, it would not only be beneficial to improve the quality and access to education but perhaps for older students, offer programs that are relevant to their work. This approach would allow children to use their labour as an educational tool so that they may improve their skills and knowledge in that field, which may provide an incentive to stay in formal education to learn the main core competencies such as reading and math. It is also possible for municipal governments to implement a different school schedule based on agricultural work of households as seen in other regions of the world. This may allow children to participate in subsistence labour and optimize their potential educational attainment.

The main lessons learned from this focus on Brazil are that poverty and underdevelopment are key factors in educational quality and the instance of child labour. Work can lower the educational attainment of a child, whether they attend school or not. And, despite
varied results, conditional cash transfer programs such as Bolsa Familia, can be effective in improving educational enrolment and retention and in some cases can deter children from working. However, these monthly stipends are not enough to achieve desired affects, to build the human capital of a society. To be truly effective governments must refocus and invest in quality services to provide to their populations.
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