

3ie-IFPRI Joint Seminar: Fairtrade Labelling and Child Labor in the Birthplace of Arabica Coffee: Evidence from Ethiopia

[Jose Galdo](#), Associate Professor at Carleton University, presented the paper “Fairtrade Labelling and Child Labor in the Birthplace of Arabica Coffee: Evidence from Ethiopia,”- which, he co-authored with Ana Dammert and Degnet Abebaw – at the [3ie-IFPRI joint seminar series](#) in Washington D.C. on May 12. The study, part of a larger research project around Fairtrade cooperatives, sought to determine whether administering an employment survey to children will result in a higher and more accurate account of time spent doing child labour than asking the head of household. The survey was designed with eleven questions about child farm and non-farm labour activities, aimed to be comprehensible to both children and heads of households.

The study targets the Fairtrade smallholder coffee farmers, as the programs include several mechanisms to dissuade child labor. Because of these mechanisms, heads of households may underreport the use of child labour on their farm. The authors randomly assigned some farmers to a treatment group to have the child labour survey completed by each child aged 6-14 within the household, while the control group followed the standard practice of having the head of household complete the survey.

The results of this study indicate a higher reported incidence of child labor in the treatment group of smallholder coffee farms, with strong gender heterogeneity. In the treatment group, 49.9% of respondents claimed to have worked, whereas the control group reported 43.1% child labour participation, this was statistically significant at the .05 level. Girls underreporting drives these results. While Galdo et al. find no statistically significant difference in labor in boys reporting, girls in the treatment group were 9% more likely to report working than those in the control. Galdo speculated that this difference may be the result of traditional norms of patriarchy by which work and social lives are separated by gender, meaning that girl’s work is directed by women and often goes unnoticed by head of household respondents. The researchers investigated other variables such as religion, women’s empowerment and social capital, but none of them explained the difference in reporting.

[Kimberly Elliot](#), Senior Fellow at the Center for Global Development served as the discussant for the seminar. She noted the absence of a traditional control group, measuring non-cooperative farmers, in the study. She also mentioned the gap between underreporting and lack of knowledge about being in a Fairtrade cooperative. She specifically highlighted that there was no relationship between knowledge of being in the Fairtrade program and underreporting of child labour statistics by heads of households, a major limitation of the study. The audience voiced concerns about the practical policy implications of this study since some limited form of child labor is permissible under ILO regulation and Fairtrade standards, as long as it does not affect their health and personal development or interfere with their schooling. Dr. Galdo stated that his study adds to the body of knowledge on child labor statistics, specifically in Ethiopia, which has one of the highest child labor rates in the world. Ethiopian child labor is almost exclusively as a result of the coffee cultivation industry, which accounts either directly or indirectly for the earnings of approximately 25% of the population. He suggested further research to better measure child labour statistics be conducted in the future.